

MINUTES OF THE MEETING  
FINANCE AND CLAIMS COMMITTEE  
MONTANA STATE SENATE

March 8, 1979

The ninth meeting of the Finance and Claims Committee met in room 108 of the State Capitol Building on the above date. Senator Himsl, Chairman, called the meeting to order at 11:05 a.m. to hear House Bills 377 and 771. Senator Himsl passed out a schedule of hearings for reports from the subcommittees as follows:

Saturday, March 10, 8 a.m., room 104: Agency II.  
Monday, March 12, 8 a.m., room 104: Legislative, Judicial, Adm.  
Tuesday, March 13, 8 a.m., room 104: Human Services  
Wednesday, March 14, 8 a.m., room 104: Institutions  
Thursday, March 15, 8 a.m., room 104: Education.

ROLL CALL: All members present except Senator Story.

CONSIDERATION OF HOUSE BILL 771: Ann Mary Dussault, Representative from District 95, Missoula, explained the bill. She said this bill was at the request of SRS., and gave a copy of her testimony, attached, exhibit 1.

Mrs. Judith Carlson, Deputy Director with SRS said the purpose of the bill is to clarify the duties of the director. The law could now be interpreted two ways, and in a time of short money we did not need to have charges brought on legality.

Glen Drake, Montana Nursing Home Association, said members of nursing homes have been involved in the funding of SRS in the last couple of years. Classification is needed and is necessary. This is the appropriate way to set the priorities, and should relieve some of the problems.

There were no further proponents, no opponents, and questions from the committee were as follows:

Senator Aklestad: This will not in effect, put the legislature in to administering law rather than legislative law will it?  
Ans. Rep. Dussault: No, I do not think so. It puts the dollars there, and where they should go as the responsibility of the legislature, where it should be. In the event there is not enough money, then the agency or Department carries out the directive.

Senator Aklestad: You mean line item it? Rep. Dussault: The dollar amount in the program as it is. In addition there would be language inserted to the effect that in the event that these dollars are not sufficient your first priority would be to eliminate -----; your second priority would be to eliminate -----; and your third would be to eliminate -----; etc. This would be outlined in the bill itself and not left for them to try to interpret.

Senator Aklestad: How are the priorities set, and when? Ans.

The priorities will be submitted to the committee for consideration, and then recommendations on the floor.

Senator Smith: This means they must set their level within the budget of the Legislature. Then we do not come back two years later and find a large supplemental.

Representative Dussault: That is clearly the intent of this bill. We could argue forever over the cause of it this year, Under the statutes, any decision they made could be challenged.

Senator Smith: I believe it is complimentary to my Senate Bill 319. I think it would work out some of the problems we have experienced in supplementals.

Senator Thiessen: Last time we made the appropriation --at the end of the session the head of the Department came to him and said he thought the department had adequate funds; but in Sept. 1977 it became apparent that they were spending their funds and would be out in 18 months. Senator Thiessen said he had gone to Jim Flynn about the problem. Doesn't the administration have the authority to do this now? Ans. Judy Carlson: The question is: Would we take it out of the medically needy first, or would it be department by department.

Senator Thiessen: We would make the priorities even though we thought they had plenty of money? Ans. Yes.

Senator Aklestad: Wouldn't that be the duty of the administrator? Isn't that what we are paying them for? They should set the priorities in their own division. Representative Dussault: The budget process provides for part of that. They recommend and it goes to the governor's budget then to the legislature. The difficulty comes when we act on that. The Dollars are our interpretation. If it turns out during the interim that they need increases, it should be an administrative decision as how to handle it. The way it now reads we are giving them a duplicate message. We say this is your duty, but here are the guidelines. You follow them.

Senator Smith: One of the prior problems was improper data. Do you feel this time that you are up on the program and a more proper data can be set? Judy Carlson: Other things would have an impact on the state that we are unable to anticipate, but certainly feel we are getting better data.

Senator Himsel: The legislature would establish the priorities in the appropriation bill. They would be in the area of category, not in detail. Representative Dussault: Medically and categorically--Within those categories, not the specific services needed. We could very easily say "in the event money was not sufficient, all services are stopped" this is extreme, but an example of what could be done.

Senator Himsl: Do you mean we would make out the laundry list depriving the administration of making a decision? Representative Dussault: In the back of the Governor's book there is an example--We would set a progression of elimination of those services, either categorically needed or medically needed.

Senator Smith: This wouldn't give the Department a chance to exceed the legislative appropriation. After last session those providing for foster care--one group got more money, and one got no more. Representative Dussault: This addresses another problem, and I just happen to have a bill to take care of it.

Hearing closed.

CONSIDERATION OF HOUSE BILL 377: Representative Nathe explained the bill as a bill which would set priorities for the Soil Conservation Service to conduct their soil surveys and mapping. He said this bill had been sent back from third reading because it could require general fund money from the state, and they had prepared amendments which would eliminate that and remove any necessity or possibility of state money, exhibit 2 attached. Proposed amendments attached, exhibit 3.

Representative Nathe said the SCS had the obligation to carry out, on a national scale, the whole United States. They had expected to be done by 1990, but have over 50 million acres still to be done. They want a soil committee to try to prioritize where the SCS should concentrate its efforts to accelerate the program in the state. He said only by mapping and testing the soils could the prime land be identified for other groups to use for a land use policy. He said the SCS does none of this, only identifies the soils.

Dennis Reber, Montana Association of Realtors, said subdivisions are taking up to 150 acres, with no consideration of soils. It would allow the developer to do a better job. We support it.

Gordon McGowan, Montana Railroad Association, said they support the bill. He felt the amendments would clear up some of the objections he heard on the floor of the Senate. He said between 1967 and 1975 there has been 23 million acres of good agricultural land gone out of production in the United States.

Mons Tiegen, Montana Wool Growers Association, Stockgrowers, Grazing Districts, spoke in favor of the bill, saying it is long overdue.

Peter Jackson, Montana Trade Bureau and National Farm Organization, Farm Bureau, said he favored the bill.

There were no further proponents, no opponents to the bill. The hearing opened for questions from the committee.

Representative Nathe gave out one more handout, exhibit 4, and said this would get the state into some of the priorities.

Senator Thiessen, to Gordon McGowan: You represent the railroads. Is this going to help you from using prime farm lands for the railroads? Answer: If you are going to build a railroad to a coal field for example, you might have to go through it, but it should not circumvent any other land.

Senator Thiessen: You should have had someone from the Highway Department here. Representative Nathe: Generally it has been up to the local area to fight and try to get them to stay off prime farm land. This would give an official mapping of the land.

Senator Stimatz, to Ted Doney: How does your department cooperate with the SCS? Would it be a burden? Doney: We support the legislation 100%, and would like to work with them.

Senator Nelson: Is the Great Plains under SCS yet? Representative Nathe: The Great Plains Program--it is administered by the SCS in the United States. About 25 million--I think. They use this information all the time in the Great Plains Program. It is a special program started under the dust bowl of the 30's to save the land. Senator Nelson: Under the Department of Agriculture, weren't they going to combine the Great Plains and the SCS: Representative Nathe: Are you referring to the ASCS cost sharing program? I would assume they had a separate program and kept it separate. It was determined in Washington. Senator Nelson: What prevalence of the Great Plains Program will go into this program? Representative Nathe: None. The Great Plains is a program administered by the SCS exclusively. ASCS is administered from a separate branch. The engineering of the cost sharing program is done on a contractual basis on these programs by ASCS or SCS.

Senator Boylan: On line 18 a, "making wise land use decisions." Are we getting into land use planning? Nathe: That is part of the reason for introducing the bill--it is only a reason for the survey, we are not in land use planning.

Senator Akelstad: Felt the same as Senator Boylan--How would you propose change on--for example--a house being built in a meadow rather than on a hill? Representative Nathe: That is no concern of ours in this legislation. It is only the soil survey and mapping that we are involved in. Someone else in the future can make better decisions as a result of our mapping.

Senator Himsel: Who is going to pay for this? Private sources and federal sources? Representative Nathe: At the present time the Old West Region Commission, consisting of 5 states, is helping with this, B.N. Railroad, Bureau of Land Management, and Bureau of Indian Affairs are some of the sources.

Senator Himsl: This survey of land is private and public land, what about the forest service? Representative Nathe: The federal agencies have to have agreements between each other. Before SCS can do anything on the forest service land they have to have permission from the forest service.

Senator Akelstad: What authority does any agency have to go on private land to do the survey? Representative Nathe: They have had this permission since the 30's. Permission was granted from the federal government back when the land was blowing away. That is when the conservation program started working. Senator Nelson said this is the National Cooperative Soil Service Program and they have had this permission for 35 years.

The hearing was closed.

Senate Bill 771 will be held over and acted on at a later date.

DISPOSITION OF HOUSE BILL 377: Motion by Senator Thiessen that House Bill 377 BE CONCURRED IN. Discussion held--A substitute motion by Senator Boylan to amend line 18 was discussed and then withdrawn. MOTION by Senator Fasbender to adopt the amendments as presented and discussed. (copy attached). Voted and passed. MOTION by Senator Thiessen that as amended, House Bill 377 BE CONCURRED IN. Voted and passed. Senator Smith to carry the bill.

It was decided to hold Senate Bill 372 since we were not ready to act on it.

DISPOSITION OF HOUSE BILL 445: Summed up by Senator Himsl as the bill which increases the public employees retirement. Payment to come from the investment of Social Security funds, from the interest earned.

MOTION by Senator Stimatz that House Bill 445 BE CONCURRED IN. Voted and passed, bill to be carried by Senator Stimatz.

With the decision to hold HB 771 and SB 372 over, a motion was made to adjourn. Meeting adjourned at 12:08 a.m.

  
Senator Himsl, Chairman

## ROLL CALL

## SENATE FINANCE AND CLAIMS COMMITTEE

46TH LEGISLATIVE SESSION 1979

Date 3-8-79

NAME	PRESENT	ABSENT	EXCUSED
SENATOR HIMSL	✓		
SENATOR STORY		✓	
SENATOR AKLESTAD	✓		
SENATOR LOCKREM	✓		
SENATOR ETCHART	✓		
SENATOR NELSON	✓		
SENATOR SMITH	✓		
SENATOR BOYLAN	✓		
SENATOR REGAN	✓		
SENATOR FASBENDER	✓		
SENATOR THIESSEN	✓		
SENATOR THOMAS	✓		
SENATOR STIMATZ	✓		

TESTIMONY BEFORE THE SENATE FINANCE & CLAIMS COMMITTEE  
3/8/79 - 11:00 a.m.

HOUSE BILL 771: A bill for an Act Entitled: "An Act to Require the Department of Social and Rehabilitation Services to Follow Priorities Established by the Legislature when there are Insufficient Funds to Provide Medical Care for all Eligible Persons, Amending Section 53-6-141, MCA."

The purpose of House Bill 771 is to clarify the Department's duties regarding the elimination or reduction of Medicaid services. At present, the language describing the department's role is unclear and could be interpreted in two ways.

The Medicaid program is funded by a combination of state monies and federal matching funds. Medical services are provided for two groups of people: the "categorically needy" and the "medically needy."

Basically, a categorically needy person is anyone who receives federal financial assistance or who might be eligible to receive federal financial assistance. Thus, the "categorically needy" includes anyone receiving or eligible to receive benefits under AFDC, SSI or other federally assisted welfare programs.

A medically needy person may have a higher income and more resources than a categorically needy person. Yet, a medically needy person's income and resources must still be insufficient to cover the costs of necessary medical and remedial care and services. In Montana, the medically need are often elderly patients in nursing homes.

If the state is a participant in the federal Medicaid program, then it must provide a certain mandatory level of services to the categorically needy. Services to the medically needy are optional, but if provided, must meet certain guidelines to qualify for federal funding.

The section of Montana law that House Bill 771 proposes to amend refers to the department's priorities concerning the medically needy and the categorically needy in the event that certain Medicaid services are eliminated. As the law currently reads, the Department's ability to implement Medicaid cuts could be interpreted in two different ways: 1) Eliminating all services to the medically needy before eliminating any services to the categorically needy or, 2) for any particular service, eliminating the medically needy before eliminating the categorically needy.

This section should be stated more plainly so that obligations are clear in this matter and the possibility of legal challenges concerning our responsibility in implementing Medicaid cuts are avoided.

House Bill 771 proposes that the Department follow legislative priorities concerning Medicaid cuts. Language describing the Legislature's intent can be inserted into the appropriations bill every two years, thus providing the Legislature and the Department with the ability to respond to changing needs.

March 8, 1979

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HB 377 - MONTANA SOIL SURVEY ACT

The Montana Soil Survey Act is a means whereby the survey and mapping of the state's soil resources may be accelerated and funded. Because Montana's soils are one of its most basic and precious resources, we feel that detailed knowledge is essential for wise decisions regarding land use, preparation of plans for cities, towns, planning boards and developers, design of buildings, highways, recreation areas and protection of lands for forests, range and agricultural uses. HB377 will accomplish this purpose by directing the Dept. of Natural Resources and Conservation to develop a soil survey plan in cooperation and according to the standards of the National Cooperative Soil Survey Program and the Montana State Agricultural Experiment Station.

Surveying of Montana's soils has been accomplished to a limited degree over past decades. It has been a slow process. Out of 92,000,000 acres in Montana only 39,600,000 acres have been mapped. This amounts to only 43% of Montana's land. Survey work on just this acreage alone has taken 40 years to complete. As of 1978, soil surveys have been completed and published for only 13 of Montana's 56 counties. We have yet to survey and publish mapping of 52,000,000 acres. At the present rate of mapping, this important task will require 26 more years to complete.

State agencies are dependent upon soil information maps. Examples of these agencies are:

Dept. of Highways--for use in acquiring right-of-way.

Dept. of Agriculture--delineation of prime agricultural lands and saline seep areas.

Dept. of Health--water quality work.

Dept. of State Lands--use in farm land information and mined land reclamation.

Dept. of Fish and Game--delineation of wetlands.

DNRC--determination of:

water rights

utility siting considerations

conservation districts

state forest land

oil and gas production and reclamation of these lands.

Montana School of Mineral Science and Technology--determination of groundwater supplies.

In the past, funding for soil surveys and mapping has been provided by various governmental entities, agencies and businesses. Some of these are:

Individual counties: for example, Madison Co. has provided \$20,000 for this work.

Industry: Burlington Northern Railroad has provided money for survey work.

Old West Regional Commission--granted funds.

Bureau of Land Management

U. S. Forest Service

Bureau of Indian Affairs--mapping of various lands on Indian reservations.

Special Federal appropriation for coal lands (Fort Union).

Soil Conservation Service: funds provided for national soil survey of private lands.

Montana Agricultural Experiment Station.

Coordination of effort to make possible an early completion of the soil survey program as proposed in HB377 should be made a high priority for a variety of reasons. Agencies which will reap benefits from a completed soil survey need to be involved in such a program. Some of these are:

Dept. of State Lands

Dept. of Fish and Game

Dept. of Agriculture (forest lands)

Dept. of Institutions

Corps of Army Engineers

Bureau of Sport Fisheries and Wildlife

Bureau of Indian Affairs and various tribal councils

Bureau of Reclamation.

HB377 is a bill which will solve problems by completing this unfinished task and accelerating the soil survey program in Montana. The benefits of this work will be available directly and indirectly to all people in Montana. We feel passage of HB377 is very necessary. The need for soil information is increasingly important when we consider the clamor for and public interest in answers to this question: "What will be done with Montana's land?".

3  
PROPOSED AMENDMENTS TO HB 377  
Representative Nathe

1. Title, line 6.

Strike: "MASTER"

2. Title, line 8.

Following: "FUNDS"

Strike: "THAT MAY BE APPROPRIATED"

3. Title, line 9.

Strike: "MASTER"

Insert: "SOIL SURVEY"

4. Page 2, lines 4 through 6.

Following: "mapping"

Insert: "program"

Strike: remainder of lines 4 through 6 in their entirety

5. Page 2, line 9.

Following: "develop"

Strike: "and implement a master"

Insert: "a"

6. Page 2, line 14.

Following: "The"

Strike: "master"

Insert: "soil survey"

7. Page 2, line 20.

Following: "The"

Strike: "master"

Insert: "soil survey"

8. Page 3, line 1.

Following: "shall"

Strike: "implement"

Insert: "oversee"

Following: "the"

Strike: "master"

9. Page 4, line 8.

Following: line 7

Strike: "IMPLEMENTATION"

Insert: "oversight"

Following: "THE"

Strike: "MASTER"

10. Page 4, line 22.

Following: line 21--

Strike: "and employ"

Amendments to HB 377

Page 2

11. Page 4, line 24.

Following: "implement a"

Strike: "master"

Insert: "soil survey"

12. Page 5, lines 10 and 11.

Following: "(1)"

Strike: "All funds appropriated by the legislature to accomplish the purpose of [this act] AND"

13. Page 5, line 13.

Following: "develop a"

Strike: "master"

14. Page 5

Following: line 14

Insert: "(2) Upon completion of the soil survey plan, all remaining funds identified shall be used for the purpose of accelerating the completion of soil survey and mapping program."

STRIKE Sec. 6

# TAKEN FROM SCS. ANNUAL REPORT 1978

## Soil Surveys

Over 53 SCS directed soil scientists continue to inventory and map the state's 750 soils. This information is invaluable to farmers, ranchers, city dwellers, and government officials who make landuse decisions based on the best use or limitations of the soil.

With the publication of the Big Horn County Area Soil Survey in 1978, modern published soil surveys in Montana now number 13. Eight of these have been published since 1971.

The completion of field work in Fergus County in 1978 means that seven other soil survey areas are in some state of publication. Five of these should be published in the next three years. Three new soil surveys were started in 1978; there are now 12 active soil survey areas in Montana.

In addition, a special team of SCS soil scientists completed a reconnaissance soil survey of 750,000 acres of public land administered by the Bureau of Land Management in Phillips County. This survey will greatly help the eventual detailed soil survey of that county.

1978: 1.9 million acres mapped

To date: 39.6 million acres mapped

IN 40 YEARS

**BILL**

SENATE

### COMMITTEE

## VISITORS' REGISTER

DATE

38

NAME	REPRESENTING	BILL #	(check one) SUPPORT	OPPO
Play Conover		377		
Gordon McDowell	Mont RR association	377	—	
Hayden Engman	Self			
Tim Hill	Rep Hill	377	✓	
Ted Dorney	DNRC	377	—	
Don MacIntyre	DNRC	377	✓	
Peter Jackson	Water - Ward	377	✓	
James R. Dunn	Mont. Assoc. RR. Owners	377	✓	
Leroy L. Carson	SBS	771	✓	
Paul Hansen	Mont. L. D.			
Mike Tegner	Mont. Watermen & Shrimpers	377	✓	
Allen Drake	Mont. Hunting & Fishing	771	✓	
Bob Thompson	Mont. Game & Fish	377	✓	

# STANDING COMMITTEE REPORT

March 8

19 79

MR. President

We, your committee on Finance and Claims

having had under consideration House Bill No. 377  
Sather (Ed Smith)

Respectfully report as follows: That House Bill No. 377  
third reading bill, be amended as follows:

1. Title, line 6.

Strike: "MASTER"

2. Title, line 8.

Strike: "THAT MAY BE APPROPRIATED"

3. Title, line 9.

Following: line 3

Strike: "MASTER"

Insert: "SOIL SURVEY"

4. Page 2, lines 4 through 6.

Following: "mapping"

Insert: "program."

Strike: remainder of lines 4 through 6 in their entirety

DO PASS

continued

5. Page 2, line 9.  
Following: "develop"  
Strike: "and implement a master"  
Insert: "a"

6. Page 2, line 14.  
Following: "The"  
Strike: "master"  
Insert: "soil survey"

7. Page 2, line 20.  
Following: "The"  
Strike: "master"  
Insert: "soil survey"

8. Page 3, line 1.  
Following: "shall"  
Strike: "implement"  
Insert: "oversee"  
Strike: "master"

9. Page 4, line 3.  
Following: line 7  
Strike: "IMPLEMENTATION"  
Insert: "OVERSIGHT"  
Strike: "MASTER"

10. Page 4, line 22.  
Strike: "and employ"

11. Page 4, line 24.  
Following: "a"  
Strike: "master"  
Insert: "soil survey"

12. Page 5.  
Strike: Section 6 in its entirety  
Renumber: subsequent section

And, as amended, BE CONCURRED IN

SENATE COMMITTEE

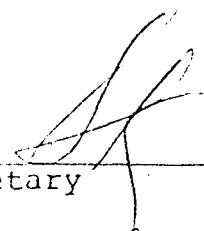
FINANCE AND CLAIMSDate 3-8-H. Bill No. 377 Time 12:02

NAME	YES	NO	ABSENT

SENATOR STORY

*ab*

SENATOR AKLESTAD		<i>x</i>	
SENATOR LOCKREM	<i>ab</i>		
SENATOR ETCHEART	<i>x</i>		
SENATOR NELSON	<i>x</i>		
SENATOR SMITH	<i>x</i>		
SENATOR BOYLAN	<i>x</i>		
SENATOR REGAN	<i>x</i>		
SENATOR FASBENDER	<i>x</i>		
SENATOR THIESSEN	<i>x</i>		
SENATOR THOMAS	<i>ab</i>		
SENATOR STIMATZ	<i>x</i>		
SENATOR HIMSL	<i>x</i>		

  
Secretary

Chairman

Motion:

Concurred as presentedSpoke to Carry

COMMITTEE REPORT

March 8 1979

MR. President

We, your committee on Finance and Claims

having had under consideration HOUSE Bill No. 445

Brand (Stimatz)

Respectfully report as follows: That HOUSE Bill No. 445

BE CONCURRED IN

DÉPASSE

## SENATE COMMITTEE

## FINANCE AND CLAIMS

Date 3-8-7914Bill No. 445 Time 12:00

NAME	YES	NO	ABSENT

SENATOR STORY

at

SENATOR AKLESTAD	<u>x</u>		
SENATOR LOCKREM	<u>x</u>		
SENATOR ETCHEART	<u>ab</u>		
SENATOR NELSON	<u>x</u>		
SENATOR SMITH	<u>x</u>		
SENATOR BOYLAN	<u>x</u>		
SENATOR REGAN	<u>x</u>		
SENATOR FASBENDER	<u>x</u>		
SENATOR THIESSEN		<u>ab</u> <i>Deas</i>	
SENATOR THOMAS	<u>ab</u>		
SENATOR STIMATZ	<u>x</u>		
SENATOR HIMSL	<u>x</u>		

  
Secretary

Chairman

Motion: C *Be Concordant*Cerry - Stimatz