

MINUTES OF THE MEETING OF THE APPROPRIATIONS COMMITTEE
February 23, 1981

The House Appropriations Committee met on February 23rd at 8 a.m. in Room #104, with Chairman Art Lund presiding and all members present. Legislative Fiscal Analyst Judy Rippingale was also present.

HOUSE BILL NO. 69

CHAIRMAN LUND asked Representative Gene Donaldson, as sponsor of House Bill No. 69, to introduce the bill and the proposed amendments as referred by the Appropriations Sub-committee on Education. Copies of the amendment (EXHIBIT 1) were handed out to the committee.

REP. DONALDSON explained to the committee that the amendment basically cleans up the language in Section 4. He further indicated that he has had no objections from the Community Colleges. Rep. Donaldson then moved to pass the amendments. It was seconded and PASSED UNANIMOUSLY.

REP. DONALDSON then made a motion that House Bill No. 69 DO PASS AS AMENDED. It was seconded and let the record show that the vote in favor was UNANIMOUS.

HOUSE BILL NO. 811

CHAIRMAN LUND then asked Representative Burt Hurwitz to present House Bill No. 811, a committee bill, on the Renal Disease Treatment Program.

REP. HURWITZ introduced the bill saying that this bill is primarily for the purpose of determining eligibility for the program and affording treatment for those people who have no other means of payment for treatment.

REPRESENTATIVE BENGTSON asked if this appropriation was more or less than last biennium.

REP. HURWITZ referred the question to Ms. Rippingale. Judy indicated that the appropriation is \$100,000 less than last biennium (\$150,000 per year now).

REPRESENTATIVE WALDRON explained further by saying that there is enough money to fund two people for one year. Only those completely without other resources can get help. If there are more than two, the money can be spread out so they can come in for a supplemental.

CHAIRMAN LUND also indicated that all people who have the disease and are under treatment at this time come under Medicaid. Only those few who don't qualify for Medicaid come under this program. There is no other slot for them.

REPRESENTATIVE COZZENS then asked if all people come under Medicaid, why do we need this program.

CHAIRMAN LUND replied that some people don't qualify for Medicaid, and they have no insurance.

MS. RIPPINGALE indicated that we don't anticipate that there will be anybody but just in case there is, they will be covered.

CHAIRMAN LUND then called for any proponents. Let the record show there were none.

CHAIRMAN LUND then called for any opponents. Let the record show there were none.

REP. HURWITZ then made a motion that House Bill No. 811 DO PASS. It was seconded and let the record show that the vote in favor was UNANIMOUS.

HOUSE BILL NO. 812

CHAIRMAN LUND asked Rep. Waldron to introduce House Bill No. 812 which is a committee bill repealing the provisions relating to Expanded Child Day-care Assistance and the sliding scale method of payment. He also asked if he would like to kill his own bill.

REP. WALDRON said that in 1977 Session the sliding scale was set up as a pilot program. In the 1979 Session it was set up as a full program and it just has not worked. The mother on welfare is better off than on sliding scale. We don't have many programs that encourage mothers to get off welfare. This program has a negative impact for people to get off welfare.

CHAIRMAN LUND, in further clarification, said that on the sliding scale, the more money the mother makes, the more she has to pay in day care fees, so it discourages people from making more money.

REP. BARDANOUVE then asked Judy Rippingale for her views on the sliding scale program.

MS. RIPPINGALE advised that if the sliding scale section is not repealed, it will require a half million in general funds. Under sliding scale, 100% of day care comes out of general fund. However, the recipient's amount of day care paid decreases as her wages go up and she does not receive medical benefits. On AFDC, she receives full day care paid plus medical benefits at only 35% cost to the general fund, 65% in federal funds. Cost to general fund is considerably less and families receive more in benefits.

REP. BARDANOUE indicated that four years ago he objected to this bill. He didn't think it would work at that time. The report from the Legislative Fiscal Analyst on other states was not good but the committee did adopt it.

REP. MOORE then made a motion that House Bill No. 812 DO PASS.

REP. WALDRON added that we end up spending more total dollars then under sliding scale but the feds are picking up more when we're not under sliding scale.

Questions were called by Rep. Quilici. Let the record show there were none.

REPRESENTATIVE MOORE's motion was then seconded and let the record show that the vote in favor was UNANIMOUS.

HOUSE BILL NO. 819

CHAIRMAN LUND asked Representative Bengtson to introduce House Bill No. 819 of which she is the sponsor.

REP. BENGTON explained that the amending of section 20-7-403 removes the mandate and allows the Office of Public Instruction (OPI) to contract for services where it is most cost effective. It will eliminate duplication of services. This was discussed with the Department of Health and OPI and they felt it would be better to do it this way. The Department of Health could take over some of these duties. It would give OPI more flexibility as they could contract with either the school district or the Department of Health wherever it is most economical.

REP. BARDANOUE indicated that he had a concern because four years ago we got in trouble with special education contracting through OPI.

REP. MOORE replied that those people were brought into OPI; actually hired, not contracted.

Questions were called.

REP. COZZENS asked Rep. Bengtson how savings are going to be apparent through this program.

REP. BENGTONSON replied that it will be in how they are able to contract, and they can avoid duplication of services.

REP. COZZENS then stated in the form of a question, "The thrust of the bill is for better, more economical services?"

REP. BENGTONSON said yes.

Let the record show that Mr. Glen Leavitt, Office of Budget and Program Planning and Ms. Judy Johnson, Office of Public Instruction support House Bill No. 819.

REP. MOORE then made a motion that House Bill No. 819 DO PASS. It was seconded and let the record show that the vote in favor was UNANIMOUS.

HOUSE BILL NO. 700

CHAIRMAN LUND said he would like it known that committee bills have his name on them because the powers that be have said there has to a signature on all committee bills.

CHAIRMAN LUND then asked the committee to consider House Bill No. 700. He said before it can be introduced, he has to have the committee's permission to introduce it as a committee bill. He further indicated it is really Rep. Moore's bill and Jack will speak on it.

REP. MOORE reminded the committee that this is the bill that was requested to be sent to the Council for drafting at a previous hearing, on reclassification and upgrading of state employees. Rep. Moore indicated that the agencies have been upgrading employees and positions but there is no money to pay for these because the money was never appropriated. This bill stipulates that if the agency does not have the money, the upgrade/reclassification will not be effective until July 1 of the biennium and will protect us against suits or litigation for retroactive pay in cases where upgrades were given and the agency did not have the money at the time.

REPRESENTATIVE THOFT asked Rep. Moore if that means that all upgrades are to be done on July 1.

REP. MOORE replied no, not if the agency has the money. Otherwise, we're committed to appropriate the monies at that time. He further indicated that there will be upgrades through the Board of Personnel Appeals, but House Bill #700 will stipulate that if the agency does not have the money, the upgrade will be effective July 1 and the agency is not committed to pay retroactive.

REP. QUILICI then said to Rep. Moore. You allow upgrades but there is no money until July 1. Would H.B.#700 stop all upgrades?

REP. MOORE said not it doesn't stop all upgrades. When the Board of Personnel Appeals and the agency reflect the need for upgrades, it stops them if there is no money. Institutions did this and there was no money.

REP. QUILICI asked if they get an upgrade through the Board of Personnel Appeals, does H.B.#700 stop the Board of Appeals.

REP. LORY suggested that we had better make it no upgrades in the next two years or everybody could get an increase on July 1.

REP. MOORE said this wasn't true because they still can't give the upgrades if they don't have the money on July 1.

REP. COZZENS asked why couldn't the manager, when he projects his budget, incorporate normal upgrades into the budget.

JUDY RIPPINGALE answered, saying that you don't request money on an anticipated upgrade. If you already have a grade 8 that you have upgraded to a grade 10, you can request funds from the next legislature.

REP. CONROY asked why there can be no retroactive pay for the Institutions when there was some retroactive pay awarded in the sub-committees.

REP. LORY said that yes, if the agency had the money, they could pay the retroactive.

REP. WALDRON indicated that he had real problems with this bill and he didn't feel he could support it. Some managers are going around the grade schedule. The upgrades and reclassifications aren't being done above grade 14's.

REP. BENGTON said she had some problems with it too. The Legislature would be doing the negotiating for upgrades. If managers had that taken away, we would be sitting in judgment every year.

REP. MOORE said this would affect Civil, Executive and State offices - approximately 18 or 19 under the Governor.

REP. BARDANOUVE said he felt this was a complex problem. He cited an example at Department of Highways where they gave a number of upgrades based on the premise that they were losing personnel and they had to do something to keep these people from leaving. Rep. Bardanouve said he received numerous letters from employees at the Department of Highways stating that they had done a study on the positions that had been upgraded and none of these positions had a retention problem or large turnovers. He said he didn't have any reason to believe that these people were lying.

REP. WALDRON asked Rep. Moore what would happen if a department head goes to a bureau, combines duties and eliminates employees. He would be saving money by reducing staff but couldn't upgrade the existing employees.

REP. MOORE said this wouldn't be true because the money would already be appropriated and would be available to distribute among the remaining employees through upgrades.

REP. BARDANOUVE said he would like to have Morris Brusett, Director of the Department of Administration, explain about a committee established by the Governor.

MR. BRUSETT indicated that the Governor has established a sub-cabinet committee with Dave Lewis, Director of the Office of Budget and Program Planning to draft a proposal that would control the situation. He indicated that their plans were to present it to the committee through the pay plan bill. They will present it after our (HB#500). Condition of this bill (HB#700) could go into the pay plan bill.

CHAIRMAN LUND then told the committee that there has to be two-thirds of the committee to make this a committee bill.

REP. MOORE said he would like to add that the pay plan bill would be for only one year. This bill would be enacting legislation and would be on the books.

MR. BRUSETT said that they would like to put this into the pay plan.

CHAIRMAN LUND then advised the committee that before this can be a committee bill, we need two thirds of the committee vote. If we don't get this bill we will go back to the pay plan which is only good for two years.

REP. BARDANOUVE asked Rep. Moore if he was planning to coordinate this bill with the pay plan bill.

REP. MOORE indicated yes, we should work it in with the pay plan committee and get it current.

REP. QUILICI then added that no matter what form this bill is in, we can repair it every two years.

REP. MOORE then made a motion that we adopt House Bill No. 700 as a committee bill. It was seconded and let the record show that the vote in favor was UNANIMOUS.

CHAIRMAN LUND then asked Rep. Lory if he would introduce his proposed bill on revising audit fees charged to local government, creating a revolving account and appropriating money to that account.

REP. LORY said this bill would amend certain sections regarding auditing of local government entities. One of the amendments would be auditing every two years instead of annually and the fees charged for auditing would be deposited in the revolving fund to the credit of the department instead of credited to the state general fund.

REP. BARDANOUVE said he strongly supports auditing in this form. It is a valuable service.

It was moved and seconded that this be a committee bill. Let the record show that the vote in favor was unanimous.

CHAIRMAN LUND then introduced House Bill No. 755, a committee bill out of Human Services which was the result of a legislative study to assist and advise areas on aging services. He asked Rep. Hurwitz to speak on H.B.#755.

REP. HURWITZ said he would like to urge a DO PASS on state area agencies. He would like to have area agencies continued. He said he knew that large communities feel they could do away with area agencies and handle their own money better. Right now, \$250,000 would go to the communities that is being taken off by the various area agencies.

REP. MOORE said that in the area agencies, there is 8% off the top that doesn't go to the people. He felt that maybe we could eliminate those agencies in larger areas and keep them in small areas.

REP. WALDRON said that the sub-committee did look into doing away with those. The agency would be on a county level. The vote was 6 to 0 in sub-committee not to do away with those agencies. It was recommended to do a study but not take any radical action.

REP. HURWITZ indicated that \$365,000. goes into area agencies out of \$4 million. SRS needs four people to supervise - leaves \$200,000 for the people.

REP. BARDANOUE said it seems the problem SRS has, is with the area concerns that go to the Governor, causing administrative problems.

REP. HURWITZ indicated that once the money gets to the area agencies, there is no control over it.

CHAIRMAN LUND advised the committee that this can be introduced as a resolution any time. He did want to bring it before the committee at this time as it is being introduced in the House. Chairman Lund then asked if the committee would like to pass it for the day. A motion was made and seconded and let the record show that it was unanimous.

CHAIRMAN LUND then asked the committee if there was anymore business. Let the record show there was none.

Meeting adjourned at 9:06 a.m.

Art Lund, Chairman

/lml

NAME Glen Leavitt BILL NO. HB 819
ADDRESS 707 Second St, Helena MT DATE 2/22/81
WHOM DO YOU REPRESENT Office of Budget and Program Planning
SUPPORT X OPPOSE _____ AMEND _____

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

O B P P supports HB 819

NAME Judy Johnson BILL NO. 819
ADDRESS _____ DATE 2-22-81
WHOM DO YOU REPRESENT OPI
SUPPORT ☒ OPPOSE _____ AMEND _____

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

The office of Public Instruction
supports this bill.

Amendments to House Bill 69

1. Page 3, Line 6

Strike: Section 4 in its entirety

Insert:

New Section: Section 4. Calculation and Approval of Operating Budget.

(1) Annually by June 15, the board of trustees of a community college shall submit an operating budget to the board of regents for their review. The operating budget of the community college shall be financed in the following manner:

(a) General fund appropriation. The general fund appropriation shall represent a specific percentage of the total unrestricted budget authorized by the legislature and approved by the regents. This percentage shall be specified in the appropriations act appropriating funds to the community colleges for each biennium.

(b) An estimate of revenues to be generated by student tuition and fees, and all other unrestricted income, revenues, or balances shall be added to the state general fund appropriation and the total subtracted from the total unrestricted budget. The difference shall be obtained by a mandatory levy.

(c) The funding obtained in subsection (b) of subsection (1) is the amount of the unrestricted budget. A detailed expenditure schedule for the unrestricted budget shall be submitted to the board of regents for their review and approval.

(d) The amount estimated to be raised by the voted levy shall be detailed separately in an expenditure schedule.

(e) The spending of each restricted funding source shall be detailed separately in an expenditure schedule.

(f) The expenditure schedules provided in subsection (c), (d), and (e) of subsection (1) shall represent the total operating budget of the community college.

(g) If revenues to the unrestricted budget exceed estimates, the excess shall be used to reduce the mandatory levy in the subsequent year.

(2) The board of regents shall review the proposed total operating budget and all its components and make any changes it determines necessary. A board of trustees of a community college district shall operate within the limits of the operating budget approved by the board of regents.

2. Page 5, Line 18

Following: 15-24-582

Strike: 15-24-505

STANDING COMMITTEE REPORT

February 23, 1981

MR. SPEAKER:

We, your committee on HOUSE APPROPRIATIONS

having had under consideration HOUSE Bill No. 811

**A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE FOR
ELIGIBILITY CRITERIA FOR THE RENAL DISEASE TREATMENT PROGRAM
AND GRANTING SPECIFIC RULEMAKING AUTHORITY FOR THE PROGRAM;
AMENDING SECTIONS 53-6-201 AND 53-6-202, MCA."**

Respectfully report as follows: That HOUSE Bill No. 811

DO PASS

STATEMENT OF INTENT - HOUSE BILL NO. 611

HOUSE APPROPRIATIONS COMMITTEE

The Vocational Rehabilitation Division of the Department of Social and Rehabilitation Services administers the "renal disease treatment" program authorized by Title 53, Chapter 6, Part 2 MCA. The department's authority to adopt rules for the program under the current statutory provisions is only implied. This legislation would grant express rule-making authority to the department. By that authority the department could adopt rules controlling the eligibility of applicants and the nature of the renal medical services provided.

This legislation provides that eligibility would be predicated on actual need for the financial assistance. Those persons who have adequate financial resources, medical insurance coverage, or who are eligible for other public programs providing financial resources for medical needs would not be eligible for the benefits of this program. At the time the act was passed in 1975, other sources of financial assistance were limited in number and nature. Since that time the development and expansion of other programs has resulted in almost all recipients of service in this state-funded program being eligible for assistance from the Federal Medical programs. The eligibility criteria added by this legislation will insure that the participants in the program are those who most deserve to benefit from the program.

This legislation in limiting expenditures to that appropriated currently for the program will insure that the state does not assume financial responsibilities beyond its capability to do so.

Chairman Art Lund

Vice-Chairman Jack Moore

Francis Bardanoue

Esther Bengtson

Tom Conroy

Chuck Cozzens

Gene Donaldson

Gene Ernst

Andrea Beestad

Burt Hurwitz

Earl Lory

Rex Manuel

Joe Quilici

John Shontz

Chris Stoble

Bob Thoft

Steve Waldron

STANDING COMMITTEE REPORT

February 23, 1921

MR. SPEAKER:

We, your committee on HOUSE APPROPRIATIONS

having had under consideration HOUSE Bill No. 812

A BILL FOR AN ACT ENTITLED: "AN ACT TO REPEAL PROVISIONS
RELATING TO EXPANDED CHILD DAY-CARE ASSISTANCE AND ITS
SLIDING SCALE METHOD OF PAYMENT; REPEALING SECTION 53-4-516,
MCA."

Respectfully report as follows: That HOUSE Bill No. 812

DO PASS

STANDING COMMITTEE REPORT

February 23, 1981

MR. SPEAKER:

We, your committee on HOUSE APPROPRIATIONS

having had under consideration HOUSE Bill No. 819

**A BILL FOR AN ACT ENTITLED: "AN ACT TO REMOVE CONTRACTED
AUDIOLOGICAL SERVICES FROM THE OFFICE OF THE SUPERINTENDENT
OF PUBLIC INSTRUCTION; AMENDING SECTION 29-7-403, MCA."**

Respectfully report as follows: That HOUSE Bill No. 819

DO PASS

(c) The funding obtained in subsection (b) of subsection (1) is the amount of the unrestricted budget. A detailed expenditure schedule for the unrestricted budget shall be submitted to the board of regents for their review and approval.

(d) The amount estimated to be raised by the voted levy shall be detailed separately in an expenditure schedule.

(e) The spending of each restricted funding source shall be detailed separately in an expenditure schedule.

(f) The expenditure schedules provided in subsection (c), (d), and (e) of subsection (1) shall represent the total operating budget of the community college.

(g) If revenues to the unrestricted budget exceed estimates, the excess shall be used to reduce the mandatory levy in the subsequent year.

(2) The board of regents shall review the proposed total operating budget and all its components and make any changes it determines necessary. A board of trustees of a community college district shall operate within the limits of the operating budget approved by the board of regents.

2. Page 5, line 18

Following: 15-24-562

Strike: 15-24-505

DO PASS AS AMENDED