MINUTES OF THE MEETING OF THE HOUSE APPROPRIATIONS COMMITTEE March 2, 1981

The Executive Session Hearing on the Institutions Subcommittee of the Appropriations Committee met on March 2, 1981, at 9:10 a.m., Monday, in Room 104 of the Capitol Building, Helena, Mt.

All members were present including Ray Hoffman and Judy Rippingale of the Legislative Fiscal Analyst Office.

CHAIRMAN LUND asked Rep. Moore to give his presentation for the Subcommittee on Institutions. He asked the committee members to wait until the presentation was completed before asking questions.

REP. BARDANOUVE asked if it would be possible to ask questions after each division under Institutions was presented so that the questions would then pertain to the section that was being discussed.

CHAIRMAN LUND agreed that questions from the committee would be asked after each Division, and after all divisions under Institutions had been presented by Rep. Moore, time would be allowed for questions from interested parties in the audience.

REP. MOORE then handed out a list of the divisions under the Department of Institutions (EXHIBIT I), and asked the committee to refer to Page 1 as he discussed each line item. He reminded the committee that the pay plan is included in the Mental Health Program, but not in the state programs. He asked the committee to make a special note of the utilities (bottom of page 1 and top of page 2, EXHIBIT 1). On page 3, after Center for the Aged, reference was made to the boiler-plate language regarding Fire Equipment. Also, special mention was made of the ability to transfer funds as needed between the two agencies. REP. MOORE then asked the committee to refer to EXHIBIT 2, line 1, General Funds. This includes supplementals. He then read by line item from page 1 to the committee.

CHAIRMAN LUND then asked Rep. Moore if he was going to break these down as he went along.

REP. MOORE indicated that he would, and that this was all overview. He further indicated that Fiscal 81 supplemental appropriations are included in 1981 Biennium. He then asked the committee to refer to page 2, the Director's Program, and read from that page, noting the decrease in percentage between 1981 and 1983.

CHAIRMAN LUND then asked for questions from the committee.

REP. COZZENS asked Rep. Moore if we could have a quick overview of what the Director's Program encompasses. Minutes of the Meeting of the House Appropriations Committee March 2, 1981

REP. MOORE indicated that the Director's Program is divided primarily into the Correctional Division, Mental Health and Residential Services Division, and the Alcohol and Drug Abuse Division (ADAD).

REP. BARDANOUVE asked if the pay plan was in or out of these figures.

REP. MOORE replied that it was out of these figures. The pay plan is included in Fiscal '81 figures but not Fiscal '83, except for Mental Health--the pay plan is included in that.

REP. BARDANOUVE indicated that he felt the figures wouldn't really mean much until the pay plan figures are put in.

CHAIRMAN LUND then called for further questions. There were none.

REP. MOORE then read from Page B7 of Exhibit 2, Alcohol and Drug Abuse Division. He said he would like to mention that there are 32 alcohol treatment centers. At one time there were 39, but this has decreased.

REP. WALDRON asked Rep. Moore if he had indicated that he had taken some additional earmarked funds for the ADAD program. He also wanted to know if these funds had been taken from another program to ADAD. He wanted to know where the funds came from.

REP. MOORE indicated no, all earmarked funds come from the alcohol tax that diverts to this program.

REP. WALDRON then questioned again the breakdown on these funds, and Rep. Moore referred to EXHIBIT 3 and read the breakdown to the committee.

REP. WALDRON indicated that he had heard concerns that more monies were allocated to the Division and less to the counties, and he asked Rep. Moore if that was true.

 REP. MOORE replied that this was not true because we have cut down on the number of people in the Division so more money is going to the counties.

MS. RIPPINGALE asked Rep. Waldron if one of the questions he was asking was where the money came from. What happened was that they took some of the earmarked alcohol money from Galen o fund ADAD and then in turn had to put more general fund monies into Galen to keep the level of services up. That is how ADAD got more money.

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REP. MOORE asked Chairman Lund if he could ask Mr. Hoffman to address the committee at this time regarding these details.

MR. HOFFMAN said that ADAD is mandated to provide two services to the state - one is to certify the alcohol program and one to certify counselor positions. Additional distribution of the earmarked alcohol funds had to be done due to the dwindling level of federal funds in order to maintain level of services mandated. An increase in earmarked alcohol funds is anticipated to support the level of services.

CHAIRMAN LUND then asked the committee if there were any more questions on the Alcohol and Drug Abuse Division.

REP. MOORE then referred to EXHIBIT 2 - Corrections Division, and read from that page to the committee. He briefly explained the reason for needing a women's facility because right now these women are spread all over the state and they need to get them in one facility.

REP. BENGTSON asked if under Other Funds - 1983 Biennium, were those federal funds.

REP. MOORE replied, yes.

REP. BARDANOUVE then asked how many women did we have in jail at this time.

MR. DAN RUSSELL, Department of Institutions, indicated that we have 34 in the state of Montana, 6 in Nevada and one in a federal facility for a total of 41 women.

REP. BARDANOUVE expressed concern that we would be spending an additional \$560,141 and would not be taking care of any additional women prisoners.

It was pointed out that money would be saved by not having to transport these women out of state and having them in one facility Also, it is anticipated that there will be an increase in the number of women prisoners.

CHAIRMAN LUND asked Carroll South, Director, Department of Institutions, if he would comment on this.

MR. SOUTH indicated to the committee that at the last session, the Corrections Division was appropriated for three offenders. They are presently taking care of 34. That is why there is the need for additional money.

REP. DONALDSON asked Rep. Moore if the facility at Mountain

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View was going to be permanent or temporary.

REP. MOORE indicated that two years down the road we will look at this again. If there is an increase in women offenders and there isn't room at Mountain View, we may have to build a facility for them, but it won't be at Mountain View.

REP. MOORE then read the rest of the items to the committee with a brief discussion or explanation of each one.

REP. WALDRON asked Rep. Moore if he had any figures at the prisons as to the number of prisoners and rate of increase.

REP. MOORE indicated that they had compared the head count of this year over last year and the difference was only three.

CHAIRMAN LUND indicated that it would appear the men offenders are leveling off. He then asked if there were any more questions.

REP. MOORE then read the Management Services Division breakdown to the committee.

CHAIRMAN LUND asked if the Other Funds were federal funds.

REP. MOORE indicated yes. Federal funds offset general funds and as federal funds go down, we have to offset if we want to maintain current level.

REP. BENGTSON asked Rep. Moore if there was an inflationary figure that was constant.

REP. MOORE indicated yes, they did use a constant inflationary figure as did all the subcommittees. Those were the third level expenditure increases that were used.

CHAIRMAN LUND added that the only exception was the price of gasoline. It is still going up. He then asked if there were any more questions.

REP. MOORE then read to the committee from the Mental Health Division breakdown. He indicated that this was the most difficult of all the programs to work on because no matter which way you looked at it, with the cutback of federal funds, this division needed money.

REP. HURWITZ asked Rep. Moore if any of the people that come to the program for help pay for the services.

REP. MOORE replied, yes, they did. Some were direct pay, some third party, insurance, etc.

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REP. HURWITZ then asked Rep. Moore if this program is still increasing. He indicated that this program isn't more than ten years old and wondered if more people were still coming in.

REP. MOORE indicated that it is difficult to tell because there are so many programs it is hard to tell where people are coming in.

CHAIRMAN LUND then asked if there were any more questions.

REP. BARDANOUVE then raised a question on Item 3, Manpower Programs.

MR. RAY HOFFMAN explained that these are community support programs and entirely federally funded. These are the amounts indicated under Other Funds.

REP. STOBIE expressed concern because it was his impression that a lot of money goes to administration instead of to the field where the people are.

REP. MOORE said he didn't believe this was so because in one region there were only 26 people in non-direct care, and that included secretaries and clerical.

REP. HURWITZ then asked who sets the salaries.

REP. MOORE replied that the salaries are set by the governing board.

REP. HURWITZ then asked if there were many doctors.

REP. MOORE replied, no, there were psychiatrists, psychologists, social workers - all direct patient care personnel.

REP. ERNST indicated we have a non-profit corporation running these programs, county, state and federal funding, and we have to tell them how to handle their monies.

REP. BARDANOUVE expressed concern that if federal monies continue drying up, will we be able to provide the necessary services for people who have been moved from Warm Springs into the community.

CHAIRMAN LUND indicated that he felt this is one thing we have not quite resolved yet.

REP. MOORE then read from the Annual Report - North Central

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Montana, Community Mental Health Center 1980-1981. He listed some of the service indicators and the amounts appropriated.

REP. BENGTSON asked if he was putting an end to all those.

REP. MOORE replied, no, that we are just going to make them more accountable for what they are doing.

REP. BENGTSON then asked Rep. Moore what happens in the meantime on the regional level. Do they just wipe out some of their planning?

REP. MOORE indicated that they are just going to have to tighten up their programs. We can't afford to open-end the general fund program to them.

REP. QUILICI then asked Rep. Moore if he could tell him what is contracted services, without a breakdown of the full budget.

REP. MOORE indicated that they had the figures in committee, but he didn't have them available right there. He further indicated that as long as they provided the services, the committee didn't care if they were contracted or not, or how much they spent on contracted services.

REP. QUILICI then asked Rep. Moore how much of the contracted services comes out of the total budget.

REP. MOORE explained that 80% is personnel alone, and approximately 18% is operating expenses which includes contracted services.

CHAIRMAN LUND then called for a 15 minute recess at 10:45 a.m.

The Appropriations Committee went back into session at 11:00 a.m. and the first item of business was Boulder River School and Hospital, part of Exhibit 2.

REP. MOORE then read verbatim from the Exhibit to the committee. He did indicate that by adding six additional laundry worker positions, this would free direct care staff to work with the patients. Rep. Moore also mentioned that we still have a problem with the Office of Civil Rights. The regional office in Denver still hasn't told us what to do. We need in black and white what the complaint is.

REP. HURWITZ then asked Rep. Moore about the developmentally disabled people in the community who are looking for a place to go.

REP. MOORE replied that the people at Boulder are evaluated

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every year and the only ones left at Boulder are those who are severely and profoundly retarded.

REP. HURWITZ then asked if any of the parents of children at Boulder contribute to their care.

REP. MOORE replied yes. Some have insurance, but it is very small in comparison to the amount needed. Medicaid and Medicare provide other funds.

REP. HURWITZ then asked Rep. Moore how the salaries of the employees in the institutions compare with those in the communities. He indicated that he heard they were considerably less.

REP. MOORE replied that he just didn't know. Once they leave institutions and go into the community, they are under the Department of Social and Rehabilitation Services and we lose sight of them.

CHAIRMAN LUND then asked Rep. Moore what was the extra that was put in for the modified programs.

REP. MOORE indicated \$283,095 per year for 18 people to maintain the special education programs.

CHAIRMAN LUND added that was over half a million just to meet the Office of Civil Rights, and we still don't know if we have done what they want or not.

REP. QUILICI then asked Rep. Moore if he would confirm that the inflation factor used at the institutions for utilities was 18/12/12.

REP. MOORE replied yes, and as he had indicated earlier, any monies that aren't used will be reverted to general fund.

REP. HURWITZ then asked Rep. Moore if it would be possible to get some idea if people who have children at Boulder are contributing to their care and how much.

CHAIRMAN LUND indicated that, yes, if they have assets, they are required to pay toward their care.

REP. MOORE then indicated Ray Hoffman had information on that.

MR. HOFFMAN said that every individual at Boulder has a review done on them. If the individual can pay, they must. It is done on a sliding scale depending on their ability to pay. The state does pick up most of the tab. Minutes of the Meeting of the House Appropriations Page 8 Committee March 2, 1981

REP. BENGTSON asked Rep. Moore if he had any dollar figures on the amount contributed.

REP. MOORE stated there was a total of \$5.4 million which included private pay, insurance, Medicare and Medicaid. This shows up in the green book entitled, "Budget Analysis 1983 Biennium," put out by the office of the Legislative Fiscal Analyst, page 391.

MR. HOFFMAN indicated that all monies received are deposited directly to the General Fund and have to be appropriated out.

CHAIRMAN LUND asked if there were any further questions. The committee then moved on to the Center for the Aged.

REP. MOORE then read from Exhibit 2 for the Center.

REP. BENGTSON asked about the expanded canteen program as mentioned in the Exhibit.

REP. MOORE explained that the canteen is operated by the residents and they generate fees from it. It is a revolving account and the money goes back into the canteen.

REP. BARDENOUVE indicated that he was not aware that the housekeeping standards were not up to the standards of the Department of Health.

REP. MOORE then read passages of a letter from the Department of Health, citing areas that needed improvement and the fact that the areas had been brought to our attention in the past. They indicated that if these areas were not brought up to standard, funding would be jeopardized.

CHAIRMAN LUND then asked if there were any further questions on the Center for the Aged.

REP. MOORE then brought the facility, Eastmont, under discussion before the committee. He indicated that this facility is well maintained and run.

REP. CONROY said he visited the facility. It is an excellent looking place and they do a good job.

REP. BARDANOUVE said he felt that of all the things the legislature did last session, moving people there was one of the best. He felt the personnel were superior and the patients were receiving superior care.

REP. COZZENS asked if any of the people in the 40-bed ward would be going back into the community after a short-term program.

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REP. MOORE replied no. They live there all the time. Most of them will be there a long time. Some of them come from Boulder but it is much less expensive than Boulder.

CHAIRMAN LUND then asked if there were any more questions.

REP. MOORE then moved on to Galen State Hospital, which is page B9 of EXHIBIT 2. He indicated that he would like to review Galen and Warm Springs together, but would start with Galen. He asked the committee to refer to EXHIBIT 3, which is an Organizational Chart for the consolidation of Galen and Warm Springs state hospitals. By request of the Governor, the following services have been consolidated: business functions, ancillary services and environmental services. Rep. Moore then briefly reviewed the Organizational Chart for the committee. Rep. Moore indicated that by consolidating the two facilities, they were able to eliminate some positions and with these savings could go back, add new positions and upgrade some of the psychiatrist and physician positions.

CHAIRMAN LUND then asked the committee if they had any questions.

REP. HURWITZ asked what we were looking at in cost per patient at the two institutions.

REP. MOORE replied that at Warm Springs it was approximately \$42,000 per patient and \$30,000 at Galen. It was felt that by the end of a year the cost would be \$36.7 thousand per patient, not including the pay plan.

REP. HURWITZ asked how these costs compare to other states. Are we in line or are we higher due to old buildings, etc?

REP. MOORE indicated that of the eight states that were compared, we were the highest when compared to states with similar situations. Some states were as low as \$19,000 per patient per year.

REP. HURWITZ asked Rep. Moore if he could explain this.

REP. MOORE said he didn't know why. He said it could possibly be that in 1975 we came in with a model program to call the Feds who were looking at all the states. Now, along with inflation, we are the highest in the Western Region.

REP. WALDRON then asked Rep. Moore if there is a problem getting qualified psychiatrists to locate at Boulder. He felt the problem was the location and if the facility was located somewhere else we wouldn't have a problem getting qualified help. Minutes of the Meeting of the House Appropriations Page 10 Committee March 2, 1981

REP. MOORE indicated that he felt it was the salary, not the location. Dr. Hamill had spoken with a psychiatrist in Colorado who was willing to come if we offered enough money. Our salaries are so low no one wants to come to Boulder.

REP. WALDRON then indicated that he had conversation with an individual familiar with the lab facilities at Galen and Warm Springs, who indicated the facilities at Warm Springs were more adequate and what was the basis used for locating the lab at Galen.

REP. MOORE indicated that need is why the lab was established at Galen, and also it was more cost effective.

CHAIRMAN LUND then asked how much we saved on this consolidation.

REP. MOORE indicated that we saved \$881,000 in Personal Services alone.

REP. QUILICI then asked if the kitchen facilities were going to remain the same in both institutions.

REP. MOORE said yes, no changes there. The only change will be by modifying the dining area at Galen, we will be able to delete six food service positions.

REP. COZZENS then asked Rep. Moore if he had indicated that the \$881,000 savings was in Personal Services alone.

REP. MOORE said yes, and there are more savings in other areas as a result of the consolidation, but we will have to work them up.

CHAIRMAN LUND then asked if there were any further questions.

REP. MOORE then read from EXHIBIT 2 on Mountain View School.

CHAIRMAN LUND asked Rep. Moore if the Tribal Council was utilizing the facility.

REP. MOORE indicated yes. He said those were the two federal boarders shown at the facility, and one of those would be leaving.

REP. BARDANOUVE asked Rep. Moore why there was no increase projected at the school when earlier it was said that women offenders were on an increase and more facilities were needed for women. Minutes of the Meeting of the House Appropriations Page 11 Committee March 2, 1981

REP. MOORE said he had no idea, but based on the statistics at Mountain View, no increase was projected.

REP. WALDRON said that at one time there were 100 girls at Mountain View and that some of those girls are being taken care of in community programs instead of being placed at Mountain View.

REP. MOORE agreed that this was in fact being done where the girls could still work and go to school, but were still in a controlled environment to a degree.

REP. MOORE indicated that food services, laundry, etc., for Spruce Cottage (women's facility), will be combined with those of Mountain View. 12.8 FTE will be required for Spruce Cottage, 9 of those direct care. These are addressed in the corrections division budget.

CHAIRMAN LUND asked if there were any more questions.

REP. MOORE then moved on to Pine Hills School.

REP. BARDANOUVE asked why the increase in Other Funds.

REP. MOORE replied that there is a decline in Federal Funds, cost of education is higher and lunch programs.

REP. BARDANOUVE then questioned the increase for sewer and water improvements.

REP. MOORE explained that the school is hooked into the Miles City (Custer County) District, and we are paying SID's based on population of 57 residents. This is the figure they decided on. This is a new system and as more users hook onto the water and sewer system, the rates will go down.

CHAIRMAN LUND then asked if there were any more questions.

REP. MOORE then moved on to the Montana State Prison and the individual facilities under the Prison. A breakdown of general operations (page B25) was read to the committee. Rep. Moore indicated to the Committee that the Board of Personnel Appeals upgraded 55 people from grade 9 to grade 10, and we will have to absorb this, \$120,000 for the biennium just for the upgrades. Rep. Moore also addressed the issue of the reduction in security staff due to reorganization and the purchase of new wire for the fences. This wire purchase and installation is addressed under Long Range Building plans.

REP. BARDANOUVE asked Rep. Moore when this wire was being installed Minutes of the Meeting of the House Appropriations Page 12 Committee March 2, 1981

REP. MOORE referred the question to Carroll South, Director, Department of Institutions.

MR. SOUTH indicated that there are only two companies that manufacture this wire and as soon as the Govenror signs the bill they can advertise for bids. They would then take the lowest bid, have the company's people come out to the facility and work with our people. They have quoted two week delivery on the wire and approximately 30 days to install it after delivery. Wire should be functional 45 days after wire is ordered.

CHAIRMAN LUND then asked Mr. South how much money we were talking about.

MR. SOUTH said approximately \$145,000 plus installation.

CHAIRMAN LUND then adjourned the meeting at 12:30 p.m., requesting the committee to reconvene at 2 p.m. to complete discussion on the Department of Institutions.

Meeting of the Appropriations Committee reconvened at 2:10 p.m. on March 2, 1981 in Room 104, with a quorum present.

CHAIRMAN LUND called the meeting to order and asked Rep. Moore to continue with his presentation on the Montana Prison System.

REP. MOORE then read from Exhibit 2, page B23, the Prison Ranch. The Committee was asked if they had any questions.

REP. HURWITZ asked what happened to the oil lease money.

CHAIRMAN LUND said that it went back into the general fund. He then asked if there were any further questions on the Ranch.

REP. MOORE then went on to the Prison Industries, reading from page B26 of the Exhibit.

REP. BENGTSON asked what the market was for the items that the inmates were manufacturing such as mattresses, and upholstering and refurbishing furniture.

REP. MOORE replied that it would be throughout state government. An example would be that chairs are needed right now at Mountain View and the prison will be able to make those chairs. They will not be competing against the private sector.

REP. BARDANOUVE expressed concern in the area of the validation

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stickers. He questioned whether there was accountability for the items manufactured, and for the equipment. Would they have serial numbers or some identification.

REP. MOORE assured him that each item would be identified and all items manufactured would be accounted for.

REP. BARDANOUVE indicated that his concern stemmed from a previous incident when there was a black market going on in the prison with titles. Titles were being manufactured in the prison and being sold all over the United States.

CHAIRMAN LUND asked if there were any more questions.

The committee moved on to the Prison Canteen and Rep. Moore read from page B28 of the Exhibit.

CHAIRMAN LUND asked if there were any questions on the Canteen.

REP. MOORE then moved on to the License Plate Factory. Questions were asked for from the Committee by Chairman Lund. There were none.

Next item of business was the Swan River Youth Forest Camp, page B16 of EXHIBIT 2

REP. DONALDSON asked how the cost per person of \$15,000 at the camp compared to the cost per person at the prison.

REP. MOORE indicated that the cost per person at the Prison was \$11,500, but he also indicated that these youths were kept busy thinning trees and working productively all the time.

CHAIRMAN LUND added that they are still working in the fields, trimming trees - they probably have enough work to last them the next 100 years. That was the last estimate made.

REP. BARDANOUVE said that he would like to have a report as to what they are doing up there and what has been done in the past.

REP. MOORE indicated that this was discussed in committee, but it was not asked for at that time because everyone was involved in budgets and figures.

CHAIRMAN LUND asked Mr. South if he could provide this information.

MR. SOUTH indicated there is a report available and that he would see it got to the committee.

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CHAIRMAN LUND then asked if there were any further questions.

REP. MOORE said the next facility on the agenda was the Veteran's Home. After reading from the Exhibit, Rep. Moore said he would like to discuss it briefly. He indicated that the home is in very bad condition. Some repairs have been done to the bathrooms and carpeting which will hold it for a couple of years, but if we don't put about \$115,000 into it and we continue to use it, we are going to lose our VA reimbursement for it. Rep. Moore proposed that it is more feasible to build a new nursing home and thereby be eligible for additional VA funds.

REP. BENGTSON expressed concern about the laundry facilities. Letting the laundry worker go and contracting to have the service done at a cost of \$48,542 per biennium.

REP. MOORE asked Ray Hoffman to please take this question, as he had been to the facility and had the information and figures.

MR. HOFFMAN indicated that in the past, not all of the laundry was being done in the facility. Some was already being contracted out as the equipment is old and unable to do the job satisfactorily. Some \$13,000 per year was contracted, some was being done at the facility and still the job was not being done satisfactorily. As Mr. Hoffman explained, if you divide the \$48,542 in half for an annual figure, figure the cost of the laundry worker and amount presently being contracted out, this figure is actually a cost savings on an annual basis and is more efficient.

CHAIRMAN LUND asked if there were any more questions.

REP. MOORE then discussed the Board of Pardons, page Bl8 of the Exhibit. Special mention was made regarding the increases in paragraph 1, which were normal inflation in travel and expenses.

This completed discussion of the items included in EXHIBIT 2 and Chairman Lund asked if there were any further questions.

REP. MOORE said that he would like to add one item and that was regarding upgrades and reclassifications. Several of the Institutions requested Retroactive pay for upgrades and reclassifications that were granted during the year. Rep. Moore wanted the record to show that none was given.

REP. MOORE then referred to page 1 of EXHIBIT 2 and gave a brief overview of the total figures involved in the budget

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for the Institutions. He then indicated that was the end of his presentation.

CHAIRMAN LUND then asked if there were any further questions.

REP. BARDANOUVE asked Rep. Moore how many new positions were added.

REP. MOORE then went to EXHIBIT 2 and computed the increase in FTE (or decrease) at each facility, taking the figures off the Exhibit.

REP. HURWITZ said that he was aware that FY 83 did not have the pay plan included, but did FY 81 have it included.

CHAIRMAN LUND indicated yes.

MS. RIPPINGALE responded that is why the 9% increase was put in the LFA budget - to possibly reflect the increase. Until the pay plan is established, there is no way we can put this figure in. We could work up a report using any percentage you like. It would only be a working paper and would not affect the budget in any way.

REP. COZZENS said that to him it would be a more meaningful figure to work with even as just a guideline.

MS. RIPPINGALE proposed to the committee that they use a 12% increase because that is the amount recommended by the Governor for the pay plan. She further indicated that she would have something for the committee by the following day. She proposed to give them a schedule for HB 500, showing the proposed percentage, cost of living and one step increase of 2%.

CHAIRMAN LUND then asked the committee if they were sure that they wanted the LFA office to do this report.

REP. MOORE said he didn't need it because he felt it was just creating work for the analyst's staff, because anything that was done would just be guesswork until the pay plan gets finalized.

REP. HURWITZ then asked Chairman Lund when the pay plan will be finalized.

CHAIRMAN LUND replied as soon as we get done with these hearings.

REP. MOORE then finished answering Rep. Bardanouve's question regarding the adding or deleting of positions in the facilities.

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CHAIRMAN LUND then recessed the meeting at 3 p.m. as the House was going into session and notified the committee that they would reconvene at 5 p.m.

Meeting of the Appropriations Committee reconvened at 6:08 p.m. on March 2, 1981, in Room 104 and a quorum was present.

REP. MOORE introduced Carroll South, Director of the Department of Institutions, who wanted to present some facts to the committee.

MR. SOUTH stated that he would like the committee to know that he felt they were treated fairly but there were a couple of areas that he wanted to touch on. He expressed concern that there was not going to be enough money to operate the Community Health Centers on. He also indicated that at the prison, they would require an additional 1.5 FTE which the committee had refused them, to man an additional guard tower that they were requesting. He said that basically what he was requesting was a 50% funding level or an additional \$800,000 more than the subcommittee's recommendation. He further indicated that he would like to touch on the consolidation at Warm Springs and Galen and that Dr. J. E. Hamill would elaborate further. In addition, he said it was possibly that Mr. Dave Lewis, Director of the Office of Budget and Program Planning, would want to say a few words.

The basic concept of the consolidation was to streamline services, and to use some of the savings to increase the direct care staff at Warm Springs. He would like the committee to reconsider the 25 FTE the subcommittee took away, and if the full committee does not want to give the full 25 FTE back, at least give the 18.2 direct care individuals.

At that time, Mr. South asked the Chair's permission to introduce Dr. Hamill, Superintendent at Warm Springs, to address more explicitly the needs at Warm Springs.

DR. HAMILL told the committee that Mr. South had covered the problem quite well and he would attempt to support that testimony with some additional facts. He indicated that the worst area is the long-term unit, which used to be the geriatric unit. The geriatric patients on this ward, 39 of them, were transferred to Galen and that is when the composition of this ward changed drastically. The patients on this ward now vary greatly in age, from 20 years to 79 years. These patients can be very assaultive and aggressive and require a great deal of care. Minutes of the Meeting of the House Appropriations Committee March 2, 1981

REP. MOORE then asked Dr. Hamill how many vacancies they have over there right now. He said according to his records, three weeks ago they had 20 vacant positions.

DR. HAMILL indicated that they have been under fiscal restraints but a study was done on 2/18 and they were short 10.4 below medial staffing, and 9.4 above minimal staffing and still provide safety to the staff and the patients.

REP. BARDANOUVE asked Dr. Hamill if the violent patients couldn't be isolated from the other patients.

DR. HAMILL said this was not recommended because the patients were not violent all the time. Maybe only 5% of the time they were destructive or violent and they don't want to put these people in isolation. This would not help the problem. It has been their experience that the more direct care personnel on the ward, the less incidents occur.

REP. QUILICI asked Dr. Hamill about the positions that were authorized but not filled. He wanted to know if this was because the vacancy savings were used in another area, in operations.

DR. HAMILL said that this was true. They had a very large vacancy savings (6.8%) two years ago and have been short staffed for the last two years.

REP. QUILICI said this is what he suspected happened in many cases, the money from vacancy savings was used for operations and the positions went unfilled. He also said that he felt it was essential to give them the funding that they need in order to fill these positions so they will be able to give the direct care necessary.

CHAIRMAN LUND then asked if there were any other questions.

MR. DAVE LEWIS indicated that the Governor had asked him to come down and express some of the concerns that he has. First, he wanted to support the request for 50% funding by the State as being absolutely necessary in order for the Community Centers to continue functioning. Second is the staffing level at Warm Springs. The intent of the Governor's recommendation was that by eliminating some of the overhead positions, it would free up dollars for direct patient care services. He said the Governor had been to the facility and some of the employees expressed fear for their own safety on wards where they were short staffed and there was a potentially dangerous situation. He further stated that he hoped the committee would consider this request and give some relief in that area. Minutes of the Meeting of the House Appropriations Page 18 Committee March 2, 1981

REP. MOORE then asked Dave what he meant when he said in his testimony that the County Commissioners can't come up with the 1 mill levy.

MR. LEWIS responded by saying that they are going to have a lot of pressure to cut levies already and it is going to be extremely difficult for them to get a 1 mill levy for Mental Health.

CHAIRMAN LUND then asked Mr. South if he had the general fund money at 50%, could he mandate that those people will be taken care of.

MR. SOUTH replied that he believed they could. We may have to require that they reduce some of their expenditures, such as travel. We think that they have some excessive travel.

REP. BARDANOUVE asked how we could get the institutions' attention to the fact that they have to live within their budgets.

MR. SOUTH replied that we need a contract for services arrangement so we have control of the money.

REP. MOORE addressed Mr. South and reminded him of two years ago when we finally got the institutions on an accounting system and now we have to train them to correlate the program with the money.

REP. STOBIE addressed Mr. South regarding the committee's alluding to excessive travel and meetings. He wanted to know if Mr. South had a plan on this, could language be put in the boiler plate to address this situation.

MR. SOUTH indicated that he thought if we contract for services, this would be taken care of. When you contract, you negotiate with the centers for salaries and travel and you could adjust this out before you negotiate with them if it is excessive.

REP. COZZENS then asked Mr. South if he needed something from the legislature to implement this concept of contracting for services.

MR. SOUTH indicated no, they did not. They can do the necessary wording when they are doing the contracting. However, he indidated that if they want to put the language in the bill, that is okay too.

MR. MOORE said that he didn't feel that was necessary because it was in the minutes of subcommittee that Mr. South was going Minutes of the Meeting of the House Appropriations Committee March 2, 1981

to contract for services and was obligated to do this in the best interests of all concerned.

CHAIRMAN LUND then asked if there were any further questions. He then addressed Rep. Red Menahan and asked him if he would like to address the committee.

REP. MENAHAN said that he would just like to speak on behalf of the staff at the institutions. He said that nobody had brought up the number of Workman's Compensation cases that occur because of the injuries to the staff caused by patients. He felt there was an increase in Warm Springs budget because the W.C. insurance rates have been raised.

CHAIRMAN LUND indicated that this had been taken care of in the supplemental and he felt they were on the right track now.

REP. MENAHAN felt also that someone should speak up for the patients at Warm Springs. They do not get coffee breaks because there is no coffee for them. These people are sick people, they are not there by their own choice. They have had everything taken away from them. We have even taken cigarettes away from them. They need to have some of these pacifier things so they don't become violent. They have no one to speak for them. The attorney is afraid and the employees are afraid to talk because of their jobs.

REP. MOORE advised Rep. Menehan that the food budget covers coffee. How it is dispensed is management's concern, but the food budget was increased so coffee is there.

CHAIRMAN LUND then asked if there was any further discussion. There was none. He then asked Mr. Joe Roberts, representing the Legislative Action Committee for the Developmentally Disabled, if he wished to address the committee.

MR. ROBERTS indicated that the group he is speaking for represents programs that provide D.D. services. His group is interested in D.D. clients whether they are in an institution or in the community. He said they have a concern about the way the budgets are being built. Based on the 12% figure for the pay plan, they will have a problem.

MR. ROBERTS felt that some of the people at Boulder could be moved into the community. He said it was his understanding that there are actually people waiting to be moved into the community and if funding is cut, these people will have to stay at Boulder. He felt that if a decision was made at the legislative level to move a certain number of people out of institutions into the community, then the money for community

Minutes of the Meeting of the House Appropriations Page 20 Committee March 2, 1981

centers would be available. He said that this was how it occurred in the last legislative session. He felt the subcommittees should get together and address the subject of deinstitutionalization.

REP. MOORE addressed Mr. Robert's comments by saying that there is a house joint resolution in the House right now that addresses the D.D. division under SRS. He further stated that the last legislature opened up Eastmont and there were people taken from Boulder and the Community and put in Eastmont. There are professional evaluation teams that determine whether a patient is ready to go out into the community or a group home. Those who can, go out into the community. So far this year, they have determined that there is possibly one patient, at Boulder, who can go into the community. This was the information that was given us in the subcommittee hearings by the Department of Institutions.

CHAIRMAN LUND then asked if there was any further discussion. Let the record show there was none.

REP. MOORE moved that the meeting be adjourned. It was adjourned at 7:12 p.m.

ART LUND, CHAIRMAN

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IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR LONGER FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

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BOULDER RIVER SCHOOL AND HOSPITAL

| | 1981 | 1983 | o |
|--------------|--------------------------|-------------------------|----------------|
| | Biennium | Biennium | Increase |
| General Fund | \$16,705,082 | \$18,688,181 | 11.9 |
| Other Funds | 544,817 | 207,761 | <u>(61.9</u>) |
| TOTAL | \$17,249,899 ======== | \$18,895,942 ======= | 9.5 |
| FTE | 484.26 | 486.90 | |

In fiscal 1980 the office of civil rights cited Boulder river school and hospital for not providing a free and appropriate education to the residents. The office of superintendent of public instruction made special education funds available to Boulder river school and hospital on a one-time only basis to bring the educational programs up to appropriate levels. The funding was to meet emergency needs and OPI did not intend to continue the funding into the 1983 biennium. To maintain the education programs now in place at Boulder river school and hospital additional general fund is required. Sixteen educational FTE are added to Boulder's budget above the legislative appropriation for the 1981 biennium. A 1:1 direct care staffing ratio is provided. Direct care staff is defined as habilitation aide I, II, III, nurse professional II, III, licensed practical nurse I, II, III, cottage supervisor I, II, nurse aide III. This staffing will allow for 225 direct care positions. One adaptive carpenter, one rehabilitation aide, six additional laundry worker I positions and one housekeeping supervisor were added to agument the current support staff at the facility.

Boulder's population was 252.65 in fiscal 1980, is 234.18 as of February 1, 1981, and is projected to be 225 in the 1983 biennium.

MANAGEMENT SERVICES DIVISION

| | 1981 | 1983 | % |
|--------------|-------------------------|-------------------------|----------|
| | <u>Biennium</u> | Biennium | Increase |
| General Fund | \$1,601,645 | \$1,682,961 | 5.1 |
| Other Funds | 134,336 | 137,511 | 2.4 |
| TOTAL | \$1,735,981 ======== | \$1,820,472 ======== | 4.9 |
| FTE | 39.00 | 38.00 | |

General fund increases with normal inflation. Other funds do not increase in proportion to general fund as federal indirect costs are declining.

One FTE is reduced in fiscal 1983 due to further computerization of the automated billing and accounts receivable system.

Summary

The general fund appropriation is \$47,561 above the legislative fiscal analyst's recommendations and \$230,969 below the executive budget.

CORRECTIONS DIVISION

| | 1981 Biennium | 1983 Biennium | % Increase |
|----------------------------------|------------------------|------------------------|---------------|
| General Fund Other Funds / | \$5,528,266 192,564 | \$7,330,980 -0- | 32.6 (100) |
| / Total | \$5,720,830 ======= | \$7,330,980 ======= | 28.1 |
| FTE | 94.00 | 107.80 | |

The increase in general fund is associated with:

1. \$560,141 in the biennium to establish a 20-bed women's correctional facility at Mountain View school with 12.8 FTE.

2. \$184,675 to purchase services for nonsecure detention of youth. This program was previously funded, in part, by Montana board of crime control funds.

3. \$60,000 to rent a different facility for the Missoula life skills center.

4. \$48,184 to increase foster home rates to be comparable with rates allowed by SRS.

5. \$416,625 for the Alpha house, a prerelease center for prisoners, in Billings. This program has been in operation since fiscal 1981.

6. \$254,000 to maintain women offender programs in Montana and other states (in programs other than the proposed correctional facility at Mountain View).

7. \$65,000 for equipment, primarily furnishings for existing group homes, and for parole and probation officer cars.

ALCOHOL AND DRUG ABUSE DIVISION

| | 1981 | 1983 | % |
|--------------|--------------|-------------|----------|
| | Biennium | Biennium | Increase |
| General Fund | \$ 378,381 | \$ 398,835 | 5.4 |
| Other Funds | _6,075,320 | 2,675,692 | (56.0) |
| TOTAL | \$6,453,701 | \$3,074,527 | (52.4) |
| | ======== | ======= | ==== |
| FTE | 32.00 | 25.50 | |

General fund supports 32 percent of the total operating expenses for the Montana drug program. Other funds decrease 56 percent due to reduced federal participation in state alcohol programs and not appropriating county earmarked alcohol funds to the division. The department of revenue in accordance with 53-24-205 (3)(b) MCA, makes distribution of county earmarked alcohol funds and as such, legislative appropriation to the alcohol and drug abuse division is not required.

In the 1981 biennium the alcohol and drug abuse division administration was primarily funded with alcohol incentive grants from the federal government. Due to decreased federal participation the committee deleted four FTE and appropriated additional earmarked alcohol funds to administer the program. Due to the expansion of subgrants and a reduction of state operated treatment programs 2.5 FTE were deleted from the Montana drug program.

Language in the appropriation bill provides:

1. The Montana drug program is to be funded with 32 percent general fund and 68 percent federal funds.

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DIRECTOR'S PROGRAM

| | 1981 | 1983 | % |
|--------------|----------------------|----------------------|----------------|
| | Biennium | Biennium | Increase |
| General Fund | \$481,978 | \$494,870 | 2.7 |
| Other Funds | 74,491 | <u>61,610</u> | <u>(17.3</u>) |
| TOTAL | \$556,469 ======= | \$556,480 ======= | 0.0 |
| FTE | 11.00 | 8.00 | |

Other funds decrease 17.3 percent due to the loss of a grant from the board of crime control. This grant was to study the feasibility of establishing an institutional industries program at the Montana state prison.

The committee deleted three FTE, two associated with the institutional industries program and one lawyer II position that was not filled in fiscal 1981. The committee recommended \$10,710 for medical reviews and \$10,000 for legal services.

Summary

The general fund appropriation is \$7,012 under the legislative fiscal analyst's recommendation and \$57,677 under the executive budget.

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DEPARTMENT OF INSTITUTIONS

| | 1981 | 1983 | % |
|--------------|----------------------------|--------------------------|----------|
| | <u>Biennium</u> | Biennium | Increase |
| General Fund | \$ 86,970,797 | \$ 98,392,077 | 13.1 |
| Other Funds | <u>16,879,089</u> | 15,153,996 | (10.2) |
| TOTAL | \$103,849,886 ========= | \$113,546,073 ======= | 9.3 |
| FTE | 2,236.37 | 2,195.40 | , |

Included in the 1981 biennium are fiscal 1981 supplemental appropriations

of:

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| Board of Pardons Boulder River School Corrections Division Center for the Aged Galen Montana State Prison Swan River | \$ 19,219 586,256 220,579 18,947 13,350 ,277,627 48,604 |
|--|--|
| Veterans' Home Warm Springs Total | 48,004 366,119 ,492,507 |

| | MOUNTAIN VIEW SCHOOL | 1,310,400 | 89,307 | 1,324,744 | 93,927 |
|-----|---|------------|--------------|------------|-----------|
| | PINE HILLS SCHOOL | 1,986,558 | 525,454 | 1,983,777 | 536,519 |
| | MONTANA STATE PRISON 1. General Operations | . , | | | |
| . * | 2. Ranch | 6,854,480 | 73,041 | 7,027,309 | 73,980 |
| | | | 1,384,106 | | 1,400,735 |
| | 3. Industries | 143,500 | 193,342 | 78,000 | 296,567 |
| | 4. Canteen | | 250,469 | | 250,521 |
| | 5. License Plate Factory | | , 491,242 | | 529,718 |
| | Total Montana State Pri | | | | |
| | | 6,997,980 | 2,392,200 | 7,105,309 | 2,551,521 |
| | SWAN RIVER YOUTH FOREST CAMP | | | | |
| | | 639,110 | 95,773 | 648,792 | 96,080 |
| | VETERANS' HOME | | | | |
| | | 486,575 | 714,000 | 476,033 | 727,500 |
| | BOARD OF PARDONS | | | | |
| | TOTAL DEPARTMENT | 107,242 | | 107,106 | |
| | OF INSTITUTIONS | | | | |
| | | 48,744,024 | 7,467,687 | 49,648,053 | 7,686,309 |

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The Montana drug program shall be funded at 32 percent general fund and 68 percent federal funds.

General fund distribution by the mental health division to community mental health programs will not exceed \$3,731,453 in fiscal 1982 and \$4,122,272 in fiscal 1983. These amounts includes pay raises. Sixty thousand dollars of funds appropriated for community mental health programs maybe used to support programs provided by the current friends to youth program for emotionally disturbed children.

No general funds will be used to support the manpower or community support programs.

BOULDER RIVER SCHOOL AND HOSPITAL 9,323,901 106,180 9,364,280 101,581 CENTER FOR THE AGED 1,939,921 9,458 1,972,887 9,729

\$18,964 in fiscal 1982 and \$21,771 in fiscal 1983 of general fund appropriation must be used for a fire alarm system maintenance contract or will be reverted to the general fund.

| EASTMONT TRAINING CEN | ITER | | | |
|-----------------------|------------|-----------|------------|-----------|
| | 1,530,951 | 48,728 | 1,549,225 | 49,799 |
| | , | | | |
| GALEN STATE HOSPITAL | · | | | |
| | 4,417,192 | 1,306,988 | 4,366,991 | 1,366,719 |
| | | , , | | , . |
| WARM SPRINGS STATE HO | SPITAL | | | |
| | 11,182,794 | 180,466 | 11,390,319 | 190,066 |

Funds maybe transferred between Warm Springs state hospital and Galen state hospital by the budget amendment process. If applicable and warranted, further consolidation may take place between the two facilities.

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| | Fiscal 1982 | Fiscal 1983 |
|-----------------------------------|-------------|-------------|
| Boulder River School and Hospital | 484,045 | 542,130 |
| Center for the Aged | 85,125 | 95,340 |
| Eastmont Training Center | 47,989 | 53,748 |
| Galen State Hospital | 326,794 | 366,010 |
| Mountain View School | 47,911 | 53,660 |
| Pine Hills School | 114,992 | 126,422 |
| Montana State Prison | 239,486 | 267,766 |
| Swan River Youth Forest Camp | 45,253 | 50,683 |
| Veterans' Home | 91,286 | 102,241 |
| Warm Springs State Hospital | 724,971 | 811,968 |

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| | | Fiscal | Year 1982 Other | Fiscal | Year 1983 Other |
|----|------------------------|-----------|--------------------|-----------|--------------------|
| | | General | Appropriated | General | Appropriated |
| | | Fund | Funds | Fund | Funds |
| CE | NTRAL OFFICE | | | | |
| 1. | Director's Office | | | | |
| | | 248,157 | 28,994 | 246,713 | 32,616 |
| 2. | Alcohol & Drug Abuse | Division | | | |
| | | 194,600 | 1,364,785 | 204,235 | 1,310,907 |
| 3. | Corrections Division | | | | , |
| | | 3,608,423 | | 3,722,557 | |
| 4. | Management Services Di | ivision * | | | |
| | | 831,726 | 64,328 | 851,235 | 73,183 |
| 5. | Mental Health Division | | | | |
| | | 3,938,494 | 541,026 | 4,333,850 | 546,162 |
| | Total Central Office | | | | |
| | | 8,821,400 | 1,999,133 | 9,358,590 | 1,962,868 |

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D. DEPARTMENT OF INSTITUTIONS

Personal services expenditures may not exceed the following level plus pay plan appropriations for each institution or program listed.

| | Fiscal 1982 | Fiscal 1983 |
|--|-------------|-------------|
| Director's Office | 226,892 | 226,892 |
| Alcohol and Drug Abuse Division | 530,438 | 530,438 |
| Corrections Division | 1,843,892 | 1,848,118 |
| Management Services Division | 697,809 | 686,221 |
| Mental Health and Residential Services | 344,378 | 344,378 |
| Boulder River School and Hospital | 7,666,835 | 7,666,835 |
| Center for the Aged | 1,491,662 | 1,491,662 |
| Eastmont | 1,311,589 | 1,311,589 |
| Galen State Hospital | 4,694,991 | 4,694,991 |
| Mountain View School | 1,155,261 | 1,155,498 |
| Pine Hills School | 2,019,866 | 1,975,381 |
| Montana State Prison | 5,062,818 | 5,076,689 |
| Swan River Youth Forest Camp | 479,892 | 479,989 |
| Veterans' Home | 882,356 | 882,538 |
| Warm Springs | 9,266,217 | 9,266,217 |
| Board of Pardons | 80,004 | 80,004 |

If utilities expenditures exceed the amounts listed below, the institution may ask for a supplemental. If utilities do not exceed the anticipated amounts than the difference will be reverted to the general fund.

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WARM SPRINGS STATE HOSPITAL

| | 1981 | 1983 | % |
|--------------|-----------------|--------------|----------|
| | <u>Biennium</u> | Biennium | Increase |
| General Fund | \$21,500,885 | \$22,573,113 | 5.0 |
| Other Funds | 459,586 | 370,532 | (19.4) |
| TOTAL | \$21,960,471 | \$22,943,645 | 4.5 |
| | ========= | ======== | === |
| FTE | 514.20 | 487.99 | |

The general fund increase is associated with inflation, increased workers' compensation charges, and upgrading physician salaries. Other funds decrease 19.4 percent because CETA and PSE funding is not expected for the 1983 biennium.

The committee recommends:

1. Consolidation of selected medical and administrative services between Galen and Warm Springs (see Galen write-up).

2. Maintaining direct care to patient ratios as established by the 46th legislature of registered nurses 1:11, licensed practical nurses 1:6.4, psychiatric/special duty aides 1:1.9. The above ratios will allow for 28.64 RNs, 49.22 LPNs and 165.80 aides (243.66 direct care workers for 315 patients). Due to less patients this is a decrease of 2.51 FTE from the current direct care staff.

3. \$162,948 to increase the salaries of qualified physicians and psychiatrists positions which were previously occupied by other than fully licensed personnel.

The population was 327 in fiscal 1980, is expected to be 315 for fiscal 1981 and is budgeted for 315 in the 1983 biennium.

WARM SPRINGS STATE HOSPITAL

| | 1981 | 1983 | % |
|--------------|----------------------------|-------------------------|---------------|
| | Biennium | Biennium | Increase |
| General Fund | \$21,500,885 | \$22,573,113 | 5.0 |
| Other Funds | 459,586 | 370,532 | <u>(19.4)</u> |
| TOTAL | \$21,960,471 ========== | \$22,943,645 ======= | 4.5 |
| FTE | 514.20 | 487.99 | |

The general fund increase is associated with inflation, increased workers' compensation charges, and upgrading physician salaries. Other funds decrease 19.4 percent because CETA and PSE funding is not expected for the 1983 biennium.

The committee recommends:

1. Consolidation of selected medical and administrative services between Galen and Warm Springs (see Galen write-up).

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3. \$162,948 to increase the salaries of qualified physicians and psychiatrists positions which were previously occupied by other than fully licensed personnel.

The population was 327 in fiscal 1980, is expected to be 315 for fiscal 1981 and is budgeted for 315 in the 1983 biennium.

EASTMONT

| | 1981 | 1983 | % |
|--------------|-----------------|-------------|-------------|
| | <u>Biennium</u> | Biennium | Increase |
| General Fund | \$2,695,206 | \$3,080,176 | 14.3 |
| Other Funds | 86,814 | 98,527 | <u>13.5</u> |
| TOTAL | \$2,782,020 | \$3,178,703 | 14.3 |
| | ========= | ======= | ==== |
| FTE | 91.50 | 92.50 | |

Eastmont has two programs. There is a 40-bed seven-day intermediate care facility for the mentally retarded and a five-day special education program for 15 children. In fiscal 1980, the five-day program handled 30 children. This program was reduced and the staff used to provide a 1:1 staff to resident ratio in the 40-bed intermediate care facility for the mentally retarded.

The committee deleted a physical therapy position at Eastmont's request and added two laundry worker | positions. The additional positions will allow direct care staff to concentrate on resident programs instead of having to do laundry.

Summary

The general fund appropriation is \$19,109 above the legislative fiscal analyst and \$89,695 below the executive budget.

Direct care staff is sufficient to provide a minimum of 3.2 hours of direct nursing care per patient requiring intermediate nursing care and a minimum of 5.64 hours of direct nursing care per patient day for those patients requiring acute hospitalization at Galen state hospital. The recommended staffing will allow a reduction of 17.17 FTE based on an average daily population of 105 patients.

Six food service worker positions were deleted. Currently, employees have their own food serving line and dining area. By placing a doorway between the employee and patient dining room, the six staff will not be needed.

The alcohol treatment center and lighthouse programs are maintained at current level.

Language in the appropriation bill states that funds may be transferred between Warm Springs state hospital and Galen state hospital by the budget amendment process. Also, if applicable and warranted, further consolidation may take place between the two facilities.

Summary

The general fund appropriation is \$848,496 above the legislative fiscal analyst's recommendation and \$474,048 below the executive budget.

MOUNTAIN VIEW SCHOOL

| | 1981 | 1983 | 8 |
|--------------|------------------------|------------------------|----------|
| | <u>Biennium</u> | Biennium | Increase |
| General Fund | \$2,406,722 | \$2,635,144 | 9.5 |
| Other Funds | 194,967 | 183,234 | (6.0) |
| TOTAL | \$2,601,689 ======= | \$2,818,378 ======= | 8.3 |
| FTE | 68.38 | 68.38 | |

The Mountain View school budget had no major changes as the projected population is expected to remain at 43 girls.

The department of institutions has proposed and the committee recommends the use of a vacant cottage at Mountain View to be remodeled and secured to hold women felony offenders. This project is addressed in the corrections division budget.

Federal boarder funds are projected to decrease because the number of girls is expected to drop from two to one.

Summary

The general fund appropriation is \$145,815 above the legislative fiscal analyst recommendation and \$181,456 below the executive budget.

PINE HILLS SCHOOL

| | 1981 | 1983 | 8 |
|--------------|-------------------------|-----------------------|-------------|
| | <u>Biennium</u> | Biennium | Increase |
| General Fund | \$3,742,802 | \$3,970,335 | 6.1 |
| Other Funds | <u>886,940</u> | 1,061,973 | <u>19.7</u> |
| TOTAL | \$4,629,742 ======== | \$5,032,308 ====== | 8.7 ==== |
| FTE | 124.87 | 119.97 | |

In fiscal 1980, the institution was funded for a population of 120 boys to be housed in six cottages. The average population experienced was 90. In the 1983 biennium, the institution's recommended funding level is for an average population of 90 with five cottages anticipated to be used. The committee recommends a reduction of 4.9 FTE in fiscal 1983 because as the population fluctuates only four cottages will be used during portions of the year.

The committee also recommends an increase in utilities of \$39,488 for sewer and water system improvements.

One FTE substance abuse counselor was added by the committee. This position is currently assigned to the school, but was under contract with the alcohol and drug abuse division.

Summary

The general fund appropriation is \$17,752 above the legislative fiscal analyst recommendation and \$523,152 below the executive budget.

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MOUNTAIN VIEW SCHOOL

| | 1981 | 1983 | % |
|--------------|-------------------------|------------------------|----------|
| | Biennium | Biennium | Increase |
| General Fund | \$2,406,722 | \$2,635,144 | 9.5 |
| Other Funds | 194,967 | | (6.0) |
| TOTAL | \$2,601,689 ======== | \$2,818,378 ======= | 8.3 |
| FTE | 68.38 | 68.38 | |

The Mountain View school budget had no major changes as the projected population is expected to remain at 43 girls.

The department of institutions has proposed and the committee recommends the use of a vacant cottage at Mountain View to be remodeled and secured to hold women felony offenders. This project is addressed in the corrections division budget.

Federal boarder funds are projected to decrease because the number of girls is expected to drop from two to one.

Summary

The general fund appropriation is \$145,815 above the legislative fiscal analyst recommendation and \$181,456 below the executive budget.

GALEN STATE HOSPITAL

| | 1981 | 1983 | % |
|--------------|--------------|--------------|------------|
| | Biennium | Biennium | Increase |
| General Fund | \$ 7,701,416 | \$ 8,784,183 | 14.1 |
| Other Funds | 2,469,454 | 2,673,707 | <u>8.3</u> |
| TOTAL | \$10,170,870 | \$11,457,890 | 12.7 |
| | ======== | ======= | ==== |
| FTE | 286.10 | 271.73 | |

The increase in general fund is associated with inflation, increased workers' compensation charges, upgrading physician salaries, and the consolidation of selected services between Galen state hospital and Warm Springs state hospital. Other funds, earmarked alcohol revenues, are not increasing as fast as expenditures.

The committee recommends the consolidation and merger of the following functions at Galen state hospital and Warm Springs state hospital:

1. medical laboratories under one centralized laboratory located at Galen;

2. business office functions under one business services department directed from a centralized office at Galen;

3. ancillary services under one ancillary services department with the function remaining at each institution;

4. environmental services, laundry, maintenance and housekeeping under one department;

medical services under one clinical services director. Each institution
 will have its own medical staff and bylaws. Under the recommended consoli dation the individual treatment units at each facility will not be reorganized.
 Administrative control of both facilities under one chief executive
 officer.

В9

PRISON INDUSTRIES

| | 1981 <u>Biennium</u> | 1983 Biennium | % Increase |
|--------------|-----------------------------|------------------|---------------|
| General Fund | Included in total | \$221,500 | |
| Other Funds | prison budget | 489,909 | |
| TOTAL | (not separately tracked) | \$711,409 | |
| TOTAL | (l'ackeu) | ======== | |
| | | | |
| FTE | | 5.00 | |

The industries program had been operating at a minimum level during the 1981 biennium. Staffing was provided by security personnel. The program operated when work was available. After a biennium study, the department proposed and the committee recommends an industries program which will include printing, mattress making, refurbishing and upholstering furniture, and manufacturing validation tags. All of these programs except for manufacturing of validation tags were in operation, off and on, during the 1981 biennium. The committee recommends \$221,500 general fund for start up costs. The remainder of the funding will come from the sale of industries products.

Summary

The legislative fiscal analyst did not make a funding recommendation for the industry program. The general fund appropriation is \$221,500 above the executive recommendation.

B26

MONTANA STATE PRISON

GENERAL OPERATIONS

| | 1981 | 1983 | % |
|--------------|---------------------------|-------------------------|----------|
| | <u>Biennium</u> | <u>Biennium</u> | Increase |
| General Fund | \$11,863,277 | \$13,881,789 | 17.0 |
| Other Funds | 291,361 | 147,021 | (50.0) |
| TOTAL | \$12,154,638 ========= | \$14,028,810 ======= | 15.4 |
| FTE | 268.17 | 256.79 | |

The committee recommends 256.79 FTE as requested by the department. This reduction of 10 FTE from the security staff was possible due to a reorganization of security posts done by the department. The non-security staff reflects 2.0 additional licensed practical nurses to meet certification requirements at the infirmary, 2.0 additional social workers due to the increased prison population, and 1.0 additional recreation specialist.

General fund increases due to reestablishing the base expenditure levels for supplies and repair and maintenance which were cut last biennium due to the prison's deficits. Other funds decline because the prison will no longer receive law enforcement assistance (LEAA) funds, nor will revenues be received for out-of-state inmates as the projected population is 672, which is the maximum capacity.

Summary

The appropriation of general fund is \$1,533,191 over the legislative fiscal analyst's recommendation, and \$354,581 over the original executive recommendation.

LICENSE PLATE FACTORY

| | 1981 | 1983 | % |
|-----------------------------|-----------|-------------|----------|
| | Biennium | Biennium | Increase |
| General Fund Other Funds | \$804,108 | \$1,020,960 | 27.0 |
| TOTAL | \$804,108 | \$1,020,960 | 27.0 |
| | ======= | ======== | ==== |
| FTE | 2.00 | 2.00 | |

The license plate factory is recommended to remain at current level. However, the license plate factory's utilities and inmate labor costs are to be paid from the factory's earmarked revenue account. These two additional expenditures total \$118,525 for the 1983 biennium. Prior to this time, these expenses were paid from the general fund.

Summary

There is no general fund in this program. The other funds spending authority exceeds the legislative fiscal analyst recommendation by \$1,720 and exceeds the executive recommendation by \$203,914.

VETERANS' HOME

| | 1981 | 1983 | % |
|--------------|-----------------|------------------|------------|
| | <u>Biennium</u> | Biennium | Increase |
| General Fund | \$ 662,217 | \$ 962,608 | 45.4 |
| Other Funds | _1,374,625 | <u>1,441,500</u> | <u>4.9</u> |
| TOTAL | \$2,036,842 | \$2,404,108 | 18.0 |
| | ======== | ======== | ==== |
| FTE | 49.13 | 61.08 | |

The Montana veterans' home was budgeted for 115 members, 40 in the nursing home, 61 in the new domiciliary and 14 in the old domiciliary.

In the 1981 biennium the Montana veterans' home received a general fund supplemental of \$366,119 to provide nursing care, housekeeping and general supervision of the members residing at the home. Over the years residents residing in the domiciliaries, who were previously able to live independently, gradually deteriorated through the normal aging process and were no longer able to take care of themselves.

A physical therapist technician, social worker/activities director, four support services personnel and 7.28 direct care staff were funded. The direct care staff will provide a minimum of two hours of direct nursing care for the members residing in the nursing home. These staff will also provide nursing, housekeeping and maintenance service to the 75 domiciliary residents on an as needed basis.

A laundry worker and .33 FTE farmhand were deleted. The committee funded \$48,542 for the facility to have its laundry services done by a private laundry and \$44,605 to purchase medical, maintenance and office equipment.

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BOARD OF PARDONS

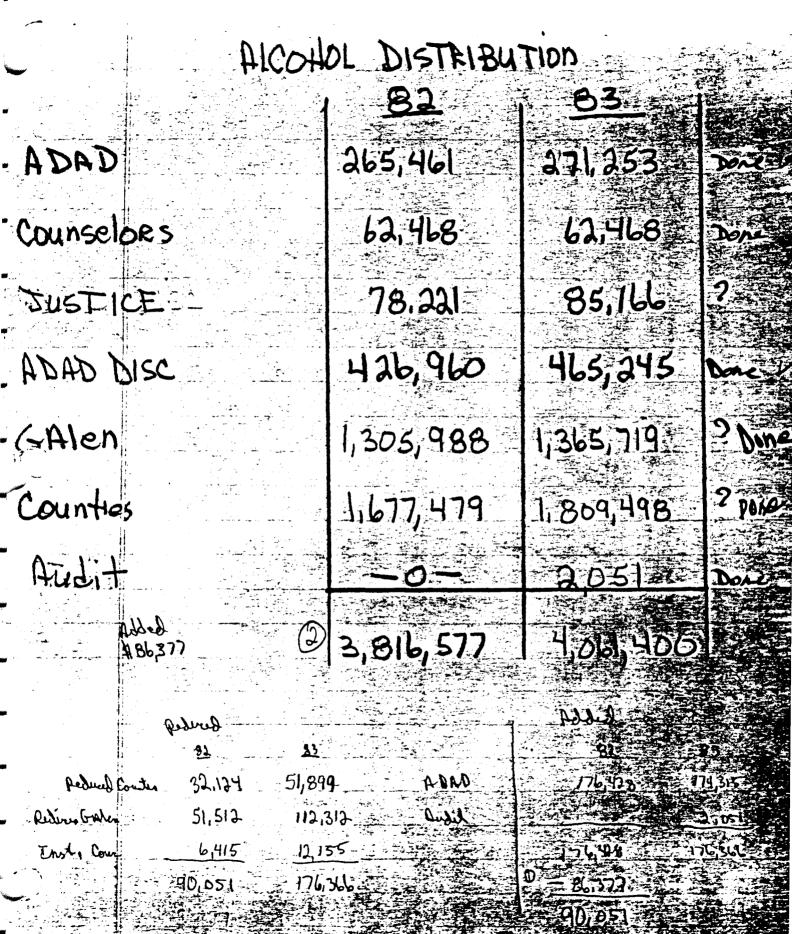
| | 1981 <u>Biennium</u> | 1983 <u>Biennium</u> | % Increase |
|-----------------------------|-------------------------|-------------------------|---------------|
| General Fund Other Funds | \$196,087 | \$214,348 | 9.3 |
| Total | \$196,087 ======= | \$214,348 | 9.3 |
| FTE | 3.5 | 3.5 | |

The board of pardons' FTE is maintained at current level. The general fund increase is due to inflation, board travel, per diem and a contract with a court reporter to record and transcribe hearing proceed-ings.

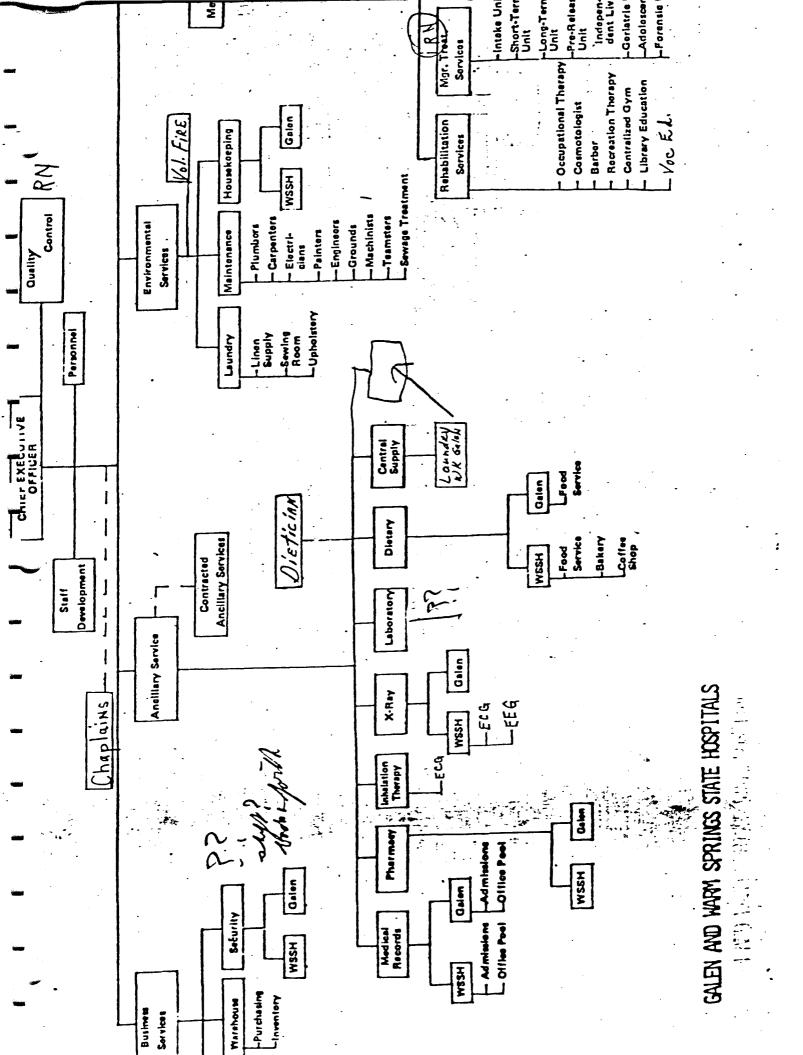
The number of parole hearings have increased because of an increase in the prison population. Parole hearings held out-of-state are also increasing due to the number of male and female offenders housed in prisons outside of Montana.

Summary

The general fund appropriations is \$9,799 above the legislative fiscal analyst recommendation and \$14,757 below the executive budget.



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Form CS-34 1-79

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| NAME Joe Robents | | BILL No |
|-----------------------|-----------------|---------|
| ADDRESS 129 Cloruth | former | DATE |
| WHOM DO YOU REPRESENT | DP legdetin Com | |
| SUPPORT | OPPOSE | AMEND |
| | · | |

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

LNSIIIUNONS

| 1981 | 1983 | 90 Ini |
|------------------------|---------------------------------------|-------------------------|
| \$ 556, 469 | \$ 556,480 | |
| PAy Plan | 77, 619 | |
| \$ 556,469 | \$ 634,099 | 14.0 |
| ADAD | | |
| \$6,453,701 | \$ 3,074,527 | |
| County Funds | 3,486,977 | |
| Pay Plan | 181, 462 | |
| \$ 6,453,701 | \$6,742,966 | 4.5 |
| Corrections | : | |
| \$ 5,720,830 | 7,330,980 | |
| Pay Plan | 631,776 | |
| \$ 5,720,830 | # 7,962,756 | 39,2 |
| MANAGEMENT SERVICES | · · · · · · · · · · · · · · · · · · · | · · · · · · · · · · · · |
| \$1,735,981 | \$ 1,820,472 | |
| Pfry Plan | 236,031 | |
| \$ 1,735,981 | 1\$ 2,056,503 | 18,5 |
| MENTAL HEALTH Division | · · · · · · · · · · · · · · · · · · · | |
| \$ 8,020,727 | # 9,359,532 | |
| PAY Plan | 117, 812 | |
| # 8,020,727 | \$9,477,344 | 18,2 |

BOULLES Due Collog

CENTER FOR THE AGED

| | 1981 | 1983 | To Increase |
|----------|--|---------------------------------------|-------------|
| | 3,268,383 | 3,931,995 | |
| PAY Plan | | 510,298 | |
| • | 3, 268, 383 | 4,442,293 | 35.9 |
| EASTN | NONT | | |
| | 2,782,020 | 3,178,703 | |
| Day Plan | | 448,695 | |
| · | 2,782,020 | 3, 627, 398 | 30,4 |
| GALEN | | · · · · · · · · · · · · · · · · · · · | |
| | 10,170,870 | 11,457,890 | |
| Pay Flan | ······································ | 1,606,156 | |
| | 10, 170, 870 | 13,064,046 | 28,4 |
| WARM S | PRINCS | · · · · · · · · · · · · | |
| | 21,960,471 | 22,943,645 | |
| PAy Plan | | 3, 169, 973 | |
| | 21,960,471 | 26, 113, 618_ | 18.9 |
| MOUNTAI | N VIEW | · | |
| | 2,601,689 | 2,818,378 | |
| Pay Flan | | 395,270 | |
| | 2,601,689 | 3,213,648 | 23.5 |
| PINE H | ILLS | · · · · · · · · · · · | |
| | 4 629 742 | 5 127 200 | |

| MONTANA | STATE PRISON | | |
|-----------------------------|--------------|---------------------------------------|------------|
| | 1981 | 1982 | 70 INCREI |
| | 12, 154, 638 | 14,028,810 | |
| Pay Plan | | 1,564,645 | |
| · · · · · · · · · · · · · | 12,154,638 | 15.593,455 | 28.3 |
| PRISON RANC | Н | | |
| · | 2, 171, 603 | 2,784,248 | |
| Pay Plan | | 115,422 | |
| ·· ·· · · · | 2, 171, 603 | 2,899,670 | 33,5 |
| PRISON INDU | ISTELES | | |
| | | 711,409 | |
| Fry Flan | | -0- | |
| ••• •• •• ••• • • • • ••••• | | 711,409 | |
| PRISON CANT | FEEN | | |
| | | 500,990 | , · · · |
| PAy Plan | | | an an nasa |
| | | 500,990 | |
| LICENSE P | LATE | · · · · · · · · · · · · · · · · · · · | |
| • • • • | 804,108 | 1,020,960 | |
| Pay Flon | · | 14, 590 | |
| | 804,108 | 1,035,550 | 28,8 |
| SWAN RIVER | ····· | · · · · · · · · · · · · · · · · · · · | |
| | 1,335, 826 | 1,479,755 | |
| Pay Flan | | | |
| • | 1,335, 826 | 1.1.43940 | 121 |

| VETERANS | HOME | | |
|---|-----------|--|--|
| | 1981 | 1983 | 70 Incru |
| a and a construction and a construction of the second second second second second second second second second s | 2,036,842 | 2,404,108 | |
| PAy Plan | | 301,896 | |
| | 2,036,842 | 2,706,004 | 32.9 |
| Boord of | PARdons | | |
| | 196,087 | 214,348 | · |
| Pay Plan | , | 27.369 | |
| | 196,087 | 241,717 | 23,3 |
| | | | |
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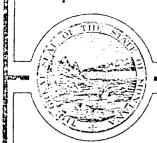
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DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES



TED SCHWINDEN, GOVERNOR

P.O. EOX 4210

HELENA, MONTANA 59604

March 2, 1981

TO: Honorable Art Lund, Chairman House Appropriations Committee

John D. LaFaver

FROM:

Director O SUBJECT: Proposed Federal Cutbacks

Over the past weeks the department of social and rehabilitation services has been analyzing the effects of proposed federal funding cutbacks. It is our view that these proposals would serve to decrease basic social services now provided Montanans while, at the same time, shift an onerous fiscal burden to the state taxpayer. In programs having a combined state-federal participation, the impact would exceed \$18 million.

Because our shared perception of federal dollars available is such a basic element in determining state appropriations, I thought it would be useful to your committee for us to share our fiscal analysis of the present proposals.

While the latest reports are that an additional \$10 billion will be proposed to be cut, this analysis is of the proposal the President presented to the Congress on February 18. The major elements of that package as it relates to the department of social and rehabilitation services are:

1. A Medicaid cutback and spending limit;

2. A consolidation of a number of programs into a single "bloc" grant at 75 percent of present spending levels.

Medicaid Cutback and "Cap" -- \$10 million

The proposal is to limit Medicaid spending to a 5 percent annual growth in fiscal 1982 and to index spending increases to the "GNP deflator" (i.e. a measure of inflation) in subsequent periods. Also proposed is allowing the states greater flexibility in reorganizing their programs "to deliver care more effectively and at a lower cost."

The impact on Montana of this proposal is \$4.3 million in fiscal 1982 and \$5.6 million in fiscal 1983. This \$10 million would need to come from a combination of higher general fund appropriations, administrative efficiencies and program cutbacks.

In order to stay within the set spending limit, or "cap," the states would need to be able to limit numbers of recipients as well as control provider reimbursements. Under present Medicaid rules the states have only limited power in these areas.

Consolidation and 25% Cutback -- \$8 million

The proposal would consolidate 36 funding sources into a single, "bloc," grant at 75 percent of present spending levels. Our budget as presently developed by the human services subcommittee anticipates spending about \$32 million from those sources during the coming biennium.

The following charts detail the anticipated money by program area and operating line item. Areas most heavily involved include social services staff and county directors along with services to the developmentally disabled. Also heavily impacted are vocational rehabilitation and visual services grants and foster care support.

Block Grant Proposal Funds Allocations Per Sub-Committee Recommendations by Fund Type

| | FY 82 | FY 83 |
|--|---|---|
| Title XX Monies Contracted Homemakers Contract - Montana Legal Services Dept. of Health - Family Planning State Social Services Staff, County Directors, Social Workers and Homemakers Administration and Support Services Audit & Program Compliance County Administrative Costs Big Brothers/Sisters West Yellowstone Project Family Teaching Center Youth Development Staff & Operation DD Staff & Operations DD Purchase Client Services Sub-total Title XX | $\begin{array}{c} \$ \\ 19,405 \\ 75,000 \\ 206,550 \\ \hline 4,371,636 \\ 736,538 \\ 21,597 \\ 277,148 \\ 127,857 \\ 4,087 \\ 91,780 \\ 265,732 \\ 735,650 \\ 3,506,568 \\ \hline \$10,439,548 \\ \end{array}$ | $\begin{array}{c} \$ & 21,345 \\ & 75,000 \\ 206,550 \\ \hline 4,425,584 \\ & 715,437 \\ & 21,812 \\ & 304,863 \\ & 139,364 \\ & & 4,462 \\ & 100,041 \\ & 269,654 \\ & 749,955 \\ & 3,405,481 \\ \hline \$10,439,548 \\ \end{array}$ |
| <u>Title XX - Training Funds</u> Social Services Training Training Grant - University Mont. Administrative & Support Developmental Disabled Clinical Trainers Sub-total Training Funds | \$ 39,521 262,500 19,207 151,904 \$ 473,132 | \$ 41,942 262,500 18,657 153,980 \$ 477,079 |
| Rehabilitation Services Vocational Rehabilitation and Visual Services Staff & Operations Rehabilitation Clinet Services Visual Client Services Administration & Support Sub-total - Rehabilitation Services | \$ 1,276,563 1,668,479 137,546 274,430 \$ 3,357,018 | <pre>\$ 1,332,857 1,751,903 144,423 282,257 \$ 3,511,440</pre> |
| Developmental Disabilities Planning & Advisory Council Operations Planning & Advisory Council Grants Sub-total DD | \$ 87,500 <u>162,500</u> \$ 250,000 | \$ 87,500 162,500 \$ 250,000 |
| Child Abuse Neglect | \$ 71,627 | \$ 72,518 |
| Foster Care | \$ 994,425 | \$ 1,054,260 |
| Primary Care (HURA) TOTAL | \$ 349,913 \$15,935,663 | \$ 378,546 \$16,183,391 |
| 25% of Total | \$ 3,983,916 | \$ 4,045,848 |

Block Grant Proposal Funds Allocations Per Sub-Committee Recommendations by Expenditure Category

| | FY 82 | FY 83 |
|--|---|---|
| Personal Services and Operating Costs Social Services Administration & Support Audit & Program Compliance County Administrative Costs Vocational Rehabilitation & Visual Developmental Disabilities DD Planning & Advisory Council Youth Development Medical Assistance (HURA) Sub-total | \$ 4,482,784 1,030,175 21,597 277,148 1,276,563 887,554 87,500 265,732 <u>349,913</u> \$ 8,678,966 | \$ 4,540,044 1,016,351 21,812 304,863 1,332,857 903,935 87,500 269,654 <u>378,546</u> \$ 8,855,562 |
| Client Purchase of Services Homemakers Montana Legal Services Family Planning Big Brothers/Sisters West Yellowstone Project Family Teaching Center Developmentally Disabled Services Vocational Rehabilitation & Visual Foster Care University of Montana Sub-total | <pre>\$ 19,405 75,000 206,550 127,857 4,087 91,780 3,669,068 1,806,025 994,425 262,500 \$ 7,256,697</pre> | $\begin{array}{c ccccccccccccccccccccccccccccccccccc$ |
| TOTAL | \$15,935,663 | \$16,183,391 |

Included in the consolidation are \$22 million for energy assistance, \$6 million for the national center for appropriate technology in Butte, \$2.6 million for legal services and many smaller items. While the state budget would not necessarily be affected by cutbacks here, services to Montanans clearly would.

Recommendations and Proposed Action

1. Oppose Shifting the Barden

The Schwinden administration supports efforts at the federal level to control spending. But we firmly oppose and we urge the legislature to oppose shifting the burden of federal programs to the state and local levels. A state such as Montana with per capita personal income 15 percent below the national average is ill-equipped to cope with massive spending increases.

The fact that the present proposal asks no changes in the federal Medicare program while limiting federal spending in the state Medicaid program spending suggests there may be more interest in shifting the burden than in controlling medical costs. The proposed rules that SRS has set for hearing attest to our continuing commitment to control Medicaid costs. But we will oppose any effort to have Montana state and local governments pay the federal government's bills.

2. Reexamine Departmental Priorities

The department is now reexamining spending levels that are tentatively authorized. Contingency plans are being developed to allow program cutbacks and to pull spending from non-direct services areas. These plans will be completed prior to the beginning of next fiscal year.

3. Establish Contingency Reserve

Obviously, cutbacks of the magnitude now proposed cannot be entirely absorbed. Without additional state dollars, fundamental social services will be reduced or eliminated. We suggest the legislature consider appropriating a contingency reserve to enable badly needed services to continue. The spending of that reserve could be triggered either by actions of a special session or under legislatively-established criteria.

Conclusion

I appreciate that the prospect of a substantial rethinking of appropriation levels is not really welcomed at this time. Yet the need for such a basic reexamination is caused by actions at the federal level that cannot be ignored. My staff and I are prepared to assist the appropriations committees in dealing with these complex issues.

DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES



TED SCHWINDEN, GOVERNOR

P.O. BOX 4210

HELENA, MONTANA 59604

| | Committee Dill | |
|--|--|--|
| Requested Changes to Sub | -Committee Bill | |
| | <u>FY 82</u> | <u>FY 83</u> |
| <u>4 C's</u> | | |
| Personal Services (l FTE) Operating Expenses Grants Total | 23,836 7,709 317,000 \$ 348,545 | 23,836 8,326 342,400 \$ 374,562 |
| General Fund - Title XX 3rd Party - Funds Total | 312,060 36,485 \$ 348,545 | 338,077 36,485 \$ 374,562 |
| Family Teaching Center | | |
| General Fund to Executive Level | \$ 29,701 | \$ 32,077 |
| Medicaid | | |
| SRS Request Sub-Committee Bill Difference | 85,124,809 82,450,127 \$ 2,674,682 | 93,572,337 90,307,518 \$ 3,264,819 |
| General Fund Federal Funds Total | 932,127 1,742,555 \$ 2,674,682 | 1,131,586 2,133,233 \$ 3,264,819 |

ENVIRONMENTAL PROTECTION

(ii) maintenance of a file of registrants possessing sources of ionizing radia tion requiring registration under this chapter and any administrative or judi cial action pertaining thereto;

(iii) maintenance of a file of all rules relating to regulation of sources o ionizing radiation, pending or adopted, and proceedings thereon.

History: En. Sec. 4, Ch. 108, L. 1967; amd. Sec. 83, Ch. 349, L. 1974; R.C.M. 1947, 69-5804.

75-3-202. Licensing and registration. (1) The department shall provide by rule for general or specific licensing of persons to receive, possess, or transfer radioactive materials and devices or equipment utilizing such materials. The rules shall provide for amendment, suspension, or revocation o licenses pursuant to 75-3-401 and 75-3-403.

(2) Each application for a specific license shall be in writing and shal state such information as the department by rule may determine to be neces sary to decide the technical, insurance, and financial qualifications or any other qualification of the applicant as the department considers reasonable and necessary to protect the occupational and public health and safety. The department may, at any time after the filing of the application and before the expiration of the license, require further written statements and may make such inspections as the department considers necessary in order to determine whether the license should be granted, denied, modified, sus pended, or revoked. All applications and statements shall be signed by the applicant or licensee. The department may require an application or state ment to be made under oath or affirmation.

(3) Each license shall be in such form and contain such terms and conditions as the department may by rule prescribe.

(4) No license issued pursuant to the provisions of this chapter and n right to possess or utilize sources of ionizing radiation granted by any licens may be assigned or in any manner disposed of.

(5) The terms and conditions of all licenses shall be subject to amend ment, revision, or modification by rules or orders issued in accordance wit the provisions of this chapter.

(6) The department may require registration and inspection of persor dealing with sources of ionizing radiation which do not require a speciflicense and may require compliance with specific safety standards to 1 promulgated by the department.

(7) The department is authorized to exempt certain users from the licen ing or registration requirements set forth in this section when the depar ment makes a finding that the exemption of the users will not constitute significant risk to the health and safety of the public.

(8) Rules promulgated pursuant to this chapter may provide for recognition of such other state or federal licenses as the department considers desable, subject to such registration requirements as the department prescribes

History: En. Sec. 6, Ch. 103, L. 1967; and. Sec. 107, Ch. 349, L. 1975; and. Sec. 17, Ch. 1 L. 1977; R.C.M. 1947, 69-5806(1) thru (7), (9).

75-3-203. Federal-state agreements. (1) The governor, on behalf this state, is authorized to enter into agreements with the federal governme providing for discontinuance of certain of the federal government's respon bilities with respect to sources of ionizing radiation and the assumpti thereof by this state.

NUCLEAR REGULATION

(2) Any person who, on the effective date of an agreement under subsection (1) of this section, possesses a license issued by the federal government shall be deemed to possess the same pursuant to this chapter, which shall expire either 90 days after receipt from the department of a notice of expiration of such license or on the date of expiration specified in the federal license, whichever is earlier.

History: En. Sec. 9, Ch. 108, L. 1967; and. Sec. 107, Ch. 349, L. 1974; R.C.M. 1947, 69-5309.

75-3-204. Records. (1) The department shall require each person who acquires, possesses, or uses a source of ionizing radiation to maintain records relating to its receipt, storage, transfer, or disposal and such other records as the department may require, subject to such exemptions as may be provided by rules.

(2) The department shall require each person who acquires, possesses, or uses a source of ionizing radiation to maintain appropriate records showing the radiation exposure of all individuals for whom personnel monitoring is required by rules of the department. Copies of these records and those required to be kept by subsection (1) of this section shall be submitted to the department on request.

(3) The department shall adopt reasonable regulations, compatible with those of the United States nuclear regulatory commission or the national committee on radiation protection, pertaining to reports of exposure of personnel to radiation. The regulations shall require that reports of excessive exposure be made to the individual exposed and to the department and shall make provision for periodic and terminal reports to individuals for whom personnel monitoring is required.

History: En. Sec. 8, Ch. 108, L. 1967; and. Sec. 107, Ch. 349, L. 1974; R.C.M. 1947, 69-5808(1) thru (3); and. Sec. 3, Ch. 68, L. 1979.

Part 3

Disposal of Large Quantities of Radioactive Material

75-3-301. Definition. Notwithstanding the definition in 75-3-103, as used in this part "person" means any individual, group, firm, partnership, corporation, cooperative, association, government subdivision, government agency, local government, or other organization or entity.

History: En. 69-5817 by Sec. 1, Ch. 68, L. 1977; R.C.M. 1947, 69-5817; amd. Sec. 4, Ch. 68, L. 1979.

75-3-302. Disposal of large quantities of radioactive material prohibited — exceptions and exclusion. (1) No person may dispose of in Montana large quantity radioactive material produced in other states.

(2) Byproduct material possessed, used, and transported for educational purposes, scientific research and development, médical research, diagnosis, and treatment, geophysical surveying, and other purposes licensed by the United States nuclear regulatory commission shall be excepted from this part during the period of possession, use, and transportation prior to disposal.

(3) Nothing in this part precludes the construction of a nuclear facility approved under the requirements of the Montana Major Facility Siting Act.

History: En. 69-5818, 69-5319, 69-5321 by Secs. 2, 3, 5, Ch. 63, L. 1977; R.C.M. 1947, 69-5818, 47-5419, 69-5821.

75-3-303

ENVIRONMENTAL PROTECTION

75-3-303. Penalty. A person convicted of violating this part is guilty of a misdemeanor and shall be fined an amount not less than \$250 for each offense. In this part, each day of violation constitutes a separate offense. History: En. 69-5820 by Sec. 4, Ch. 68, L. 1977; R.C.M. 1947, 69-5820.

Part 4

Enforcement, Appeal, and Penalties

75-3-401. Administrative hearings. In a proceeding under this chapter for granting, suspending, revoking, or amending a license or for determining compliance with or granting exceptions from rules adopted under this chapter, the board of health and environmental sciences shall first afford an opportunity for a hearing on the record upon the request of a person whose interest may be affected by the proceeding and shall admit the person as a party to the proceeding.

History: En. Sec. 12, Ch. 108, L. 1967; amd. Sec. 84, Ch. 349, L. 1974; R.C.M. 1947, 69-5812(1).

75-3-402. Emergency impoundment of materials. The department shall have the authority in the event of an emergency to impound or order the impounding of sources of ionizing radiation in the possession of any person who is not equipped to observe or who fails to observe the provisions of this chapter or any rules promulgated hereunder.

History: En. Sec. 14, Ch. 108, L. 1967; and. Sec. 107, Ch. 349, L. 1974; R.C.M. 1947, 69-5814.

75-3-403. Emergency orders and rules. When the department finds that an emergency exists requiring immediate action to protect the public health and safety, the department may, without notice or hearing, issue a rule or order reciting the existence of the emergency and requiring that such action be taken as considered necessary to meet the emergency. Notwithstanding any provision of this chapter to the contrary, the rule or order is effective immediately. A person to whom the rule or order is directed shall comply with it immediately but on application to the board shall be afforded a prompt hearing. On the basis of the hearing the emergency rule or order shall be continued, modified, or revoked by the board within 30 days after the hearing or when the emergency no longer exists.

History: En. Sec. 12, Ch. 108, L. 1967; amd. Sec. 84, Ch. 349, L. 1974; R.C.M. 1947, 69-5812(2).

75-3-404. Prohibited activity. (1) No person shall acquire, own, possess, or use any radioactive byproduct material, source material, special nuclear materials, or other radioactive materials, occurring naturally or produced artificially, without having been granted a license therefor from the department or transfer to another or dispose of said materials without firs having been granted approval of the department therefor in accordance with the administrative rules of the department.

(2) It shall be unlawful for any person to use, manufacture, produce, o knowingly transport, transfer, receive, acquire, own, or possess any source o ionizing radiation unless such person is licensed by or registered with th department in accordance with the provisions of this chapter and rules issue hereunder.

History: (1)En. Sec. 16, Ch. 108, L. 1967; amd. Sec. 107, Ch. 349, L. 1974; Sec. 69-5816, R.C.M. 1947; (2)En. Sec. 13, Ch. 108, L. 1967; amd. Sec. 107, Ch. 349, L. 1974; Sec. 69-5813, R.C.M. 1947, R.C.M. 1947, 69-5813, 69-5816(part).

WATER QUALITY

75-3-405. Penalty. A person who violates 75-3-404 is guilty of a misdemeanor punishable by a fine of not less than \$100 and not more than \$1,000or by confinement in the county jail of not less than 30 days and not more than 90 days or by both.

History: En. Sec. 16, Ch. 108, L. 1967; and. Sec. 107, Ch. 349, L. 1974; R.C.M. 1947, 69-5816(part); and. Sec. 5, Ch. 68, L. 1979.

CHAPTER 4

RESERVED

CHAPTER 5

WATER QUALITY

Part 1 - General Provisions

Section

- 75-5-101. Policy.
- 75-5-102. Purpose rights of action not abridged. \$
- 75-5-103. Definitions.

75-5-104. Special applicability.

75-5-105. Confidentiality of records.

75-5-106. Interagency cooperation.

Part 2 - Administrative Agencies

75-5-201. Board rules authorized.

75-5-202. Board hearings.

- Sections 75-5-203 through 75-5-210 reserved.
- 75-5-211. Department to administer chapter.
- 75-5-212. Department research and information.
- 75-5-213. Comprehensive plan for prevention and control of water pollution.
- Sections 75-5-214 through 75-5-220 reserved.
- 75-5-221. Water pollution control advisory council general.

Part 3 - Classification and Standards

- 75-5-301. Classification and standards for state waters.
- 75-5-302. Revised classifications not to lower water quality standards exception.
- 75-5-303. Nondegradation policy.
- 75-5-304. Adoption of standards pretreatment, effluent, performance.
- 75-5-305. Adoption of requirements for treatment of wastes.
- 75-5-306. Purer than natural unnecessary dams.
- 75-5-307. Hearings required for classification, formulation of standards, and rulemaking.

Part 4 – Permits

- 75-5-401. Board rules for permits.
- 75-5-402. Duties of department.
- 75-5-403. Denial or modification of permit.
- 75-5-404. Suspension or revocation of permit procedure.

Part 5 - Financial Provisions

- 75.5-501. Board to control state matching funds for construction of water pollution control facilities.
- 75-5-502. Board authorized to accept loans and grants.

NAME C. B. Rich BILL NO. ADDRESS <u>Seeley habe</u>, Mout. DATE <u>3/5/8/</u> WHOM DO YOU REPRESENT <u>Selfa Montaua Cuttertur</u> + Grudus SUPPORT _OPPOSE_

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments: Whe support the finding for travel promotion as requested by Govanor Schwinden. This is now the 3rd largest industry in Mantana. It does not deplete or pollute our air and water, primarily any of our resources, A but exports and memories and pictures. In spite of nemors to the Contrain, meane from the travel industry is spread throughout most of the business Community in the stele. Studies have determined that and Outside dollars coming in to a community will be respect 7 times in that Community. In 35 years of antiting and dude ranching I can attest to my share of that concept. FORM CS-34 I request full support and funding 1-81 for fravel promotion programs.

Tenny Abelin 219 E Olive Bozeman Represent Bridger Baul ski Area Support comment, Promo Bareau Funds are used for Reineation of all Kinds, not motels only

WITNESS STATEMENT

| | | | TRAVEL PRO |
|-----------------------|---|--|---|
| | NAME BRUCE V | ANICA | FUNDING BILL NO. |
| | | AVE. NORTH HENTHNA | DATE 3/05/21 |
| | WHOM DO YOU REPRESENT | | ~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~ |
| | SUPPORT L | OPPOSE | AMEND |
| | PLEASE LEAVE PREPARED | STATEMENT WITH SECRE | TARY. |
| | Comments: | , | 1 |
| سر بر ا | PRIVATE ENTO | ERPRISE OPNING AUTICITIES BEER | THE STATE OF MUNITAN |
| - ÍDEAL | LY IT SHELD BE | A CODPERATIVE THE TOURISM 1 | NTERESTS IN THE STATE |
| FRILINA | OPERATORS, AIRLINE | S, HEFELS, MUTELS, | RESTAURANTS, DUDE |
| R. P. C. IE | 5 670) | | |
| | TOURISM is A | CLEAN INDUSTR | Y AND PERHAPS |
| Heuld THE AN | BE LOCKED UPON HEEDDA COMPANY. | A) A REPUTER | MENT INDUSTRY FIN |
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| UER DOPE, LOCAT | THE CRIENT, AND THE CRIENT, AND EF 10 WESTERN TO TO TRAVEL PR S PARTICULARLY WHEN TANA AND THE FAR | RE PROMOTE THE S THE EASTERN PH STATES, MONTRA. CONSTRA. I'CU CONSTRA. THIS ATTOMAL PARK | TRY', NORTHEDEST SPENT TATE OF MONTANA IN AT OF THE UNITED STAT A IS #9 IN DUCLARS IS A SAD STATE OF. HE BEAUTY AND HISTORY RE LOCATED AT THE |
| 112 | TANK AND THE FAN | AT THAT WE AN | LE LECATED AT THE |

NAME JACK Wemple, President BILL No. DATE 3/5/81 ADDRESS Vieter, Mont. WHOM DO YOU REPRESENT Montane Outfitters & Guides Assn. Inc. SUPPORT CRIGINAL TOURISM PROPOSAL OPPOSE AMEND PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY. Comments: In response to the proposed department of Commerce, I Would very much support the aliginal budget recommendation Department of Travel and Fromotion has always been underfunded. The Trans & Aromation lines has helped tremendously the Tourism Industry in Montons on a limited scale only because of limited funds. Their objectives could be obtained if they were funded appropriate I represent approprimetty son buttettere in the Monters Outfitters and Suides association. We do a tremendance amount of individual aboutining for our individual bernices and Someashat for Montana. However, when we go out of state on promotion trips, Montana is not known for its apportunities in the sities of traveland restion possibilities. This should be that overall reponsibility of the Travel and Romation lines of Mont. The littling Industry of Montana drings in \$25 million dollars of new monies to the state each gear. The overall Travel/Tourism Industry is a Top million Industry This Industry could be greatly expended within Montana if we had additional help from the state. This Industry employees some 20,000+ people in the state.

FORM CS-34 1-81

WITNESS STATEMENT

NAME F.H. BOLES BILL No. DATE /10, 5, 1981 ADDRESS HELEAA MT WHOM DO YOU REPRESENT Ment. Chample SUPPORT X OPPOSE AMEND PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY. Comments:

Support for Travel Promo Breget \$600,000 Int yr. of Biennen 700,000 2nd ger"

HOUSE NAPRO PRIMITIONS MARCH 5, 1981 COMMENTS BY FH. BLES- MONTHANA CHAMBER RE. TRAVER PROMOTION SUBET

1. JOURISM CHANNOT BE COMPARED WITH FUR EVALUALE ACRICUTURE IN A MARKETING FRAMELORK. FARMERSYLAN CHNNOT EFFECTIVELY ADVERTISE THEIR PRODUCTS ON HAV INDILIDUAL BASIS. THEY UNE "CHECCOFFS" TO FUND A JOINT ANU. EFFURT - (PRUPISED BUSET 4,092,000 70 602,0 FACILITY OWNERS CATERING TO NISUTORS TO AN THE OTHER HARD (49) MUNTANAN SPEND HUNDREDS OF THUSANDS OF DOLLARS PROMOTING THEIR INDIVIDUAL BETABLISHMENTS. THE TRAVEL PROMO BUGET AUGMENTS THIS PRIVATE OFFICET AND HELPS BRING THE OUT OF STATE TOURIST IN. SOME OF THESE PRIVATE EFFORTS DRE IN COONSATION WITH THE STATE AS well. THE POINT IS THAT THE PRUNTIES SECTOR 15 MAKING A VERY SIGNAICANT FINANCIAL COMMONIST to promotion withigh BOUEFITS ALL SORTS OF BURNESSED IN VIRTUALLY EVERY CITY IN OUR STATES

2. GOU HAVE HONDRO MANY ARBUMBATS FOR THIS ANDRODRUMINAL F WOULD LIKE TO SUBGEST THAT AS AN ALTORANTINE TO MR. BUCHANNARS REQUEST FOR RESTORATION OF THE SOUGDOD MATCHING FIND" IN THE SECOND YEAR OF BIENNUM THAT YOU CONSIDER RESTORATION OF 100,000 HAPT COULD BE USED FOR MATCHING WITH 100,000 FROM THE PRIVATE SECON. THIS WOULD BE IN LINE WITH THE SUS COMMETTEDS GROOM LIM KATION AND WOULD BE AN IMORTANT STEP IN SUPER INVOLVING THE PRIVATE SECTOR IN THE FUNDING OF THE STATE TRAVEL PREMOTION PROFAM

| NAME Stebbirs FDern | | BILL NO. Travel Promition Bar | i ve |
|----------------------------|--------------|-------------------------------|------|
| ADDRESS PO 978 | | _DATE/_/ | v |
| WHOM DO YOU REPRESENT Kale | cell Charter | of Campopperp | |
| SUPPORT | _OPPOSE | AMEND | |

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY. Comments:

Feel Tourism budget is not enough to de a worthwhite job of promoting tourism Induring in montany

| NAME STEVE K | ENCEL | COVENER'S BILL NO PROMOTION BUDGET |
|------------------------|----------------|---------------------------------------|
| ADDRESS P.O. Box 29 | 8 WHITERS | DATE 3/5-181 |
| WHOM DO YOU REPRESENT_ | WHITEFISH | RESORT ASSICIATION |
| SUPPORT | OPPOSE | AMEND |
| PLEASE LEAVE PREPARED | STATEMENT WITH | SECRETARY. |

Comments:

WOULD LIKE TO PRESENT NEED OF PROMOTION IN LIGHT OF COMPETITION AND COMPARE THIS BUDGET TO INVESTMENT RATHER THAN WELFARE.

| NAME GREG BRYA | | BILL NO. Promition Bulger |
|---|---------------------|---------------------------------|
| NAME <u>GREG BRYA</u> Address <u>Box 1473</u> 35 | White Est, MT. | DATE 3/5/51 |
| WHOM DO YOU REPRESENT_ | | |
| SUPPORT | OPPOSE | AMEND |
| PLEASE LEAVE PREPARED | STATEMENT WITH SECF | RETARY. |
| Comments: I Luce 110 | Like To Peline Let | Teis in Support of The proposed |
| PachoTion Budget Ann, | present Con merpun | The pricessity for thes |
| Promotion | | |

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GOU. TRAVEL Mar. DRU BILL NO. PROMO, NAME DATE 3-5-8 ADDRESS WHOM DO YOU REPRESENT SUPPORT OPPOSE AMEND

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

WANT TO PRESENT BRIEF MISCUSSION RE: FUNINING OF TRAVEL FROMO. BUREAU-

NAME DALE & DUTE BILL NO. TRAcel PRACE ADDRESS 1410 Edgement - Lifely DATE 3-5-81 WHOM DO YOU REPRESENT 12/ hile Cish (Junchen of Commenter OPPOSE SUPPORT AMEND PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY. Comments: We support the governor budget Récommendations fin The Sunding of The Mentionia Privace Promotion ilmites

request à feu monuele de presunt

Testimore a Letlers - SA Juff

| NATE | FTER M. WALLS | BILL No |
|----------|---------------------------------------|---------------------------|
| ADDRESS | EDWONTER HEIMA CARANA | DATE NIAR, 05/51 |
| WHOM DO | YOU REPRESENT TRANEL HLANDA | DEFT. OF TURRISH + Swin 1 |
| SUPPORT_ | OPPOSE | AMEND |
| PLEASE I | EAVE PREPARED STATEMENT WITH SECRETAD | RY. |

Comments:

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| NAME Tere Ch | artian | BILL No |
|-------------------|-------------------|-------------|
| ADDRESS Helin | · 0~; | DATE 3-5-8/ |
| WHOM DO YOU REPRE | SENT Reft A Sweet | och |
| SUPPORT | OPPOSE | AMEND |

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

to answel operation A: Wept Fudget

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| NAME Sec. Colores | BILL No |
|---|-------------|
| ADDRESS Jolena | DATE 3-5-8/ |
| WHOM DO YOU REPRESENT Dept of Finsetver | 2 |
| SUPPORTOPPOSE | AMEND |

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

| NAME CORDON MCC. | mha | BILL No |
|-------------------------------------|---------------------|---------|
| ADDRESS | | DATE |
| whom do you represent $\frac{D}{2}$ | PT. ag | · |
| SUPPORT | _OPPOSEO | AMEND |
| PLEASE LEAVE PREPARED STATE | MENT WITH SECRETARY | Υ. |

Comments:

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| NAME B.T.C. J. J. | Balancie | _BILL No |
|-----------------------|-------------------------|-------------|
| ADDRESS 120 main | in . Tilen . | DATE 3-5-81 |
| | The Colouric A | |
| SUPPORT | OPPOSE | AMEND |
| PLEASE LEAVE PREPARED | STATEMENT WITH SECRETAR | Υ. |

Comments:

Place fully found the door -Promotion densate and and for Sport Secondary Selection of the second

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PUBLIC SERVICE COMMISSION'S BUDGET

March 5, 1981

MR. CHAIRMAN AND COMMITTEE MEMBERS:

4

I AM MORRIS GULLICKSON OF THE UNITED TRANSPORTATION UNION, REPRESENTING THE RAIL BROTHERHOODS. WE FEEL THAT THERE IS A NEED FOR A STATE TRACK INSPECTOR IN THE PUBLIC SERVICE COMMISSION OF MONTANA.

WE FEEL THAT WITH THE PRESENT SITUATION OF RAIL TRANSPORTA-TION IN MONTANA, AND THE INSTITUTING OF THE STAGGERS ACT, THERE WILL BE A FLOOD OF BRANCH LINE ABANDONMENTS. THIS TRACK INSPEC-TOR COULD BE AN IMPARTIAL PARTY TO VERIFY OR TESTIFY AS TO THE TRACK UPKEEP AND EXPENSES.

AT PRESENT THERE IS NO OTHER INFORMATION AVAILABLE TO THE PUBLIC EXCEPT THE RAILROAD'S OWN TESTIMONY ON COST AND CONDITIONS WHEN IT COMES TO HEARINGS ON ABANDONMENTS OR AN INVESTIGATION INVOLVING A WRECK OR DERAILMENT.

THE TOTAL COST TO THE STATE OF MONTANA WOULD BE \$23,400. THIS AMOUNT WOULD BE DOUBLED BY THE FEDERAL RAILROAD ADMINISTRA-TION.

IN THE INTEREST OF RAIL SAFETY TO THE MEN AND THE FUTURE RAIL ABANDONMENTS IN MONTANA, WE URGE YOU TO PLEASE CONSIDER THE POSITION OF TRACK INSPECTOR IN THE PUBLIC SERVICE COMMISSION BUDGET.

> MORRIS W. GULLICKSON UNITED TRANSPORTATION UNION

| NAME M. W. GOLLICK | 50 2 | BILL NO. DSC BUDGE |
|-----------------------------|--------------------|--------------------|
| ADDRESS LIVINGSION | 122- | DATE 3/5/8/ |
| WHOM DO YOU REPRESENT UN | TED TRANSPORTA | TIEN UNICA |
| SUPPORT | OPPOSE | AMEND |
| PLEASE LEAVE PREPARED STATE | MENT WITH SECRETAR | Υ. |
| Comments: | | |

AS A OPERATING EMPLOYER OF THE PW I KNOW FIRST HAND WE NEED A INSEPENDENT EXPERT TRACK INSEPECTOR

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Form CS-34 1-79

| NAME | mith i child | BILL No. |
|-------------|----------------|------------|
| ADDRESS | Kall of Web Ch | DATE |
| WHOM DO YOU | REPRESENT | Matter and |
| SUPPORT | OPPOSE | AMEND X |

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

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| NAME JOHN BELLEGHE | M | BILL NO. BUDGOT |
|-----------------------|-------------|-----------------|
| ADDRESS SPANTER LANS | BOZEMAN, HT | DATE 3-5-81 |
| WHOM DO YOU REPRESENT | day Iwn | |
| SUPPORT | OPPOSE | AMEND |

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

I AGREE WITH THE COMMENTS MADE BY ME BUCHANANS & ME WELLS. PLEASE SUPPORT THE GOVEZNORS BUDGES,

The your

Montana and the Visitor Industry - Economics and Politics at a Very Busy Intersection

The question in these budget cutting times seems to be: Since the Private Sector appreciates all the gains from the Visitor Industry, why not cut out the Travel Promotion Unit and let the Private Sector do their own promoting?

Answer: The private sector already DOES do it's own promoting, but in as many ways as there are businesses in the visitor Industry.

> The Montana State Travel Promotion Unit, working with short budgets already, has done an excellent job in serving as the promoting Catalyst for all the businesses, public and private. They've been promoting MONTANA, not business "A" or business "B".

> The Montana State Travel Promotion Unit, working in close communication and harmony with all of the visitor industry entities; IS THE ONLY LOGICAL CLEARING HOUSE AND AGENCY, PRIVATE OR OTHERWISE, to do the job in the State of Montana.

The Montana State Travel Promotion Unit has done excellent work in the preparation, presentation, and placement of various advertising graphics in support of MONTANA, at minimal cost with maximum results. Any other approach to state-wide advertising and promotion would fragment the effort, cost more, and reduce the apparent results.

- Question has been made which challenges the taxpayer benefits derived from the existence and operation of the Montana State Travel Promotion Unit.
- Answer: Using The Big Mountain and Whitefish, Montana as one typical example of the direct benefits of the Visitor Industry in Montana as a result of the work of the Montana State Travel Promotion and the Marketing Department of The Big Mountain Resort, the following commerce has occurred:

1979-80 payroll All Services - Big Mountain \$ 800,000.00 1979-80 Taxes, Licenses, Forest Service Fees etc455,604.00

1979-80 Bank Clearings \$3,000,000.00 Winter commerce only. The Big Mountain only

Based on estimates of average daily expenditures by skier vacationers on The Big Mountain (226,900 skier days USFS), The existence of this one example only of the visitor industr as Montana's largest Ski Resort complex; cash flow amounted to more than \$6,000,000.00 in the winter economy of the Flathead last winter.

Obviously, this is an isolated example of Tourism commerce made possible with the help of the Travel Promotion Unit. But try and take this isolated example, and multiply it by the number of other winter industry examples in the state. It makes quite an impact, especially when there's little else going on.

For better figures, and even greater tax and employment benefits to the State of Montana, use the figures developed by Davidson Peterson and Associates, for the State of Montana, (copies available).

I'm sure you'll find the answers astounding, and the results of the work of the Travel Promotion Unit worth further cultivation, not killing.

The Travel Industry in Montana is represented by such a vast cross section of businesses and various sized contributions to the tax economy of Montana, that to kill or cut down the Travel Promotion Unit would eventually manifest itself in a huge LOSS in the state's economy rather than a very small gain.

In many cases, Government can't do anything at a profit; but in the case of the Montana Travel Promotion Unit; let's turn the corner together at this intersection and keep driving hard for the cleanest and one of the greatest industries Montana has.

9

N. F. Kuftz

General Manager, The Big Mountain

Chairman, Flathead Municipal Airport Authority

Director, Northern Ski Area Operators Association

Director, Whitefish Chamber of Commerce

| | | | | | 5/61 | 1 3/ 3- 1 30U SEASUN | CN CN | | | Ma |
|-------------------|--------|-------|--------|------------|---------|----------------------|----------|--------------|----------------|-------------------|
| | | | 0pers | Operations | | · | SI | Skier Visits | S | |
| | Qpen | Close | Day | Night | Day | Night | Total | 1978-79 | 1977-78 | 1976-77 |
| MUNIANA | | | | | | | | | | |
| Maverick Mountain | 1 | t | ı | ı | t | ı | I | 6,000 | 8 200 | 1 400 |
| Lost Trail | 12/15 | 4/20 | 58 | 0 | 16,100 | C | 16 100 | ñ c | วิน | • |
| Red Lodge | | 4/20 | 141 | 0 | 95,000 | 00 | 95,000 | • | 52,000 | • |
| Wraith Hill | 1/5 | 4/5 | 27 | 0 | 4,000 | 0 | 4,00 | 3,800 | î . | 2,300 |
| Discovery Basin | 12/28 | 4/20 | 84 | 0 | 22,800 | 0 | 22,800 | • | 36,600 | • • |
| Big Mountain | 12/7 | 4/13 | 129 | 88 | 226,900 | 14,000 | | 212.700 | 210.600 | n (|
| Bridger Bowl | 1/4 | 4/6 | 94 | 0 | 112,400 | 0 | | 145,800 | 142.800 | 122.300 |
| Big Sky | 12/1 | 4/20 | 127 | 0 | 114,600 | 0 | | 90,700 | 116,900 | 105,500 |
| Turner Mountain | \geq | 3/23 | 6 | 0 | 2,700 | 0 | 2,700 | 5,000 | 6.400 | • |
| Showdown | 12/27 | 4/13 | 83 | 0 | 48,900 | с | 48,900 | 46,400 | 56,000 | 60.500 |
| Teton Pass | 1/1 | 4/13 | 43 | 0 | 7,700 | 0 | 7,700 | 6,600 | 13,000 | |
| Snow Bowl | 12/15 | 4/6 | 74 | 0 | 25,000 | 0 | 25,000 | 30,100 | | 4.300 |
| Marshall | 12/17 | 3/19 | 51 | 9 | 12,000 | 1,200 | 13,200 | 31,000 | 31.500 | 6.600 |
| Belmont | 1/12 | 3/30 | 46 | 0 | 14,100 | 0 | 14.100 | • | ~ |) |
| Deep Creek | 1 | 1 | f | 1 | 1 | ı | | • | 7,600 | 1 800 |
| Beef Trail | 1 | 1 | 1 | 1 | J | I | t | • | 1,800 | |
| ІДАНО | | | | | | | | | | |
| Lookout Pass | 12/22 | 3/30 | 34 | 23 | 11.500 | 3.100 | 14 600 | 14 500 | 19 200 | 16 500 |
| N-S Ski Bowl | 2 | 2/17 | 12 | . 00 | | 800 | • • | 13.400 | 6,200 | 2007 2 |
| Bald Mountain | 2/9 | 3/2 | 61 | 0 | | 0 | 3.400 |) # | > | 6,700 |
| Snowhaven | 1/5 | 4/8 | 40 | 3 | 5,200 | 2,500 | • • | ł | 1 | 1.200 |
| Silverhorn | L 12/8 | 4/13 | д С | | | c | 001.00 | | | |

13,000 86,500 86,500 34,400 34,400 118,600 118,600 118,600 118,600 118,600 120,200 60,800 120,200 13,800 13,800 13,800 13,800

15,500 13,400 7,500 16,100 23,300

May, 1980

1975-76

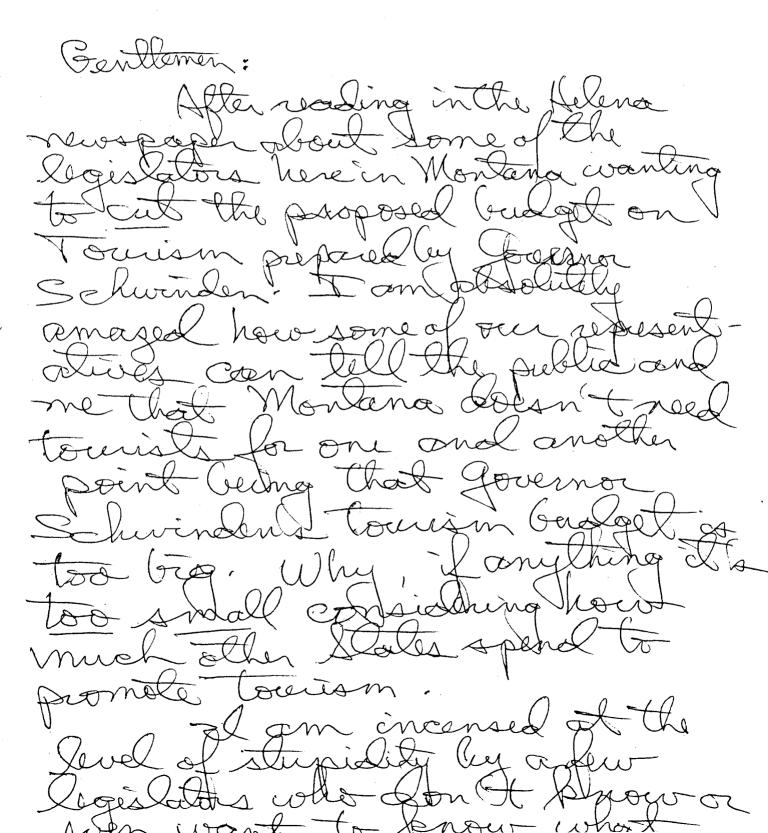
March 4,1981

Mountain Holiday Motel, Inc.

ROY & GLORIA CURRY

HIGHWAY 93 SOUTH - PHONE 862-2548 - WHITEFISH, MONTANA 59937

The Heart of Montana's Vacation Land AIR CONDITIONING - CARPET - TV - HEATED POOL



makes Montana tick SI & wasn't for torers el would have been banking seven years ago since 889. I my basiness of tourists. With this money that tourism brings to me, Il support ten fine Montance people who would be without a source of income of I wasn't for tourists. together and get out in the sheets to findout what all tourism Loes for so many of us in this (budget) on tourismand be happy about It. We are! Thank you. Scheuly, Royand Eloica Curry

Baptiste & Associates Real Estate

P.O. Box 1364 - 336 Second Street Whitefish, Montana 59937 Phone (406) 862-5541

March 4, 1981

Rep. Chris Stobie, Chairman House Appropriations Sub-committee House of Representatives Helena, Montana 59601

Dear Representative Stobie:

I wish to go on record as one of the citizens who fully supports Governor Ted Schwinden's Montana Travel Promotion budjet of \$1.6 million. I firmly believe that the Governor's proposal should be approved without change or modification of any kind.

This appropriation is one of the few appropriations made by the State of Montana which has a direct and immediate impact on one of the most vital industries in our state: tourism.

To modify this appropriation would be very detrimental to an industry that brings many millions of dollars to Montana every year and is a vital part of the economy of Northwest Montana in particular.

We compete with Wyoming, Idaho, Washington and Oregon and other Western states for the tourist dollar. We can ill afford not to promote Montana as a place to vacation and/or settle.

Through my business I see daily the impact that tourism has on our local economy as well as the State of Montana. We can not ignore the one area of our economy which offers the potential that tourism offers. Montana <u>can</u> compete! The question is "will we?" In large part, the answer to the question rests with the legislature.

Again, I urge you and all the members of your committee and the both houses of the Legislature to support Governor Schwinden's proposal.

Sincer

Bud Baptiste

Hert



Rocky Mountain Transportation Inc.

1410 East Edgewood Drive • Whitefish, Montana 59937

Charters & Tours ig Mountain Transfers Calispell 755-1266 /hitefish 862-2539

February 4, 1981

Mr. Chris Stobie, Chairman Sub-Committee On Natural Resources Montana State Legislature Helena, Montana

Dear Sir,

This business supports Ted Schwinden's recommendation to fund the Montana Travel Promotion Unit.

Your subcommittee recommandation is ill advised and a risky porture at best. I respectively suggest that you take the time to study what the tourism industry returns to Montana in the way of jobs, business income and taxes. Upon reflection I am hopeful that you will agree that any reduction in funding for the Montana Travel Promotion budget would be more than a step backward in this very critical time of Montanas economy.

This business alone employees over thirty people. We are responsible for an annual payroll in excess of \$ 130,000.00 and pay our share of property taxes. Possibly 60% of our business is dependent on the tourist dollar and I have no doubt that any less effort on the part of the state would have negative consequences for our payroll and tax contribution.

Your suggestion that the tourism industry fund its own promotion is well taken but recognize this is already done to a large degree. Those resources alone however are not enough to do the job that needs to be done. Montana is in a very competative situation with surrounding states and provinces for the tourist dollar. Other states recognize the importance of the tourist industry to the community as a whole and consequently spend more than Montana does in attracting visitors.

It seems clear to me that Montana should be investing more in order to attract a greater tourist flow that benefits every segment of the community.

I strongly urge you to reconsider your position as reported in the Great Fall-Tribune on February 24 and give your support to Governor Schwinden in his recemmendation to fund the Montana Travel Promotion Unit.

Sincerely,

Vice President

HERTZ SYSTEM, INC. Kalispell Whitefish Cutbank

LICENSEE OF

West Glacier Park Glacier International Airport



March 3, 1981

Rep. Chris Stobie, Chairman House Appropriations Sub-committee House of Representatives Helena, Montana 59601

Dear Representative Stobie:

Please add my name to the long list of citizens who fully support Governor Ted Schwinden's Montana Travel Promotion budget of \$1.6 million. I firmly believe that the Governor's proposal should be approved without change or modification of any kind.

This appropriation is one of the few appropriations made by the State of Montana which has a direct and immediate impact on one of the most vital industries in our state: tourism.

To modify this appropriation would be to deny medicine to an already ailing industry that has suffered so much from other economic factors such as the high cost of travel. We must compete for this type of business on a day-to-day basis and to do so effectively we must adequately fund our sales program.

As a lifelong resident of Montana I fully appreciate the impact of the tourism industry on not only this area but on the entire state. We can ill afford to ignore the one area of our economy which offers the potential that tourism offers. Montana <u>can</u> compete. The question is "will we?" In large part, the answer to that question rests with the legislature.

Again, I urge you and all the members of your committee and the both houses of the Legislature to support Governor Schwinden's proposal.

Res⁄dectful







'Where Pleasure is the First Resort'

March 4, 1981

Appropriations Committee State of Montana Travel Promotion Bureau

As a member of the Whitefish Chamber of Commerce, I want to urge you to support Governor Schwinden's request of 1-6 million dollars to fund the travel promotion unit of the State of Montana for the next bienniun.

I consider this figure to be a modest budget request in a state which depends so heavily on tourism as a major industry. Montana rates among the lowest in the nation in travel promotion expenditures. Yet, non-resident travel and resident tourism account for over 13,000 direct jobs and approximately 40,000 total jobs in Montana according to a survey done by Western Analysis, Inc. This makes the industry the second largest private employerin Montana accounting for 11.4 percent of Montana's total employment.

Tourism is a vital industry and should prove to be an increasingly important one in the future. It is unfortunate that Subcommittee Chairman Stobie and others apparantly do not like tourists.

Our local tourism industry recognizes its responsibility to promote itself, but we are in no position to successfully compete in the field without a coordinated, adequately funded state-level promotion bureau.

Sincerely, n. Serla

John M. Sesler Owner

JMS:lh

Hotel, Casino, & Discotheque - 130 Central, Whitefish, Montana 59937

Kalispell Horal



HIGHWAY 93 NORTH

KALISPELL, MONTANA 59901

March 3, 198

Hororable and fund, Montanas economy; and especially Aontanas economy; and especially so in our area. I ask that your group accep the Sovernors recommendation to suppor The thank promotion unit budget. all Montana will benefit Sincerely,

Carla A. Lelly main Kalisper Din

KALISPELL, MONTANA 59901 - BOX 173 - 221 MAIN STREET - (406) 755-6281

March 4, 1981

The Honorable Art Lund, Chairman Appropriations Comittee Montana House of Representatives

Mr. Chairman:

This letter is written urging you to approve the budget level for the State Travel Promotion Unit as proposed by Governor Schwinden.

As a businessman in the state, I can attest to the value of tourism as an industry in Montana. The money invested in attracting tourists to Montana is returned manyfold to the state in the form of taxes from a healthy economy.

Once again, I urge you to support this effort.

Sincerely,

The Gift & China Shop

Vanico

Lauren Granmo Owner

March 4, 1981

Rep. Chris Stobie, Chairman House Appropriations Sub-committee House of Representatives Helena, Montana 59601

Dear Representative Stobie:

I would like to go on the long list of citizens who fully supports Governor Ted Schwinden's Montana Travel Promotion budjet of \$1.6 million. I firmly believe that the Governor's proposal should be approved without change or modification of any kind.

This appropriation is one of the few appropriations made by the State of Montana which has a direct and immediate impact on one of the most vital industries in our state: tourism.

Through my business, I see daily the impact that tourism has on our local economy as well as the State of Montana. We can not ignore the one are of our economy which offers the potential that tourism offers.

Montana competes with Oregon, Washington, Idaho, Wyoming and other Western states for the tourist dollar. We can ill afford not to promote Montana as a place to vacation and/or settle.

To modify this appropriation would be very detrimental to an industry that brings many millions of dollars to Montana every year and is a vital part of the economy of Northwest Montana in particular.

Montana can compete! The question is "will we?" The answer to that question rests with the legislature.

Again, I urge you and all the members of your committee and the two houses of the Legislature to support Governor Schwinden's proposal.

Sincerely, Jon D. Bos

Owner/Operator of Whitefish Lake Restaurant Whitefish, Montana THE WORLD'S LARGEST CHAIN OF MOTELS, HOTELS AND RESORTS FOR RESERVATIONS DIAL TOLL FREE (800) 528-1234



The Kalispell's New Convention Center

Featuring Hennessy's Steak House 1701 Hwy. 93 South, Kalispell, Montana 59901 Phone (406) 755-6100

March 3, 1981

The Honorable Art Lund House Appropriations Committee Capitol Station Helena, MT 59601

Dear Mr. Lund:

We at the Best Western Outlaw Inn strongly recommend that you and the House Appropriations Committee support Governor Schwinden's budget recommendations for funding the Travel Promotion Unit. As a member of the Montana Inn-Keepers Association, we would like to reaffirm to you that the Inn-Keepers Association met with the Governor in December and agreed to support his budget recommendations.

We feel it is important that you understand that tourism is the third largest industry in the State of Montana. We would also like you to be aware of the fact that our current budget is seriously lower than the states and provinces that surround us. Furthermore, ours is an industry that does not polute the environment nor does it use up our natural resources.

If we do not receive adequate financing for the Travel Promotion Unit, the State of Montana will not be able to compete with the other states and provinces for the tourist dollar. Also, we hope you realize that tourist dollars benefit almost every segment of the economy in the State of Montana--not just the hospitality industry. Please consider the current economic situation in the Flathead Valley and then consider how much worse it could be if we lost those valuable tourist revenues.

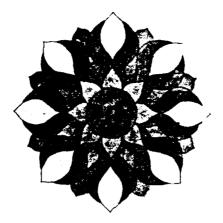
Sincerely, L'.W. Jourton

R. W. Torstenson Co-owner

You Day

Tom Day General Manager





SUN CREST

March 4, 1981

Appropriations Committee State of Montana

Gentlemen:

This is to advise you that we believe <u>strongly</u> that you, should approve Governor Schwinden's budget request of \$1,600,000 for the Travel Promotion Unit.

Montana is already in a poor competitive status compared with the millions of dollars being spent to entice tourists to our neighboring states and provinces. Tourism is a vital segment of our economy and it is a very desirable and clean industry for our state to develop further.

Your favorable consideration of the Governor's request will be a very positive steps in our state's future.

Sincerely, 1Som M/own Harry S. E Developer

Dos Amigos, Inc. P.O. Box 665 Whitefish, Mt. 59937

Appropriations Committe State of Montana

Gentlemen;

I think that it is vitally important to the future of this area and to my business in particular that you approve Governor Schwinden's request for \$1,600,000 for the Travel Promotion Unit.

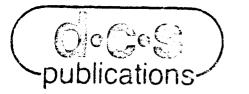
My business is directly impacted by the level of tourism in our state and most of our other businesses in this area are either directly or indirectly affected by it as well. The canadian provinces are spending millions to keep their people "at home". We need to do as much as possible to offset similar programs elsewhere.

I urge you to support the Governor.

Yours very truly, William C. Kuch

William E. Kuehn

March 4, 1981



Montana State Capitol House Appropriations Committee Travel Promotion Funding Helena, Montana

To Whom It May Concern,

I am writing this letter in response to a disturbing question being brought up in the Legislature. As you well know, Tourism is a tremendous income producer in this state, and puts the bread on many tables. I don't believe it would be in the best interest of Montana to cut such an important expenditure such as State promotion. With Montana located out of the normal flow of tourism traffic, it is only logical that a business that generates nearly 10% of the basic income throughout the state be INCREASED, not decreased. Statistics from the Montana Department of Labor and Industry show that Tourism is the Third largest Industry in the state and the Second largest employer in the state.

On a more local level, there are several counties that have a 1:4 ratio in tourism related jobs. These counties introduce several million dollars of taxes into Montana coffers each year. Where would that leave the state if Tourism drastically declined?

I am speaking for myself and many of my friends in the industry when I say that the Travel Promotion Unit Appropriation be INCREASED for the betterment of all Montanans.

Respectfully,

Low Scheller

Donald C. Schelling Publisher, Montana Ski Annual



March 3, 1981

The Honorable Art Lund House Appropriations Committee Capitol Station Helena, MT 59601

Dear Mr. Lund:

We strongly encourage the House Appropriations Committee to support Governor Schwinden's recommended budget for financing the state Travel and Promotion Unit.

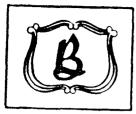
A great deal of our business is derived from out of state tourists who travel to the Flathead Valley for recreational reasons. Therefore, we feel that promotion of the tourist industry is of great importance to our business.

Sincerely,

Leinie Tushne

Bernie Kushner Owner

TD:sd



Skyline Dairy

1300 TWO MILE DRIVE + P. O. BOX 123 KALISPELL MONTANA 59901-TELEPHONE 406-755-5853

DIVISION OF BEATEICE POODS CO

March 3, 1981

The Honorable Art Lund House Appropriations Committee Capitol Station Helena, MT 59601

Dear Mr. Lund:

We at Skyline Dairy strongly urge your support for Governor Schwinden's budget recommendation for funding Montana's Travel Promotion Unit.

The tourist industry is extremely important to our business and the entire economy of the area. The economic situation here is precarious at present and tourist dollars are especially vital at this time.

We will appreciate your favorable consideration of this matter.

Sincerely,

E. D. Hort

E. G. Hartman Manager

LEEP FRANKER GEREEP GOCENTEAL

March 4, 1981

To: The Honorable Representative Art Lund and The House Appropriation's Committee From: City Service Incorporated

City Service Incorporated is a service station operator, oil jobber, and tire dealer in the Flathead County area, depending upon the tourism industry for much of our business. Also, we recognize that tourism is the states third largest industry, and many other businesses depend upon it.

Accordingly, we support Governor Schwinden's budget request for the travel-promotion unit, and request that it not be lowered. Thank you for your consideration in this matter.

Very truly yours, land Garphart

David E. Grohusky

DEG/pm





LION MOUNTAIN, INC.

R.R. 1, Whitefish, Mt. 59937

Phone 862-3328

TO! The Montana STATE Legention,

This is TO lend my beam Support is the boulance ludget for Tavain Promotion for the State of montane Full funding of this program is my on the bucause of the economic impact of Townian to an area and the entire state -

I word you to fully suggest the budget, as I fearly behave to not do so in fale leaving of the highert order

Simerely Tim Grattan Preudent.

ROY STANLEY CHEVROLE

000 WEST IDAHO, BOX 87 KALISPELL, MONTANA 59901

406-755-5555

March 4, 1981

The Honorable Art Lund

Dear Mr. Lund:

By way of this correspondence I would like you to know that I am in favor and support Governor Schwinden's recommendation for funding the travel promotion unit. I feel that tourism is an important and vital part of the business in our beautiful state. I have at various times had the opportunity to receive literature from, and hear advertisements about other states in our United States, and the promotions to attract tourists to the various attractions. I feel those type of people are the middle and upper-middle class of our society and are the desireable type of people we would like in the state of Montana.

Thank you for your time and dedication in shaping a better Montana for all of us.

Sincerely Stanley





MARCH 4, 1981

TO WHOM IT MAY CONCERN:

THIS LETTER IS TO EXPLAIN BRIEFLY, THE IMPACT TOURISM HAS UPON THE GATEWAY WEST SHOPPING CENTER.

IT IS THE GENERAL FEELING OF THE MERCHANTS HERE AT THE MALL THAT THE TOURISM INDUSTRY IN NORTHWEST MONTANA IS A VIABLE ASSET TO THE ECONOMIC PICTURE OF THE AREA. IN SEASONS OF HIGH TOURIST TRAFFIC, THE GROSS SALES THROUGHOUT THE CENTER REFLECT A HIGH INFLUX OF DOLLARS SPENT FROM THESE SOURCES.

We have made studies in the form of CAR counts and head counts that at certain times of the year have indicated as much as 38 per cent of the total traffic has been out of state traffic.

Now, if 38 per cent of the gross sales are generated from these same sources, we feel it would be to the benefit of all concerned to try and build the tourism industry in any way possible.

THANK YOU,

E. CRAIG HUNT, GENERAL MANAGER

TEL. (406) 755-6622



March 4, 1981

Appropriations Committee State of Montana Travel Promotion Bureau

As a member of the Whitefish Chamber of Commerce, I want to urge you to support Governor Schwinden's request of 1-6 million dollars to fund the travel promotion unit of the State of Montana for the next biennium.

I consider this figure to be a modest budget request in a state which depends so heavily on tourism as a major industry. Montana rates among the lowest in the nation in travel promotion expenditures. Yet, non-resident travel and resident tourism account for over 13,000 direct jobs and approximately 40,000 total jobs in Montana according to a survey done by Western Analysis, Inc. This makes the industry the second largest private employer in Montana accounting for 11.4 percent of Montana's total employment.

Tourism is a vital industry and should prove to be an increasingly important one in the future. It is unfortunate that Subcommittee Chairman Stobie and others apparantly do not like tourists.

Our local tourism industry recognizes its responsibility to promote itself, but we are in no position to successfully compete in the field without a coordinated, adequately funded state-level promotion bureau..

Sincerely,

/John M. Sesler Owner

JMS:ih

VALLEY INN

"Grandpa's Big House" 6400 Hwy. 93 South Whitefish, Montana 59937 Box 1570

March 4, 1981

Dear Sirs:

Montana needs tourism. The Flathead Valley is very dependent on tourists. Without the tourists the motels would be out of business. Without the motels full it would put alot of people out of work. We are employing ten people full time and it likes this figure will rise. The tourists provide our maids, desks clerks, and the advertizing media with a direct employment. This in turn gives the restarants with alot of business and look at the people they need. We are very aware of the money that the Canadians leave here. They can buy alot of things here cheaper than they can in Canada even with the 18% that we are having now. With the money the tourists give us it provides a livlihood for alot of people dirctly and indirectly. Montana has alot to offer tourists. Why shouldn't we be able to provide this service for the people? The tourists can help Montana just as much as they are helping our other states..

Sincerely, Madrein,

Percy & Grace Nordrum owner/managers

222 CENTRAL AVENUE • WHITEFISH, MONTANA 59937 • PHONE (406) 862-3573

APROPRIATIONS COMMITTEE STATE OF MONTANGE TRAVAL PROMOTION BEARING

Gentlemen:

I, AS AMARCHART IN A Small Yown WHICH HAS Been AdverSly Attented By THE Recent Record, HEARTHY SUPPORT GOV. Schwinden's Request To fund THE TRAVEL PROMOTION UNIT OF THE STATE of Monthene for THE Next Bienium!

Toulist DollARS ARE CLEAN DOLLARS. THESE SAME DOLLARS Also are not cimited to yast A Lew Tourist ORIGNERS Buisness THey Definitly Bennesit The entipe Community & State with An Turresson Cash Frow.

Aquin I ASK THAT YOU SUPPORT GON SCHWINDOWS RIGHT, I Seel THIS SMALL INVISTMENT WILL HAVE A LARGE Day off // 00

Sigerrely YORRS,

Richtha



March 4, 1981

The Honorable Art Lund Chairman House Appropriations Committee Capital Station Helena, Montana

Dear Mr. Lund:

I am writing to urge your full support of Gov. Ted Schwinden's proposal for funding the state's tourism industry.

I know that you are deeply concerned with the rising cost of government. However, in my opinion it is counterproductive to cut expenses where the opportunity exists to strengthen an industry.

As you know, tourism is Montana's third largest industry. It is also our state's fastest growing industry. Unlike other Montana industries, tourism does not require the harvest of natural and irreplacable resources. Therefore, it seems to me that we Montanans should be doing everything in our power to stimulate the industry. I think it is one of the best investments we can make in a stronger state economy.

Please give this letter your thoughtful consideration. Montana needs the dollars that tourists spend here. If we fail to compete effectively in the marketplace for tourist dollars, we cannot hope to reap the benefits. In the end, we will lose far more than the proposed budget cuts. Thanks very much for taking the time to consider the overall importance of Montana's tourism industry.

Sincerely Jim Petersen President Petersen/Mims, Inc.



343 Central Ave. P.O. Box 37 Whitefish, Montana 59937 (406) 862-3531

March 3, 1981

TO WHOM IT MAY CONCERN:

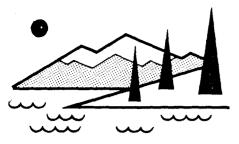
I wish to go on record as supporting the Govenor's tourism budget as he has proposed it for the next two (2) fiscal years.

That industry is very important to us here in Northwest Montana and I hope that you will fully consider continued financial support.

Yours truly,

onle R. Clau

Charles R. Abell



GEORGE A. MURRAY

EAL ESTATE BROKER • BOX 681 • KALISPELL, MONT., 599

3/4/81

The House love that Junol Chairman Afrase Appropriations Commen Vintaria por of Kapes. Helena, Prior T.

thit: I in themic tically support of andonie for Selecter & tendert Projecte (=== function of the F. P.H. Sob of the barrier of the Sob of the barrier of the Cost 3 years have been with out of station presenting there is a 12 million # Those to under dona truet - - - i lattand county on a tit

for all to mit of state - . Car . Ést. Think about it.

| To Appropriations Committee State Of Montana Travel Promotion Burgau | COAST TO COAST STORES total hardware John Schumaier, Owner 131-135 Central Avenue WHITEFISH, MONTANA 59937 Phone: 862-2533 |
|--|---|
| Subject | Date March 4, 8: |
| Message I urge you to support Governor Schw | rindens request of 1-6 million dollars to fund the |
| travel promotion unit of the State Of Mont | ana for the next biennium. |
| I consider this figure to be a modest bud | get request in a state which depends so highly on |
| | lower in the nation in travel promotition expenditu |
| Yet, non-resident travel accounts for many | |
| I would like to go on record that tourisi | m is important to my business and I'm sure is for |
| | ned |
| Raphy many other like myself in the State | Of Montana. Tourisim is in my opinion a vital |
| industry and should continue to be a very | important factor in keeping many small business's |
| like my healty. | |
| Cur local chamber recognizes the need for | • this type of industry, but we are in no positon to |
| go it along and are looking to you people | |
| Sincerely | |
| | ned Date / / |
| | NTACT - PART 3 WILL BE RETURNED WITH REPLY |



Montana House Appropriations Committee Helena, MT 59620

Dear Sirs:

This letter is in regard to Governor Schwinden's proposed Budget Appropriation for the Montana Travel Promotion Unit.

Despite the apparent low priority given to tourism in our state, it has grown to be the #2 employer in the private sector and the #3 revenue producer. Directly or indirectly, tourism benefits almost every Montanan business and provides employment and income for a wide sector of our residents, from those that are employed in specifically tourist-oriented occupations (hotel/motel, food, entertainment) to the peripheral industries such as banking and building.

That this has been achieved with the minimal budget appropriations to date is a matter of wonder, and reflects credit only on the natural beauty of our state, which has attracted visitors despite a lack of serious promotion.

Gentlemen! considering the current economic horizon, surely it is incumbent on you to support this vital segment of our economy, if only to ensure the continued employment of so many of our residents.

When one considers the enormous potential that tourism holds for our state, previous annual allocations of \$500-600,000 appear to be short-sighted, and any move to reduce this can be described only in terms of "economic blindness."

This state was built by men with vision, the courage of their convictions and the willingness to make bold moves. What we need is that same boldness - a committment to educate the public at large that Montana is not the wintry wilderness of their vague imagination but, in reality, an area of supreme scenic beauty with wonderful four-seasons tourist potential. What we need is not \$250,000, \$600,000 or even Governor Schwinden's proposed \$1.6 million over two years, but a fullblown advertising campaign to bring those tourist dollars to us, instead of to Florida, California or Nevada.

Gentlemen, profits are there for the taking. Glacier Park alone attracts well over a million visitors each year. Spend some <u>real</u> money and make that two million in 1982; at an average in-state expenditure of only \$200 per visitor, that sounds like a healthy return on advertising dollars, and would provide for increased revenue and higher employment.

erely



T. J. Linen Supply P. O. BOX 1514 - WHITEFISH, MONTANA 59937 - (406) 862-3801

March 4, 1981

Appropriation Committee for the Travel Promotions Bureau Helena, Montana 59601

Gentlemen:

I, as an independent businessman in Whitefish, Montana, am directly dependent on tourism in the Flathead Valley, as are the majority of businessmen in Whitefish.

In the past two years, there has been a substantial decrease in tourism in this area, and as a result we have had to layoff a portion of our work force. We find it extremely difficult to continue operating the business in a profitable manner.

I therefore am in complete support with Governor Schwinden for future promotion and allocations regarding tourism and travel.

Very truly yours,

fames C. Runpelly

James Pumpelly Owner/Manager T. J. Linen Supply

JPms



REAL ESTATE - SALES AND MANAGEMENT SERVICES Member - Montana Association of Realtors® Whitefish Multiple Listing Service 750 W. 2nd Street
Country Club Plaza
P.O. Box 1326
Whitefish, Montana 59937
(406) 862-2579

March 4, 1981

Appropriations Committee State of Montana Travel Promotion Bureau Helena, Montana

Sirs:

It is essential for your committee to support Governor Schwinden's request for \$1,600,000.00 to support travel promotion in the State of Montana over the next two years.

Considering tourism is the second largest private employer in the State, accounting for 11.4% of Montana's jobs, even this proposal sounds extremely low.

With the economy and unemployment as serious a situation as it is, it seems inconceivable that Mr. Stobie and his constituents would not be in favor of promoting income from outside the State.

We in the Flathead Valley find tourism vital for our existence, without it many people would have to leave our great State. The notion that "We live here now, let's keep it for ourselves", is unfathomable and without tourism and the dollars spent by the State and local promotion, our Montana will find it unable to support itself.

Sincerely yours,

Edwin W. Jordan, Jr. Broker Whitefish Land Office



211 main street loft 4 kalispell montana 59901 phone (406) 257-6298

March 4, 1981

The Honorable Art Lund Chairman House Appropriations Committee Capital Station Helena, Montana

Dear Mr. Lund:

I am drafting this letter to solicit your support of Gov. Ted Schwinden's proposal for funding the state's tourism industry.

Tourism is one of Montana's fastest growing and most important revenue producing industries. In my opinion the industry will suffer considerable financial damage if it is left without the money it needs to compete with neighboring states for the tourist dollar. Even without the proposed funding cuts, we aren't spending nearly as much money on tourism as our neighbors to the north, south, east and west.

I urge your full support of our governor's plan to re-vitalize the industry with a combination of public and private funding.

Sinderely Allen D. Potts

The Photographer



CONVENTIONS & TOURS Tourist Stop, Incorporated

In The Outlaw Inn • 1701 Hwy. 93 S. Kalispell, Montana 59901 • Phone (406) 755-8384

March 4, 1981

The Honorable Art Lund House Appropriation Committee Helena, MT

Dear Mr. Lund:

We encourage your support for Governor Schwinden's recommended budget for funding Montana's Travel Promotion Unit.

The promotion of the tourist industry is of vital importance to all segments of our economy. Funding for the development of Montana's third largest industry makes good business sense.

Sincerely, Krika Nahamura.

Erika Nakamura Director, Let's Go

Gene McGlenn President, Tourist Stop Inc.

GM: sj

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He is St. rman
He prop b-committee
He Rep 25
He onte
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Der meser Spie:

Sult _____ on the long list of citizens who fully supports Green led _____'s Montana Travel Promotion budjet of \$1.6 million. I _____ belief the Governor's proposal should be approved without Charge model of any kind.

Superior is one of the few appropriations made by the Superior has a direct and immediate impact on one of the most in the our state: tourism.

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<u>mana = ---</u>. The question is "will we?" The answer to that question = legislature.

house the members of your committee and the two

Sincerely yours,

Dick Christiansen Owner of Happy Hunky Restaurant Whitefish, Montana

FRONTIER AIRLINES GLACIER PARK INTERNATIONAL AIRPORT, KALISPELL, MT 59901

March 4, 1981

The Honorable Art Lund House of Representatives Helena, MT 59601

Dear Representative Lund:

Tourism is a vital industry to the economy of the Flathead Valley and I fully support the recommendations of Governor Schwinden for the budget of the Travel Promotion Unit.

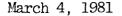
Sincerely yours,

Tyla com

Lyle Kohs City Manager

FIRST NORTHWESTERN BANK

Kalispell, Montana 59901 406/755 5082



Honorable Art Lund House Appropriations Committee State of Montana Legislature Helena, MT 59601

Dear Mr. Lund:

Your committee is currently considering the proposal for funding for 1981 - 1982 of the TRAVEL-PROMOTION UNIT. This bank favors Governor Schwinden's budget proposal as we feel the benefit of the tourist dollars spent in our area is vital to the economy. Competition for these tourist dollars is very keen and if Montana is to get its share we feel that an adequate budget is essential.

This area has a high degree of unemployment, and coupled with the current situation of the wood products industries, we feel the tourist dollars must be captured in order to keep many of our area residents from becoming dependent on welfare.

Thank you for your consideration.

Sincerely D. É. Grell

Vice President

DEG/ms



Saylor & Roe, Inc. Office 124 Main, Kalispell, Montana 59901 March 4, 1981 Honorable Art Lund House Appropiation Committee Helena, MT 59601 RE: Governor Schwinden's Budget of Tour & Travel; الم المعدي Dear Mr. Lund: We are in full favor of the bill proposed by Governor Schwinden for travel and tourism in the State of Montana. This is a clean industry and will not polute the environment around us. Thank you. Sincerely, TAYLOR & ROE INC Gordon T President W. J. Fane Secretary. Western Outdoor Ao. 1 Blothes Gallery stem Ontichor Alos 2

AL & PAT LIPETZKY OWNERS

March 4, 1981

To Whom it may concern:

Being a motel owner I wish to express my desires that the budget for tourism not be cut for Montana. This is one of Montana's largest "industries" and brings monies to this state that is needed for most important uses. It is my opinion that a feasible cut in budget should be thomoughly studied before any such action be taken. It is in the interest of a large percentage of Montana people that our needs be considered.

Thank you.

Most sincerely,

Al L. Lipetzky

March 3, 1981



WHITEFISH, MONTANA 59937 Phone 406-862-2569

Litan Sin: a an or y distressed that The think -Toin Registators are ac CCI 1. Decing Schwender Generia no (a) 标 Louism na re ambound (celot bo. ine Eccism in 4 ۲. آ erer 1 Kow (1) tete ~ 10 more support for muc Privis Lowin generates agua 00 De - с С 1 us Clear o. CES those لى inessi. Loing 12 FT Levelopino ippread - 7 æ \sim Derson land, 2 (An isn m 10 RISENT U.S. ly w inte Sel 16 Jul 9 mil VBO 0 nea US Ø V.C.

If you take away the small amount but all for well hang tup. 105 (90) of my cusiness is tourism and we he proud to got to all the fine tourists who support our berstress. do not decross the budget that The governor has proposed. get out for behind you inout town and she for yourself what Terism does for your state. Thank you. Sincerly, Gerorence P. Hellon



March 4, 1981

'To Whom It May Concern:

I am in the advertising business in Western Montana and know all too well how important tourism is to our state.

In the past, we have been dependent on industries such as the Anaconda Company and the railroads to provide jobs and a firm tax base for our residents, but as you can tell from events of the past year, we can no longer depend on these industries as a primary source of income.

I feel very strongly, therefore, in favor of supporting any means of bringing more tourism to our state. By attracting more tourism, we are bringing more dollars to our ever sagging local economies. Please don't sell us short by cutting an already light budget into an ineffective waste.

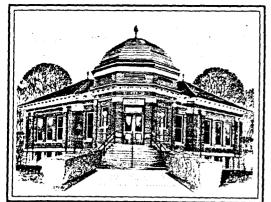
Tourism is a clean industry that employed over 15% of the state's total work force in 1979, and had an employment growth rate of nearly 50% over the past ten years - larger, by the way, than any other employment source! We cannot afford to ignore such a profitable source of income!

Thank Lin Akey

Account Representative Eagle Communications, Inc. KCFW-TV

LA:me

KCFW tv-9 Kalispell -KECI tv-13 Missoula -KTVM tv-6 Butte



Hockaday Center for the Arts Second Avenue East & Third Street P.O. Box 83 Kalispell, Montana 59901 (406) 755-5268

4 March 1981

To Whom it May Concern:

The Hockaday Center for the Arts in one of Montana's most active arts centers. Its main thrust is a rotating exhibitions program. The shows are often of work by artists in this region; at other times they are traveling exhibitions which we rent.

Our December-January exhibition was a juried show of paintings by artists in Montana, Idaho and Wyoming. Our February exhibition was a home arts exhibit of work by local individuals. The March-April show is of works by students in the Flathead Valley's four high schools. The May exhibit is a Smithsonian Institution traveling exhibit of drawings by nationally prominent artists selected by jury. In June and July we will have another juried show, this one of works by clay artists in Montana, Idaho and Wyoming. Our August exhibition will be a juried show of works selected for the Kalispell Art Show and Auction, one of the valley's main annual events.

In addition, our annual summer arts festival, Art in the Park, draws thousands during each of its three days in July. Likewise the September Kalispell Art Show and Auction.

As you can see, many of our shows and other activities are of interest to tourists. Indeed, our attendance figures jump during the tourist season (Christmas and June through Laobr Day) and we gear our programming accordingly.

The Flathead Valley is considered something of an art colony, particularly for western artists and potters. The Hockaday Center seeks to assist the local and statewide tourist industry in attracting people to our area by offering the best in exhibitions, and by promoting local artists.

A large scale ad campaign geared to highlighting the unique qualities of a Montana vacation is most beneficial to our operation, and to the economy of our community. As a non-profit organization, it is something we cannot do on our own.

Jøhn B. Brice, director

Sue Rolfing, assistant director



Appropriations Committee Montana State Legislature

Dear Sirs:

This letter is in support of Governer Schwinden's proposed budget allocation for the promotion of tourism. Although it falls considerably short of our \$1.6 million expectation, the matching fund provision does give us a chance to create a national campaign and increase our impact as a destination state.

The tourism revenue and job numbers speak for themselves as to their importance to Montana's economic future. In light of the dwindling mining and forest products revenue in many areas I find it hard to believe that every Montana Legislator is not in total support of one of Montana's biggest and most renewable resources....tourism.

The competition on the national and international scale is very severe, causing us to have to go out and expose the rest of the world to Montana and not just wait for the tourist to come to us. Any appropriation you make to our industry will be appreciated, but unless it is on a scale large enough to be effective beyound an administrative point of view, it surely cannot be considered an investment.

Look what our competition is doing and ask yourself why. Because if done effectively, the investment we make to promote our travel industry can give us a ten to one return. Can you point out any other tax dollars spent that have that potential benefit to our state?

Please do not let us down,

Respectfully,

S. C. Engel Managing Partner

SCE/mm



KALISPELL Neil Hanson Vern Jetfreys Jay Kilpatrick Gene McGlenn Jack Sauer Torn Stout Chuck Underwood

March 4, 1981

Honorable Art Lund House Appropriation Committee Helena, Montana

Dear Sir:

Please support Governor Schwinden's budget request to fund the States travel promotion unit.

We in the insurance business, are very much affected by the tourist dollars our clients derive from this industry.

Sincerely,

CA Unternet

C.H. Underwood Time Insurance Agency

G. F. Bud Scotten

G. F. Buď Scotten Time Insurance Agency Branch Manager – Whitefish



March 4, 1 To Wham it May Comein, Us a private huisneddman im Stathead County I am very concerned about the Suluce of tourism and travel Augustion fin Montana It queves me to kear of draftic cuts In the travel promotion and advatisin franch of the Dept. of Commence. I employ to people and produce 1/2 Million It in Sales. Afthis I can say that 40% of the & generale Come frage Canadian bund Montang traveles there people finduce the Is familes in

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Kalispell Area Chamber of Commerce

P.O. BOX 978 • KALISPELL, MONTANA 59901 • PHONE (406) 755-6166

March 4th, 1981

Art Lund, Chairman & Committee Members House Appropriations Committee Capitol Station Helena, MT 59601

Chairman and committee members:

With travel adding over \$100 million to the Montana economy in 1979 and I have seen \$170 million projected for 1980 an income, it would seem little to ask if Montana could set aside 1.6 million for tourism promotion for the coming two years.

More than 13 thousand Montana people are employed in tourism and with additional promotion monies added to the budget, possibly even more people can be employed. This of course reduces the welfare burden, brings in additional dollars which help support our business community and tourism can be considered economic development, the nature of which is "Clean" industry.

The Kalispell Chamber feels that Governor Ted Schwinden's proposed budget for Travel Promotion is a step in the right direction, realizing that states around us spend much more than what is proposed, and that in this day of budget cuts, you are trying to work toward fiscal responsiblity, yet look at the return on last year's promotion dollars and you can see it was money well spent.

We in the Flathead support the Governor's suggested budget and urge you to support the expenditure.

Sincerely,

Steller Flore

Stebbins F. Dean Executive Vice President SFD/jlb