

MINUTES OF THE MEETING OF THE HOUSE APPROPRIATIONS COMMITTEE  
MARCH 25, 1981

The meeting was called to order by Chairman Lund, in Room 104, State Capitol, at 8:00am. All Committee members were present.

HEARINGS: HB828.

REP. HARRISON FAGG and Mr. Larry Fasbender, Governor's Office, requested that the Committee support HB 828, to save the Coal Severance Tax, through lobbyist efforts in Washington, D.C.

MR. MIKE MCGRATH, Attorney General's Office stated his support of HB 828. He stated that the Texas oil and gas severance tax is 4 1/2%, but that collections are twenty times greater than that collected by Montana for the Coal Severance Tax.

MR. DON JUDGE, AFL-CIO-Montana, stated his support of the bill. (Exhibit attached).

REP. FAGG stated that an effective date needs to be added to the title. He stated that Governor Schwinden would choose a lobbyist at the recommendation of five or six persons who went to Washington, D.C., in regard to this matter. He stated that there would be an amendment to the bill to address this, adding that Montana may work indirectly with the State of Wyoming and possibly with Alaska, on this matter.

REP. QUILICI stated that \$300,000 may not be adequate for a lobbyist.

REP. FAGG stated that that amount needed would depend on how far the issue goes, adding that he feels that \$500,000 would be a more comfortable margin, all of which would be general funds.

The hearing was closed on HB 828. There were no opponents to the bill.

HB 620.

REP. JIM BURNETT, District 71, Luther, MT, testified as sponsor of HB 620, stating that it was not codified after last session, after being appropriated for.

GENERAL DUFFY, Montana National Guard, stated that the bill was originally with the Montana National Guard Association. He stated that in 1979, retention rate was 61% and that at the end of 1980, the retention rate was 82%. He stated that there are guidelines in the bill regarding eligibility for reenlistment bonuses.

MAJOR JACK WALSH, recruiting and retention manager for the

National Guard, stated that according to the strength reports of March 16, 1979 and March 13, 1981, on-board strength had increased from 79.4% to 86.5%. He stated that there are currently 2,707 members in the Army National Guard and 890 in the Air National Guard in Great Falls, MT.

MAJOR WALSH requested that the Committee support HB 620.

MR. LARRY WESTFALL, Command Sargent Major, Army National Guard, stated that attendance at weekend drills and at annual training has increased since bonus payments began. He urged the Committee to support HB 620.

LT. BRAD LIVINGSTON, Military Personnel Officer, Air National Guard, stated that he feels the bonus has created more interest in the Guard.

MR. ART VAN ASKE, bonus recipient, stated that he would like to see the program continue.

SARGENT KELLY, also a bonus recipient, stated his support of the bill.

There were no opponents to the bill.

REP. HEMSTAD asked who was qualified to receive the bonus. General Duffy stated that only certain positions in the Army National Gaurd, who do not meet Federal qualifications for reinlistment bonuses, are eligible and that the bonus is determined by hard-to-fill positions, in the amount of \$1500.

REP. HURWITZ asked what the salary was for enlistees for attending meetings. General Duffy stated that it was \$66 for two days for a private and that the total cost of the bill was reduced from \$55,000 in the past biennium, to \$42,000 for the current biennium.

REP. BENGSTON asked why HB 896 was not codified in 1979. Major Walsh stated that it was overlooked by the Legislative Council.

In closing, Rep. Burnett, requested that the Committee support HB 620.

HB 827.

REP. EARL LORY, District 99, Missoula, testified as sponsor of HB 827, stating that the current amount spent on communications by the State of Montana is \$17,000,000 annually. He requested a study of the telecommunications problem, adding that the Department of Highways and the Highway Patrol are on different radio wavelengths and cannot communicate with each other at

this time. He stated that most State-owned radios are on low-band frequencies and that high-band frequencies would be more efficient.

MR. A.D. CLIFFORD, Administrator, current Montana Telecommunications Project, stated that HB827, would allow this project to continue. He stated that in the past two years, communication costs were up 24% and that there is no long-range communications plan or study for Montana.

Mr. Clifford stated that the current project was established in August, 1980, and is fully federally funded. He stated that the goal of the project is to establish interagency cooperation between Departments regarding communication problems.

Mr. Clifford stated that subcommittee meetings have been held regarding communications systems problems and that his project provided assistance to the City of Roundup regarding television telecommunications.

Mr. Clifford stated that HB 827 would allow concrete tangibles to be presented to the State and a new request for proposal to be formed. He stated that the project would assist in compatability issues and high-band frame-work and would allow Montana to develop and control its own communications system in the future.

SEN. HAROLD DOVER, District 24, Lewistown, stated that currently, no systems are tied together, while costs are increasing. He stated that he feels this situation needs to be corrected now, adding that the subcommittee put a hold on the purchase of new radios by State agencies until the new system has direction. He requested that the committee support this bill and implements the program, as proposed, using private enterprise resources instead of spending more funds on studies.

MR. MIKE TREVOR, Computer Services Division, Department of Administration, stated that, to date, there are 388 terminals in Montana and that there is a problem with State agencies sharing lines. He stated that there is a need to establish a Statewide protocol for sharing of State lines. He added his support of the bill.

MR. BOB GWALTNEY, Communications Bureau Chief, Department of Highways, stated that he feels the overall plan proposed for telecommunications would be effective in Montana, including communications for towns and cities.

MR. JOE THAYERS, Mountain Bell, stated his support of HB 827. He stated that he feels the amount requested in the bill is minimal, if the State agencies can get together and correct fragmentation of telecommunications as they

now stand.

REP. STOBIE asked if the funds requested were for planning or implementation. He stated that he feels more funds should not be provided, when the Department of Administration is supposed to handle the communications problem.

CHAIRMAN LUND stated that he has been informed that Mr. Gwaltney has the knowledge to handle this problem. He asked Mr. Gwaltney if this were correct.

MR. GWALTNEY stated that he has been with the Department of Highways for 30 years. He stated that the reason the communications system has not been centralized in Montana, is that that has been no coordination effort until a few years ago. He added that he feels he can handle the situations.

REP. HURWITZ asked Mr. Dave Wanzenried, Acting Director, Department of Community Affairs, how much was appropriated in the past biennium for study of communications in the State. Mr. Wanzenried, stated that there was no appropriation. He stated that a \$100,000 grant was received from the U.S. Department of Commerce for development overview of what is available in the State regarding communications. He stated that the Department is on the threshold of making decisions regarding communications in Montana. He stated that a Statewide blueprint was needed for telecommunications in Montana and that the Department of Administration would be the lead planning agency.

REP. BARDANOUVE asked if this weren't a case of each agency wanting its own telecommunications system. He stated his support of the bill.

REP. QUILICI stated that the bill was introduced to promote the coordination of the telecommunications systems in Montana and to get away from past problems.

REP. COZZENS asked why this could not be accomplished by a task force at the request of the Governor without an appropriation for the 83 biennium, and added that the \$80,000 requested for additional personnel could then be deleted.

REP. LORY stated that there were no funds for new FTE in this bill, which only requested matching funds for Federal dollars.

MR. WANZENRIED stated that this is a basic general fund appropriation with the balance contingent upon an appropriation to match funds from any source. He stated that he would hope to match with agency telecommunications planning funds and that he felt there was a need for leadership to arbitrate between agencies in regard to a Statewide telecommunications system.

REP. COZZENS asked why one existing telecommunications expert could not be named to accomplish this task.

MR. WANZENRIED stated that the position would require full time attention.

MR. A. E. CLIFFORD, stated that he feels \$100,000 is not enough to solve the communications problem in Montana.

REP. LORY, in closing, stated that the subcommittee felt that \$100,000 invested for a study versus \$17,000,000 to \$18,000,000 for communications costs, was worthwhile.

There were no opponents to the bill.

HB 845.

REP. ANN MARY DUSSAULT, District 95, Missoula, testified as sponsor of HB 845, stating that the bill would appropriate \$3,000,000 from the Coal Tax Trust Fund to the Department of Revenue to handle the so-called 30% cases. She explained that these cases arose from the difference between valuations in the 1972 appraisal manual and that 1976 Marshall-Swift manual.

REP. DUSSAULT stated that the State Tax Appeals Board, (STAB), heard over \$715,000,000 in issues on property valuation. She stated that there was a possible loss in revenue to the counties of approximately \$243,000,000, over these issues.

REP. DUSSAULT stated that the validity of the blanket 34% reduction has been struck down by the Supreme Court. She added that a 12% reduction is felt relevant to reduce tax revenue loss to about \$2,500,000.

REP. JAY FABREGA, District 44, Great Falls, testified as co-sponsor of the bill. He stated that he feels that if commercial property had been properly set, local government would not have been a recipient of appeals and that he feels the problem was caused by the Department of Revenue.

REP. FABREGA stated that he feels the counties should be compensated for their loss. He stated that commercial appraisals went from 12% to 8.55%.

MS. ELLEN FEAVER, Director, Department of Revenue, stated her support of HB 845, which would compensate counties, cities and schools for losses, if a settlement is made on the 34% issue. She stated that, in arriving at the 12% figure in HJR 52, the appraised valuation was compared to the actual sales price in arriving at this differential. She urged the Committee to support HB 845.

MR. MIKE STEPHEN, Montana Association of Counties, stated his

support of HB 845.

MR. DAN MISNER, Executive Director, League of Cities and Towns, stated that 86 of 126 Montana cities are currently at their maximum mill levies and that if they are not compensated for this loss, loss of services and lay-offs will result. He added his support of the bill.

MR. KEITH ANDERSON, Montana Taxpayers Association, stated his opposition to the bill. He stated that he feels the figures in the bill are all wrong and that 3,300 appeals should equal \$870,000 for one year. He stated that he doesn't know of any counties currently operating at a deficit, adding that there is \$66,000,000 in reserve in the public school systems and a \$17,400,000 reserve in the counties.

MR. ANDERSON stated that under the budget law, the funds received from revenue cannot be spent by the county and will show up as a cash balance at the end of the year, at which time they would then be put into the budget and spend in the next fiscal year. He stated that funds would also not be spent under the budget act. He stated that he feels this bill would cause legal problems and that this would be a windfall in revenue to the counties.

There were no further opponents to the bill.

REP. CHRIS STOBIE asked how much it would cost to distribute these funds. Mr. Anderson stated that it would be at least as difficult as the distribution for the Homestead Act, or that it would cost approximately \$300,000.

REP. WALDRON stated that Homestead Tax Relief went to individuals and that these funds would go to local governments.

MS. FEAVER stated that distribution would be very simple, but that there are 3,300 law suits to either litigate or settle. She stated that she feels settlement would be much less costly.

REP. CONROY stated that he would like to receive a breakdown of statistics on the number of appeals and the amount of dollars involved.

REP. BARDANOUVE asked if overassessment were a continual loss or a loss for just one year. Ms. Feaver stated that inequity and litigation will continue if not settled. She stated that SB 483 would stop litigation over this issue, as it would put commercial property into a different classification from other real property.

REP. FABREGA stated that the base grew by 46% and that the 12% increase was reduced to 8.55%, based on that increase. He stated that increased valuation caused the counties to

lose dollars. He stated that the county base was 9.25% and that the request in HB 845 would compensate for this difference. He asked how many counties and school districts had to go into their reserve funds to cover the difference.

REP. MOORE stated that commercial property was extracted from the 1972 manual a few years ago. He stated that he feels residential property problems were straightened out. He added that the prior director of the Department of Revenue, stated that the burden would be on commercial property owners and not the Department.

REP. MANUEL stated that the commercial property owners who did not appeal have been paying higher taxes than they should have.

MR. MISNER stated that the reserve in the counties is to pay bills between July and November, as no funds are collected during that time. He added that school districts are allowed to retain 35% in reserves.

REP. HURWITZ asked if all the school districts were able to function within the 65 mill limit. Mr. Misner stated that not all of them were able to do this and that if taxable valuation does not exceed 105% of the prior years' budget the district would have to cut back as there would be no reserve. He stated that the school districts have progressively used up more funds during cut-backs.

MR. ANDERSON stated that he feels this has not harmed the school districts at all.

In Closing, Rep. Fabrega, stated that he feels the bill should be passed.

HB 838.

CHAIRMAN LUND stated that HB 838 would create revolving accounts for local governments to pay the State for audit fees.

MR. DAVE WANZENRIED, Acting Director, Department of Community Affairs, stated that the bill is a compromise between a self-supporting program and an audit program, and that it would require biennial audits versus the current requirement for annual audits and a revolving account instead of general funding. He added that the bill would require a one-time appropriation of \$157,000 to begin the revolving account and that current audit fees would be repealed.

MR. WANZENRIED stated that he would like to offer an amendment to the bill regarding annual audits, and that following page 2, line 6, he would insert the attached wording on

line 8. (Exhibit attached).

MR. MIKE STEPHEN, Montana Association of Counties, stated his support of HB 838 and the amendment.

REP. HURIWITZ stated that he was a proponent of the bill.

MR. DAN MISNER, Executive Director, Montana League of Cities and Town, stated his support of the bill.

REP. BARDANOUE stated that he would support the bill and the amendment as proposed.

HB 837.

REP. BARDANOUE stated that the bill would appropriate \$255,000 to construct an additional guard tower at Montana State Prison at Deer Lodge. He stated that there is an area of the prison yard that cannot be seen from the front tower and that the new tower would correct this problem.

REP. BARDANOUE stated that the appropriation also provides for two spotlights for the towers at more than \$5,000 each. He stated that the State of Montana is subject to serious law suits when an escape situation exists and is not corrected.

REP. MOORE stated that funding would come from Long-Range Cash Insurance Program.

REP. HURWITZ moved that the Committee DO PASS HB 837.

REP. BARDANOUE stated that the appropriation also includes an electronic control for the gates and REP. MOORE stated that the costs are broken down dollar for dollar.

The motion, as made by REP. HURWITZ was unanimously approved.

HB 369.

REP. MOORE moved that the Committee table HB 369. The motion was seconded by REP. BARDANOUE and unanimously approved by the members of the Committee.

HB 368.

REP. MOORE moved that the Committee DO PASS HB 368. REP. SHONTZ made a substitute motion that HB 368 be tabled. The motion, as made by REP. SHONTZ was approved 15-2, with REP. STOBIE and REP. LORY voting no.

HB 355.

REP. CONROY moved that HB 355 DO NOT PASS. The motion was approved



13-4, with REPS. THOFT, HURWITZ, STOBIE and ERNST voting no.

The meeting was adjourned at 11:30am.

  
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REP. ART LUND, CHAIRMAN

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Montana State Budgeting and Accounting System (SBAS) data shows a 24% increase in telecommunications costs between FY78 and FY79, exclusive of salaries, benefits or other human costs. If approved, telephone rate requests presently before the PSC would result in a 50% overall increase in state government's costs, from \$2,182,080 to \$3,252,552 in one year. Data communications costs are expected to rise from \$670,000 in FY80 to \$2,370,000 in FY83, or 354% in 3 years. To replace state owned land-mobile radios in need of replacement over the next three years will cost about \$821,000 - for low-band radio that will probably have to be replaced by high-band radios within several years in any case.

In view of current telecommunications expenditures in excess of \$18,000,000 - not including personnel costs - and rapidly escalating costs in the near future, it stands to reason that such massive expenditures are part of a well planned and coordinated system. That, however, is not the case. There has never been, and there is not now, planning and coordination of Montana state government's telecommunications. Some examples:

Land-mobile and data communications systems, in particular, are not integrated. The highway patrol cannot talk to the highway department, and neither can contact ambulances or emergency medical response teams because there is no common radio frequency or because some are low-band and others are high-band. Computers cannot communicate with other computers capable of providing needed information for technical reasons that could have been avoided by proper planning and coordination; some headway is now being made in that regard.

Communications systems are constructed that are not cost-effective; they are too sophisticated or not sophisticated enough. Inappropriate systems may be put in place at high cost (as, for example, low-band law enforcement radio systems).

The state of Montana has only the vaguest idea what its equipment inventory is (computers, terminals, modems, switches, radios, relay stations, telephones, etc.), let alone what local government might have.

If the equipment is unknown, what can actually be done with it is equally unknown.

The use and cost of telecommunications in Montana - indeed, the entire world - is explosive. In the absence of solid planning and coordination, Montana's history of willy-nilly telecommunications development will continue to cost more and more than it should. Telecommunications is TECHNO-LOGICAL. Montana has stressed the technical aspect of its needs, and must now meet them logically, or we will pay dearly.

STATE BUDGETING & ACCOUNTING SYSTEM DATA

DATA PROCESSING SERVICES

TELEPHONE LOCAL SERVICE & EQUIPMENT

TELEPHONE LONG DISTANCE

TELEGRAPH & TELETYPE

POSTAGE & MAILING

RADIO SERVICES

MESSENGER SERVICES

P.O. BOX RENTAL

LEASED LINE SERVICE

TELEPHONE STS USAGE

DATA TRANSMISSION LINES

TELEPHONE ONE-TIME CHARGES

TELEGRAM/MAILGRAM SERVICES

GERERAL COMMUNICATIONS

1978	\$14,420,020	
1979	\$16,337,907	13% INCREASE OVER 1978
1980	\$17,855,502	24% INCREASE OVER 1978

(DOES NOT INCLUDE SALARIES, BENEFITS, OR OTHER HUMAN COSTS)

# TELECOMMUNICATIONS PROJECT ACCOMPLISHMENTS

(AUGUST '80-PRESENT)

1. ESTABLISHED INTER-AGENCY COOPERATION IN THE DETERMINATION OF EXISTING AND POTENTIAL PROBLEMS IN TELEPHONY, LAND-MOBILE, AND DATA COMMUNICATIONS. THIS HAS BEEN FRUITFUL AND SHOULD BE ON-GOING.
2. DETERMINED THAT THE STATE OF MONTANA -  
SPENDS MUCH MORE THAN \$18,000,000/YR. FOR TELECOMMUNICATIONS AND THAT COSTS WILL INCREASE EXPONENTIALLY AND INEFFICIENTLY UNLESS PLANNED AND COORDINATED.
3. FORMED TASK FORCES OF CITIZENS, STATE PERSONNEL, AND LOCAL GOVERNMENT PERSONNEL FOR SPECIFIC AREAS OF CONCERN: LAND MOBILE, DATA COMMUNICATIONS, AND PUBLIC RADIO.
4. HELD NUMEROUS MEETINGS, INCLUDING EIGHT ADVERTISED PUBLIC MEETINGS, ACROSS THE STATE TO PRESENT OPTIONS, CLARIFY ISSUES, AND ACQUIRE INPUT TO BE USED IN DESIGNING WORKABLE SOLUTIONS TO COMMUNICATIONS PROBLEMS.
5. ESTABLISHED TENTATIVE TASK FORCES ON: PUBLIC TELEVISION/VIDEO AND TELEPHONE SYSTEMS.
6. ESTABLISHED A BROADBASED RESOURCE LIBRARY FOR TELECOMMUNICATIONS USERS.
7. DETERMINED BASIC FEASIBILITY OF VARIOUS OPTIONS FOR PUBLIC TELEVISION AND RADIO SYSTEMS
8. PROVIDED ASSISTANCE TO THE CITIES OF CIRCLE AND ROUNDUP IN EFFORTS TO ACQUIRE SATELLITE BASED PUBLIC TELEVISION SYSTEMS.
9. REPRESENTED THE STATE OF MONTANA'S INTERESTS BEFORE NATIONAL FUNDING ORGANIZATIONS ON TELECOMMUNICATIONS FUDING CRITERIA.
10. PRELIMINARY DEVELOPMENT OF METHODOLOGIES TO ASSESS NEEDS AND COMPLETE PHYSICAL INVENTORIES FOR LAND MOBILE SYSTEMS.
11. TESTED THE ABOVE METHODOLOGIES.

FORCASTED PROJECT ACCOMPLISHMENTS IN THE REMAINING MONTHS:

1. COMPLETE AND TEST PILOT PROJECTS FOR NEEDS ASSESSMENT AND PHYSICAL INVENTORIES FOR THE AREAS OF:
  - LAND MOBILE SYSTEMS
  - DATA COMMUNICATIONS SYSTEMS
  - TELEPHONE SYSTEMS
  - PUBLIC TELEVISION SYSTEMS
  - PUBLIC RADIO SYSTEMS
2. HOLD FURTHER PUBLIC MEETINGS REGARDING TELECOMMUNICATIONS SUBJECTS TO FURTHER CULTIVATE INPUT AND TO ASSIST IN COMMUNICATIONS PROBLEM SOLUTIONS.
3. BEGIN CONCEPTUAL FRAMEWORK OF FY81-83.

# TELECOMMUNICATIONS PROJECT

## CONCEPTUAL FRAMEWORK

FY 81-83

### TELEPHONY

1. SYSTEMS OVERVIEW: ISSUE CLARIFICATION
2. EXPENDITURE VERIFICATION: COST BREAKOUT FOR NEW SYSTEM
3. TRAFFIC STUDY AND SYSTEMS LOADING: ENGINEERING REVIEW
4. RFP DESIGN
  - A. MAXIMIZATION OF ENGINEERING
  - B. LEASE/PURCHASE OPTIONS
  - C. COMPATIBILITY WITH BACKBONE SYSTEM

### DATA

1. IDENTIFY EXISTING AND POTENTIAL USERS
2. IDENTIFY EXISTING EQUIPMENT
3. SYSTEMS DESIGN: CENTRALIZATION VS. DISTRIBUTED PROCESSING
4. IDENTIFY EXISTING AND POTENTIAL COMMON FACILITY REQUIREMENTS
5. IDENTIFY COMPATIBILITY ISSUES: ISOLATE SYSTEMS MEMBERS
6. STANDARDIZATION OF EQUIPMENT/PROTOCOLS

### LAND MOBILE

1. NEEDS ASSESSMENT: INTERFERENCE AND SKIP ISSUES CLARIFIED
2. EQUIPMENT INVENTORY
3. FREQUENCY PLANNING
4. IDENTIFICATION OF NEW EQUIPMENT AND FACILITIES AND THEIR COSTS

### BACKBONE SYSTEM

1. IDENTIFY USERS AND LOCATIONS

### PUBLIC TELEVISION & PUBLIC RADIO

1. SURVEY NEEDS
2. PROVIDE TECHNICAL ALTERNATIVES FOR SIGNAL RECEPTION
3. PROVIDE TECHNICAL ASSISTANCE TO USERS IN OBTAINING RECEPTION SYSTEMS

PROBABLE BREAKOUT, HB827 FY82-FY83

SALARIES

ADMINISTRATOR	\$24,385.92	\$24,385.92
SECRETARIAL	12,608.96	12,608.96
PERSONNEL COSTS	6,840.00	6,840.00

CONTRACT LABOR

CONTRACTED ASSISTANCE (PTV & PR HERE)	\$20,000.00	\$20,000.00
LAND MOBILE: NEEDS ASSESSMENT	\$30,000.00	\$30,000.00
LAND MOBILE: FREQUENCY PLAN- NING ID, NEW EQUIPMENT & COST	\$15,000.00	\$15,000.00
LAND MOBILE: PHYSICAL INVENTORY	\$15,000.00	\$15,000.00
TRAVEL, HOUSEKEEPING, EG. COMMUNICATIONS, RENT, SUPPLIES	<u>\$15,000.00</u>	<u>\$15,000.00</u>
	\$138,834.88	\$138,834.88
TWO YEAR TOTAL	\$277,669.76	
HB827	\$280,920.00	

## VISITORS' REGISTER

HOUSE

COMMITTEE

BILL,

Date \_\_\_\_\_

SPONSOR

[illegible]

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

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.



## VISITORS' REGISTER

HOUSE Appropriations COMMITTEE

BILL H13 828

Date 3/25/81

SPONSOR Fagg

[illegible]

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

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

## VISITORS' REGISTER

HOUSE

COMMITTEE

BILL

4B 827

Date \_\_\_\_\_

3/25/21

SPONSOR

Lorv

[illegible]

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

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

WITNESS STATEMENT

NAME Don Judge BILL No. HB 828  
ADDRESS P O Box 1176 Helena DATE 3/25/81  
WHOM DO YOU REPRESENT MT STATE AFL-CIO  
SUPPORT X OPPOSE \_\_\_\_\_ AMEND \_\_\_\_\_

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments: Prepared statement left with committee

WITNESS STATEMENT

NAME A. E. CLIFFORD BILL No. 43827  
ADDRESS Rm 227 - MITCHELL BLDG DATE 3/25/81  
WHOM DO YOU REPRESENT DEPT OF ADMIN  
SUPPORT ✓ OPPOSE \_\_\_\_\_ AMEND \_\_\_\_\_

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

STATEMENT LEFT W/ COMMITTEE

E. CETA Title III grants

1. No. Dakota - Bismarck
2. Arizona - Phoenix (rural model program)  
Contact: Charlotte Stewart  
Arizona Action for D.H.  
607 N. 3rd Avenue  
Phoenix, Arizona 85003
3. Nevada - Las Vegas Community College  
Fern Latino  
and YWCA, Reno

F. Displaced Homemaker Network Contacts

1. Sandra Burton, Director  
Alice Quinlan, Assis. Dir.  
National Displaced Homemaker Network  
755 8th St. Washington D.C. 20001  
(202) 347-0522
2. Laurie Shields  
Older Womens League Educa. Fund  
(415) 658-8700
3. Doris McAttee  
Region 10 D.H. Network  
1219 Westlake Avenue. No. Seattle 98109  
(206) 282-6080

G. Interesting Stats

1. 28 states have displaced homemakers legislation
2. 4 states have legislation pending

## DISPLACED HOMEMAKER INFORMATION SHEET

### I. State legislation for displaced homemakers

#### A. Oregon

1. \$450,000.00 allocated
2. Administered by Department of Human Resources
3. Funds 6 programs
  - a. counseling
  - b. employment development
  - c. 6-8 week course - self esteem, confidence building, therapy, peer support, skill evaluation, job readiness, etc.
4. Contact: Effrin Horne Diaz  
Community Services  
Dept. of Human Resources  
Salem, Oregon

#### B. Washington

1. \$350,000.00 allocated
2. Administered by Council of Postsecondary Education
3. Funds 2 centers (multi purpose)  
4 programs (specialized)
4. Contact: Marlene Zendell  
Council of Postsecondary Education  
Olympia, Washington; and  
  
Doris McAttee, Region 10  
D.H. Network, 1219 Westlake Ave. N.  
Seattle, Washington 98109 (Rm. 212)

#### C. Idaho

1. \$35,000.00 allocated
2. Administered by Department of Education
3. Fund 1 pilot project - Twin Falls, Idaho
4. Contact: Janet Latham  
Voc. Home Economics Specialist  
State Dept. of Education  
Boise, Idaho; and  
  
Norma Dobler  
Boise, Idaho  
senator who carried D.H. bill

#### D. New Mexico

1. ?
2. Administered by Status of Women Commission
3. Funds 2 positions for statewide effort: public relations, training and resources.
4. Contact: Iasha Young, Ex. Dir.  
Displaced Homemaker Coordination  
Suite 81, 600 2nd Street  
N.W. Plaza Del Sol  
Albuquerque, New Mexico 87102  
  
Have 2 research papers, includes Enactment Bill, Voc. Ed. report includes curriculum development.

YWCA Women's Center for the Displaced Homemaker  
 909 Wyoming Ave. Billings, MT. 59101 245-6879  
 Emy LaBeau-Director

Statistics from July 15, 1979 to October 1, 1980

Clients	329
Mean Age	34
Mode Age	30
40 years and over	26%
Age 30-39	34%
Age 20-29	37%
Under 20	2%
Alcohol related	45%
Battered Women	56%
Battered and Alcohol	33%
Battered/Alcohol problems	58%
Minorities	13%
Indian	7%
Hispanic	3½%
Black	1%
Men	1½%

Referral Agencies

1. Self	42½%
2. Battered Spouse Line	14%
3. Social Service Agencies	12%
4. Mental Health	11%
5. Legal Profession	5%
6. Welfare	4%
7. Adult Learning Center	3%
8. Job Service	3½%
9. CETA	4%
10. Vocational Rehabilitation	1%
11. Ministerial	1%

What clients are doing (as follow-up)

1. Working	31%
2. Underemployed	14%
3. Job Searching	8½%
4. In Trauma	7%
5. Moved	8%
6. In School	9%
7. CETA	5%
8. Information Seeking	13%
9. Vocational Rehabilitation	2%
10. Retired	1½%

Of 329 clients, 185 are battered women.

## CETA Displaced Homemaker Programs

The problems of the displaced homemaker have historically not been addressed in our society. A homemaker becomes displaced through death, disability of spouse or divorce. There are few services provided which are specifically designed to ease the transition from homemaker to breadwinner for these people, most of whom are women.

In 1977, the Montana State Legislature recognized the need for services for displaced homemakers. They allocated \$30,000 to be spent on a pilot program. In an attempt to use the \$30,000 from the state and in anticipation of the receipt of CETA Title III funds, in June of 1979, two model centers were started in Montana to serve the displaced homemaker. Both centers were fully staffed, and made the initial contacts with existing service agencies to coordinate the programs, and implemented their own programs.

In fiscal year 1980 the Employment and Training Division staff decided to make the centers in Missoula and Billings regular programs under Title II ABC. In addition the Employment and Training Division solicited for new displaced homemaker centers statewide. Six Request for Proposals were received from all over the state. The proposals were then rated by the Employment and Training Division staff, Bureau Chiefs, and the seven Area Advisory Boards. Four of the six proposals were rated very high. After discussion by the Employment and Training Division staff it was decided that we would fund four projects rather than two as had been originally planned. Thus four new displaced homemaker Centers were established in Bozeman, Havre, Great Falls, and Miles City.

This year a total of \$222,317 has been subgranted to the six Displaced Homemaker Centers across the state. Those six centers are planning to serve over 550 displaced homemakers.

The displaced homemaker, with the additional barriers of age and no marketable skills, must be assisted in assessing her strengths and increasing her self-concept sufficiently so that she is able to identify skills which are assets to employment. The displaced homemaker centers are designed to assist the displaced homemaker to do this. The workshops that are planned for displaced homemakers at the six centers this year are: Stress Management, Personal Finance, Women's Health, Job Seeking Skills, Assertiveness, Communication Skills, Decision Making, Goal Setting, Survival Skills, and Career Planning, in addition there will be support groups and peer counseling.

There is need for these services based on artificial barriers to employment confronting displaced homemakers. Most often age and lack of recent work experience are major barriers to employment. In addition to these other-imposed barriers, the displaced homemaker frequently experiences self-imposed barriers to employment. Studies have shown that the typical displaced homemaker has a low self-concept, has few job search skills and is going through a traumatic adjustment period. The need for the displaced homemaker centers has become imperative if this segment of the population is to be served, and with six displaced homemaker centers in the state we hope to serve those people.

If there are any questions regarding CETA regulations, eligibility or other CETA requirements please call Gina Wiest at 449-5600 or write to Department of Labor and Industry, Employment and Training Division, 35 South Last Chance Gulch, Helena, MT 59601.



## VII. DISPLACED HOMEMAKERS

More attention is now being directed toward the particular employment disadvantages of the displaced homemaker. These women withdrew from the labor market for seven or more years due to full-time participation in homemaking and child-rearing. Due to separation, divorce or a spouse's death, they are thrust back upon the job market to provide for themselves without the benefit of recent employment experience or up-to-date skills. Often they are victims of age discrimination in the job market, yet they are not old enough to collect retirement benefits.

From Table 15 we can see that sixteen percent of all women were formerly married. About a third of these women (or 5% of all women) meet the criteria of having been a homemaker for seven or more years, yet have not reached retirement age.

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TABLE 15  
Marital Status

Never Married	8.3%	
Currently Married	73.9%	
Widowed	8.8%)	
Separated	1.4%)	= 16.2%
Divorced	6.0%)	
Living Together	1.5%	
	<u>100.0%</u>	

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Thus, about 5% of all women in Montana are characterized by the conditions described above and are delineated as displaced homemakers. This percentage represents about 12,600 women in Montana. This is likely a minimal estimate because women not answering any one of the items included within the definition of a displaced homemaker have not been included in this sub-group analysis.

### Job Training Interests

When displaced homemakers were questioned regarding their interest in job training, more than half answered affirmatively. As Table 16 demonstrates, 53% replied either a "yes" or "maybe" to the question on job training interest.

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TABLE 16  
Are you interested in training for a new profession?

Yes	34.4%	
Maybe	18.8%	
No	46.9%	
Total	<u>100.0%</u>	(N=65)

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This information should not be construed conversely to mean that those not interested in job training are not interested in employment, since, as Table 18 indicates, about 70% are already engaged in some type of employment-related activities. Furthermore, many displaced homemakers have attained a relatively high level of education (Table 20), they probably lack an accompanying high level of job experience due to their withdrawal from the job market. This lack of experience, in turn, continues to put them at a comparative disadvantage with their careers.

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TABLE 17  
Are you planning to seek employment within  
the next twelve months?

Yes	13.9%	
No	16.9%	
Not Applicable; Already Employed	69.2%	
	100.0%	(N=65)

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When this same group of women was polled regarding their job training interests, it was discovered that the greatest number were interested in either public relations or secretarial work. Nearly half of all displaced homemakers indicated a potential interest in training for these two areas. (See Table 18).

More than a quarter of all displaced homemakers were favorably disposed toward training in sales work, child care provision, nurse/LPN, teaching or a profession, as shown on Table 18. As the table also shows, nearly a fifth of this group had interest in the non-traditional areas of construction trades, forestry and agriculture, followed closely by factory/mill work and mechanical/electrical work.

However, displaced homemakers essentially have the same types of training interests as do other women in the state, although displaced homemakers do not aspire toward professional training as much as do women in general, and they have somewhat more interest than other women have in blue-collar, non-traditional occupations such as construction, mill work and mechanical/electrical trades. The main difference may be that the need of displaced homemakers for this training is more acute.

# Roberts Public Schools



SUPERINTENDENT

SCHOOL DISTRICT NO. 5 AND 23

ROBERTS, MONTANA 59600

SCHOOL PHONE 445-2421

Representative Steve Waldron  
Capitol Station  
Helena, Mont. 59601

3-25-81  
writer into  
Record  
~~Passed on 3-27-81~~

Dear Representative Waldron,

Your support of HB665 would be greatly appreciated since it aids schools, such as ours, with declining enrollment. Please note our ANB figures for the following years:

	<u>Elementary</u>	<u>High School</u>
1978-79	88	46
1979-80	80	45
1980-81	68	41
Above 3 year average	(79)	(44)
Projected ) 1981-82	72	36
Projected ) 1982-83	70	32
Projected ) 1983-84	63	27

A rolling average of three years ANB would help considerably if effective with the coming school year. At present, the 18% increase amounts to an actual increase of 4.8% in Roberts Elementary School and a 10.1% increase in our high school for 1981-82 and even less for the 1982-83 school year.

Since a mill brings in only \$1080 in Roberts, we are hard pressed when the state fundings increases do not help us keep up with inflation.

Thank you for your support to HB665. I would like this letter to be made part of the Public Hearing Record.  
Sincerely,

3-25-81

Amend House Bill 838, Introduced Copy as follows:

1. Amend page 2, line 8 as follows:

Following: "entity"

Insert: ", unless annual audits are requested by the governmental  
entity"

3-25



Box 1176, Helena, Montana

JAMES W. MURRY  
EXECUTIVE SECRETARY

ZIP CODE 59601  
406 442-1708

Room 100 Steamboat Block  
616 Helena Ave

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TESTIMONY OF DON JUDGE ON HOUSE BILL 828, BEFORE THE HOUSE COMMITTEE ON  
APPROPRIATIONS, MARCH 25, 1981

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The Montana AFL-CIO supports House Bill 828. This bill would provide funding to present our state's position on the coal severance tax, which is under attack in the United States Congress.

The Montana State AFL-CIO has strongly and consistently supported the coal severance tax. We have gone on record with several resolutions adopted at our annual state conventions in 1978 and 1980, supporting the tax. We believe it is a fair, legitimate and reasonable tax, with great significance to our state, and to the question of state's rights.

We believe that adequate funding must be provided so that Montana's position can be made clear to the United States Congress. We believe that it is essential that the State of Montana retain a highly qualified and competent lobbyist to represent our interests in Washington, D.C.

We are well aware that the large out-of-state corporations who oppose the coal severance tax have dozens of highly paid lobbyists ready to persuade members of Congress to reduce or eliminate this tax. We must try to combat these efforts as best we can, and a first-rate lobbyist does not come cheaply, as House Majority Leader Fagg remarked in a recent news account.

We know that Montana's position on the coal severance tax is right. We must do all we can to inform and persuade the members of the United States Congress to preserve our right to levy this tax.

We urge you to vote in favor of House Bill 828.

## Information for Displaced Homemaker Bill (revised)

## I. Montana Women and Work Survey, 1980

1. 12,600 displaced homemakers in Montana
2. 50% (6,300) are living in communities over 5,000 population
3. 37.7% (4,750) live in communities over 10,000 population

## II. CETA established two pilot D. H. Centers in June, 1979; they are still operating (YWCA, Billings, YWCA, Missoula) (Cost \$100,000 annually)

1. Four additional centers were established in fall of 1980- (\$122,317. cost)
  - a. YWCA-Great Falls
  - b. HRDC-Havre
  - c. Gallatin Council-Bozeman
  - d. Miles Community College, Miles City
2. Two pilot centers served 327 CETA eligible clients in 1980
3. Six centers expect to serve a minimum total of 581 CETA eligible in 1981 which is 9% of the 6,300 D.H. living in communities over 5,000; 12% of all D.H. living in communities over 10,000.
4. Missoula Center documents that over 1,000 persons sought services for D.H. in 1980, and only 82 could be served because of eligibility requirements.
5. If 12% of the D.H. population living in towns over 10,000 are now being served and are CETA eligible, it is probable that 50% of the D.H. population living in towns over 10,000 could be served if services were expanded to non CETA eligible: total 2,375 persons

## III. Department of Health: Montana Vital Statistics

1. Divorce rate
  - a. 1978 - 4,877 divorces, based on 6.2 per 1,000 population (population estimate - 785,000)
  - 1979 - 5,107 divorces, based on 6.5 per 1,000 population (population estimate - 786,000)
  - 1980 - 4,947 divorces, based on 6.3 per 1,000 population (population estimate - 784,000)
  - b. Department of Health, Research and Statistics projections
    - 1981 - 5,096 divorces, based on 6.5 per 1,000 population (population estimate 784,000)
    - 1982 - 5,253 divorces, based on 6.7 per 1,000 population (population estimate 784,000)
2. Approximate divorces projected over 1981-82 biennium are 10,350.

## IV. Sliding fee scale

1. If 50% of the D.H. population living in towns over 10,000 population were served and 38% were CETA non eligible (1,794 persons); and
2. If those persons had the average family income of a woman which is \$6,000 (Women and Work Survey); and

3. If a sliding fee scale were used similar to Mental Health and each of them made the average of 8 visits to a center at \$3.00 a visit, \$42,756 could be realized.

#### V. Appropriation for D.H. Programs

1. Fifteen dollar (\$15.00) fee attached to divorce filing fee x 10,350 projected divorces over next biennium would accumulate \$155,250 which would be returned to general fund. Approximately \$44,750 has been added to this figure to total a general appropriation of \$200,000 (\$30,000 was allocated by 1977 legislature and never used because federal funds were not made available to the state to match.) Funds could be granted to already established centers or programs in areas where no services are available (Kalispell, Glendive, Butte, etc.)
2. Twenty dollar (\$20.00) fee would generate \$207,000

#### VI. Appropriation and funding of D.H. programs and services

1. Estimated budget detail for appropriation for biennium ending June 30, 1983: \$200,000.00

Central Admin.

10% of appropriation. . . . . \$ 20,000.00

Remainder to be made available as grants to expand programs and services:

a) counselors/program developers. . .100,000.00  
part-time clerical \$180,000.00

b) support services . . . . . 80,000.00  
outreach workshops

2. Contributions generated by communities:

a) 25% match for \$180,000.00 . . . 45,000.00  
\$ 87,756.00  
b) sliding fee scale  
1,794 persons x 8 visits x \$3.00 . 42,756.00  
(approximate)

#### VII. Justification for appropriation

1. Approximately 2,375 D.H. could be provided counseling and referral services in the state (as estimated on preceding page) which is  $\frac{1}{2}$  estimated population of D.H. living in communities over 10,000 population.
2. The estimated number of CETA eligible individuals to be served by the existing CETA Centers in 1981 is 581; this leaves 1,794 persons who could be reached with expanded services.
3. When CETA funds are no longer available to support D.H. Centers, state support, financed by the divorce filing fee, plus community support that existing centers have built, could be continued to assist D.H. in becoming productive, healthy, self-supporting individuals who would add to the tax base in Montana instead of being dependent on it.

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TABLE 18  
Displaced Homemakers and Interest in Areas of Job Training\*

Public Relations	51.8%	
Secretarial	45.3%	
Sales Work	34.6%	
Child Care Provision	31.5%	
Nurse/LPN	29.9%	
Teaching	27.4%	
Professional	26.4%	
Construction Trades	21.8%	
Forestry	20.4%	
Agriculture	20.0%	
Factory/Mill	16.7%	
Mechanical/Electrical	16.3%	
Waitress	9.4%	(N=65)

\*The column does not total 100%, because respondents could choose more than one response.

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### Demographic Characteristics of Displaced Homemakers

#### Race

When displaced homemakers are identified by race, it is found that there is a higher prevalence among non-whites than among whites. See Table 19.

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TABLE 19  
Displaced Homemakers by Race

Whites	84.1%	
Non-whites	15.9%	
Total	100.0%	(N=65)

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This information is more meaningful when it is remembered that less than 5% of the state's population is non-white, yet the latter account for more than 15% of the state's displaced homemakers. Furthermore, the predicament of being a displaced homemaker, coupled with minority group status, should merit special consideration.

#### Education

Table 20 contains the educational breakdowns for displaced homemakers as well as for all women in Montana.



TABLE 20

## Education

	<u>Displaced Homemakers</u>	<u>All Women</u>
8 years or less	4.9%	4.9%
Some High School	24.6%	6.1%
Completed High School	31.1%	35.5%
Some College	23.0%	26.4%
Completed College	16.4%	27.1%
Total	100.0% (N=65)	100.0% (N=591)

Although no educational level immunizes one against becoming a displaced homemaker, the preceding table indicates that those with the lowest level of education (8 years or less) constitute only 5% of all displaced homemakers - the same proportion they represent in the population. The bulk, 80% of all displaced homemakers, have educations ranging from some high school to some college. Furthermore, those with some high school are greatly over-represented. An interesting correlation between displaced homemaking and an uncompleted high school education is suggested. Those who have "completed college" are substantially under-represented among displaced homemakers.

Size of Community

Displaced homemakers reside in communities of all sizes. However, they most likely reside in either the smallest communities (under 2,500) or the most urban areas of the state (over 10,000). They are less likely to be found in (1) communities ranging from 2,500 - 4,900 in population, and (2) communities ranging from 5,000 - 9,999 in population. The following table contains this data.

TABLE 21

## Community Size of Displaced Homemakers

Under 2500	34.4%
2500 - 4999	14.8%
5000 - 9999	13.1%
10,000 or more	37.7%
Total	100.0% (N=65)

Without drawing inferences concerning the stability of middle-sized towns it should be remembered that the trend in this state, as elsewhere, is an ongoing rural-to-urban migration. Thus, even though the initial location of displacement may be unknown - the current location of the individual in need of a relevant service is known.

## Income

As can be seen in Table 22, women in the lowest income brackets are more interested in job training for most occupations than are other women. This is particularly true for women whose family income is less than \$6,000. These women express more interest than do other women in training for construction trades, forestry, factory or mill work, agriculture, mechanical/electrical, child care provision, secretarial, saleswork, waitress, and nurse/LPN work. This relationship, however, is not true for training interest in professions, supervisory, teaching, and public relations. In these areas either the magnitude of interest remains stable across various income brackets or there is more interest among the highest income brackets, such as is the case for training in professional occupations or teaching.

TABLE 22  
Income And Job Training Interest\*

		\$3,000 Under \$3,000	\$6,000 to \$5,999	\$8,000 to \$7,999	\$10,000 to \$9,999	\$13,000 to \$12,999	\$16,000 to \$15,999	\$16,000 or More
Professional	42.9	48.8	48.5	54.1	39.1	35.9	50.0	33.0
Teaching	33.7	39.6	21.0	41.0	34.4	35.6	55.6	35.0
Construction								
Trades	16.2	19.3	21.5	17.9	10.6	18.7	15.4	10.0
Forestry	21.1	25.8	26.9	24.1	19.7	18.7	17.9	10.0
Factory or								
Mill	11.1	12.4	13.0	8.4	3.1	7.8	2.6	6.7
Agriculture	20.7	30.0	23.9	19.1	15.2	17.5	20.5	6.9
Mechanical /								
Electrical	12.5	16.3	15.8	16.7	7.6	7.9	5.1	0.0
Child Care								
Provision	27.9	34.8	22.2	25.3	25.4	14.3	17.9	13.8
Secretary	47.8	60.0	54.2	62.8	33.3	32.3	26.3	20.0
Sales	40.4	51.0	43.3	36.8	17.6	26.2	33.3	26.7
Waitress	13.4	22.6	10.7	6.0	9.1	1.6	10.3	10.0
Nurse / LPN	31.3	36.0	41.6	21.7	19.7	18.2	17.5	21.4
Public								
Relations	53.1	60.4	61.8	56.0	52.2	55.2	60.0	51.5

\* Neither rows nor columns are additive

## Conclusions: Displaced Homemakers

Displaced homemakers are becoming a more and more visible entity within our society, and in view of the ever-increasing number of marital dissolutions, the number of displaced homemakers, likewise, can be expected to increase. Displaced homemakers are favorably inclined toward job training, and although they exist within all segments of our society, they are

over-represented among the non-white minority, and among those who were high-school drop-outs. They are most likely found in extremely rural communities (under 2500 in population) and the most populous communities (over 10,000 in population). These individuals are most inclined toward the types of training offered by government programs such as CETA and WIN, which include training in largely traditional occupations such as secretarial/clerical work, although substantial training interest in other areas exists.