

MINUTES OF THE MEETING OF THE HOUSE APPROPRIATIONS COMMITTEE
April 13, 1981

The meeting was called to order by Chairman Lund at 8:00 a.m. in Room 104, State Capitol, with all members of the Committee present.

HEARINGS: HB 873

REP. MENAHAN, District 90, Anaconda, testified as sponsor of HB 873.

REV. DILLON, Anaconda-Deer Lodge, stated that there had been an 80% increase in family crises intervention since the closure of the smelter in Anaconda. He stated that the Alcohol and Drug Treatment Centers had also experienced an increase in referrals along with a 63% increase at the Mental Health Center.

REV. DILLON stated that the \$15,000 requested in the bill for aid to families would be a revolving fund with maximum loans of \$350 to be repaid at no interest. He stated that it was a one-time request to help Anaconda adjust to a small community.

REV. DILLON stated that there are nine other single industry communities in Montana which can have similar problems.

REP. JOE KANDUCH, District 89, Anaconda, stated that the request is for the weaker people in Anaconda, who have not been able to readjust and that he supports the bill.

REP. MENAHAN stated that the only reduction in property tax will be for the Anaconda Co. He stated that 17 teachers will be laid off at the end of this year and that the post office is delivering mail to 125 fewer residences since January 1, 1981. He added that 273 students have been lost from Anaconda schools.

REP. MENAHAN stated that there are currently 16 persons in law enforcement in Anaconda and that the appropriation requested in the bill would maintain that level. He stated that there were 70 more parcels of property for sale since January, 1981.

REP. BARDANOUE asked why Galen was not used for alcohol problems. REP. MENAHAN stated that the Galen program is utilized and that the Anaconda program functions as an outreach unit.

REP. BARDANOUE stated that he sees no need for Administrative costs requested in the bill in the amount of \$5,000. He stated that he feels that SRS could administer the loan funds.

REP. CONROY moved that the \$5,000 for Administrative costs be added to the \$15,000 appropriation to assist families.

REP. BENGTON asked if the Anaconda churches were helping with the problems in the community. Reverend Dillon stated that church attendance has increased since the shut down but that the churches have not seen an increase in contributions for community assistance.

REP. COZZENS stated that he was curious about the attitude of financial institutions in the community. REP. MENAHAN stated that the credit union is having problems. He stated that the Ford and Chrysler dealers have shut down in Butte and Anaconda since the smelter shut down.

REP. MENAHAN stated that the foundry has 25 employees. He added that persons in the craft unions can be retrained but that the smelter workers have a problem with retraining.

CHAIRMAN LUND asked what was in the future for Anaconda. REP. MENAHAN stated that 412 Anacondans still commute between Anaconda and Butte in their work. He stated that about 400 jobs come from Galen and Warm Springs.

REP. MENAHAN stated that 60% of the people in the Anaconda proper are retired and that social security is the biggest source of income.

REP. QUILICI stated that workers in Anaconda have had the facilities to repair rail cars and that an effort is being made to work with the Union Pacific. He stated that the Union Pacific is interested, especially if it begins to ship coal to the West.

REP. QUILICI stated that banks in Anaconda are having problems and that if copper mining in the Butte area is cut down, this will hurt Anaconda also.

REP. MENAHAN stated that about 1,000 persons lost their jobs when the smelter shut down. He stated that a kiln in Anaconda is to be moved to Butte and that the Butte-Anaconda-Pacific Line would not be used in the future.

REVEREND DILLON stated that the smelter workers receive \$140 weekly in severance pay, which will terminate in September, 1981.

REP. MENAHAN stated that some families moved to Tonapa, Nevada, but that living conditions there are demanding.

REP. QUILICI stated that 63 Anaconda workers were in Dillon trying to get jobs on drilling rigs.

REP. BARDANOUE asked how many employees were employed at the concentrator in Butte. REP. QUILICI replied that there were 181.

REP. MENAHAN stated that the concentrator used to be in Anaconda.

REP. BARDANOUE asked if the foundry would be self-supporting. REP. QUILICI stated that the foundry was getting contracts for work and could make castings. He added that the biggest problem is up-front money.

REP. BARDANOUE asked if the Butte-Anaconda-Pacific Railroad would leave the track if it closed down. REP. MENAHAN stated that the track is mothballed at this time and added that the armature never did work.

REP. MENAHAN stated that the taxes received by the county from the rail line would be \$500,000 less than they were a year ago and that the amount paid would be \$1,500,000 for 1981. He stated that he doesn't know what will happen after this year, but added that the rail line pays about 43% of the taxes paid in the county.

REP. CONROY moved that line 24 of the bill be deleted, in reference to his former motion to delete \$5,000 in administrative costs. The motion was UNANIMOUSLY APPROVED.

REP. CONROY moved that the committee add \$5,000 to line 22, totalling \$20,000. The motion was UNANIMOUSLY APPROVED.

REP. MOORE moved that HB 873 do pass as amended. The motion was UNANIMOUSLY APPROVED.

HB 874

REP. THOFT, District 92, testified for REP. ROTH, on HB 874, stating that he feels that with the passage of HB 709, some problems will develop during the coming biennium. He stated that the bill would reappropriate the balance of the original \$30,000 appropriation or approximately \$19,000 for the '83 biennium.

REP. THOFT stated that the committee would lend guidance to the Department of Natural Resources and Conservation projects.

REP. BARDANOUE stated that he feels there are too many committees.

CHAIRMAN LUND stated that he feels that although the interim committees don't have much authority, they have persuasive authority.

REP. ERNST stated that he feels \$19,000 is a small price to pay for four large water bills, recently passed by the House.

REP. CONROY stated that SB 243 was on the board, as the Senate rejected the House amendments. He stated that he feels that with an interim water committee, checks could be made on DNRC during the biennium.

REP. MOORE moved that HB 874 be amended and that the word president would be stricken from line 13, page 1, and that the words committee on committees be inserted.

REP. WALDRON stated that he feels that since there are no annual legislative sessions, that there is a need for interim committees.

REP. THOFT moved that HB 874 do pass as amended.

REP. BARDANOUVE made a substitute motion to amend the amount of the appropriation \$15,000. The motion was UNANIMOUSLY APPROVED.

REP. WALDRON moved that HB 874 do pass as amended. The motion was UNANIMOUSLY APPROVED.

The meeting adjourned at 9:30 a.m.



REP. ART LUND, CHAIRMAN

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STANDING COMMITTEE REPORT

APRIL 13

1951

MR. **SPEAKER:**

We, your committee on **HOUSE APPROPRIATIONS**

having had under consideration **HOUSE** Bill No. **873**

A BILL FOR AN ACT ENTITLED: "AN ACT APPROPRIATING MONEY TO THE CITY-COUNTY OF ANACONDA-DEER LODGE TO MITIGATE EFFECTS OF PLANT CLOSURES; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

Respectfully report as follows: That **HOUSE** Bill No. **873**

1. Page 1, line 24
Strike: line 24 in its entirety
2. Page 1, line 22
Strike: "\$15,000"
Insert: "\$20,000"

DO PASS AS AMENDED

APRIL 13

81

19

SPEAKER:

MR.

We, your committee on

HOUSE APPROPRIATIONS

having had under consideration

HOUSE

Bill No.

87

A BILL FOR AN ACT ENTITLED: "AN ACT TO ESTABLISH A WATER
RESOURCES OVERSIGHT COMMITTEE; APPROPRIATING FUNDS FOR THE
COMMITTEE; AND PROVIDING AN EFFECTIVE DATE AND AN EXPIRATION
DATE."

Respectfully report as follows: That

HOUSE

Bill No.

874

1. Page 1, line 13

Following: "and the"

Strike: "president"

Insert: "Committee on committees"

2. Page 2, line 22

Following: "is"

Strike: "reappropriated"

Insert: "appropriated from the renewable resource
clearance fund account, \$15,000"

3. Page 2, line 25

Following: "committee"

Insert: " "

DO PASS

Strike: "the balance of", on line 25 and the remainder
of Section 4.

DO PASS AS AMENDED