

MINUTES OF THE MEETING OF THE JOINT APPROPRIATION  
SUBCOMMITTEE ON EDUCATION  
January 19, 1981

The Arts Council meeting of the Appropriation Subcommittee on Education was called to order by Chairman Donaldson at 8 a.m. on Monday, January 19, 1981 in Room 104, Capitol Bldg., Helena, Montana.

Roll Call was taken, all members were present including Bruce Shively, Fiscal Analyst.

TOM CROSSER gave the Budget Office's recommendation with regard to the Montana Arts Council. The executive budget recommended funding for the Arts Council be kept at current level. The executive budget also recommended two budget modifications for the '82-'83 biennium, as well as the continuation of the Folklore and the Wallniche programs. The first budget modification concerns administration services. The Budget Office recommends \$40,804 for fiscal year '82 and \$38,004 for fiscal year '83. Funding for this modification is split reflecting matching requirements. Administrative functions at the Arts Council are matched by federal private revenue.

The second modification is for general fund support of the Artists in the School Program. The Arts Council anticipates that this modification would allow the programs to serve approximately 25 additional schools, approximately 5,000 additional children would be served. This recommendation is for \$12,500 for fiscal year 1982 and \$13,600 for fiscal year 1983 in general fund support.

DAVID NELSON, Executive Director for the Montana Arts Council, testified. The briefing he gave is contained in EXHIBIT A.\* The council has been in existence for about ten years. The purpose is to encourage artists all over the state. He went over the various programs and their function. He stated that artists in the state expressed two main concerns: (1) that they are removed from a lot of the information that they need and (2) that concern be given to the interest in expanding recognition and exposure. He mentioned that the Arts Council is 54th in terms of state support for similar agencies of its type around the country. Mr. Nelson gave out a computerized data sheet (EXHIBIT B)\*, and stated they have \$700 left of grants. The demand for the Arts Council's services is growing but their ability to respond is shrinking. The Office of Public Instruction has helped in the past two years. The only financial committment the Art Council has had from the Office of Public Instruction is approximately \$2,000.

\* See Bulky Testimony File

MINUTES OF THE MEETING OF THE JOINT APPROPRIATION  
SUBCOMMITTEE ON EDUCATION  
January 19, 1981

Page 2

In the Arts Council's office there are eight people that deal with programs and are state employees or contracted employees. The problem is with clerical help. The previous receptionist left because the work load was too heavy. Extra clerical help is really needed and it does need to be a state position. The other position needed to be filled is for an accountant. The state requires an audit to be done; this requires a more complex type of accounting system. The council has used money that should be used for grants to provide the services needed for these audits. The council's administration could continue this way and as a result not give out that many grants, but this would not be fair to the people.

Meeting adjourned at 8:50 a.m.



---

REP. GENE DONALDSON, CHAIRMAN

pb

The Executive Session meeting was called to order at 9 a.m. by Chairman Donaldson.

CURT NICHOLS handed out EXHIBIT C which listed the various actions on supplementals. Discussion was held to make sure the Committee was in full agreement. Mr. Nichols pointed out that the first page should be corrected since Transportation for the Office of Public Instruction needed to be added to it.

BRUCE SHIVELY gave a briefing regarding the State Library's biennial budget. The one item left to resolve was for the funding structure. He pointed out two pieces of statute that seem to be presenting a problem. The first is Sec. 15-35-108(i) MCA., this provides for the disposal of the coal severance tax and stipulates that "1% of the earmarked coal severance tax revenues be applied to the credit of the State Library Commission for the purposes of providing basic library services for residents of all counties through the federations and for the payment of the cost participating in regional and national network."

The second is in the Appropriations Act which stated "that this money would not be used to fund the operations of the state library." The Appropriations Act applies to fiscal year 1980 until fiscal year 1981, so when that biennium is over that language is gone and will no longer apply.

Mr. Shively stated that with the absence of the appropriate language, coal severance tax funds could be used not only for the grants to the federations but also for the operational cost with networking. Our estimation for fiscal 1982 is approximately \$481,000 and for fiscal year 1983 approximately \$550,000. This is a 38% increase over actual anticipated collections for this biennium. The Governor's Office anticipates coal tax allocations to State Libraries totaling about \$1,171,000. This would resolve in about a 56% increase over the biennium. We are recommending that the Federation's grants be maintained at current levels plus inflationary factors. This would make the grants for \$403,700 for fiscal year 1982 and \$438,015 in fiscal year 1983.

The two Library Coordinators, BETH GIVENS and AILENE COOPER, were present to answer questions. The TWIX costs approximately \$33,000 General Funds and PNBC is approximately \$70,000 General Fund and LSCA funds. REPRESENTATIVE BENGTONSON asked what the total contribution is from the General Fund for fiscal year 1982 and fiscal year 1983.

MINUTES OF THE MEETING OF THE JOINT APPROPRIATION  
SUBCOMMITTEE ON EDUCATION  
January 19, 1981

Page 4

BRUCE SHIVELY answered that the General Fund for fiscal year 1982 is \$275,848 and \$306,806 for fiscal year 1983. They are on the main table of the LFA book. He further stated that the language in the Appropriation of House Bill 500 be worded so that reversion would take place however the Committee wants it to read. The average inflation factor is based on 10.05%.

AILENE COOPER stated that there are five programs being funded, 54% by General funds and 46% by Federal funds.

Meeting adjourned at 10:25 a.m.

---

REP. GENE DONALDSON, CHAIRMAN

pb

VISITORS' REGISTER

HOUSE APPROPRIATION ON SUB COMMITTEE  
EDUCATION

Art Council

Date January 19, 1931

SPONSOR

NAME	RESIDENCE	REPRESENTING	SUPPORT	OPPOS
B. (Mrs) Mussulman	2318 43 <sup>rd</sup> St, Missoula	MT Arts Council	<input checked="" type="checkbox"/>	
Charles Kessie	1911 Wood Lane ✓	MT Arts Council	<input checked="" type="checkbox"/>	
J. D. Holmes	Helena	MT Ins. Institute of the Arts Foundation	<input checked="" type="checkbox"/>	
Wm B. Pratt	Ms A	MT ARTS Council	<input checked="" type="checkbox"/>	
Douglas K. Kline	Ms L.	MT Arts Council	<input checked="" type="checkbox"/>	

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

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.