

MINUTES OF THE MEETING
FINANCE AND CLAIMS COMMITTEE
MONTANA STATE SENATE

April 2, 1981

The 34th meeting of the Senate Finance and Claims committee was called to order by Chairman Hims1 at 9:07 a.m. in room 108 of the Capitol Building. Roll call was taken and all members were present.

CONSIDERATION OF HOUSE BILL NO. 500:

MOTION #73: The proposed amendments were moved by Senator Regan. On page 49 of the blue bill, strike \$3,852,000 and \$3,852,000 and would insert \$4,724,445 and \$5,019,250 on line 25. You are adding \$2,039,695. This is to plug in the figures from House Bill 655 yesterday.

The motion was voted and passed with the vote unanimous.

Senator Aklestad said he was very disturbed that someone was putting out some wrong figures last night in regard to the University system. He felt the University people, the press, members of the committee or whoever had put out the information had false information and should be more careful in the future. Senator Boylan said he felt the University budget was certainly no secret and there are a lot of figures floating around. Various opinions were voiced.

Senator Hims1 said he felt there were more important things to do than to chase rumors, and the committee should get to work on the budget.

Senator Dover: On the area we were talking about yesterday, I did have a lot of phone calls, but none to address the problem of enrollment. The question is whether it is going to hold the level it is funded at now or is it going to go down. Rather than put a motion in as I suggested yesterday, and cut it back there now, I have another motion I am going to pass out. The amendment has to be corrected since they didn't quite get my message, but it makes it so that if the enrollment goes down, the money goes down. If not, the money is still there. On the sheet under funded enrollment, the fiscal year 1982 should be changed to 1981 and the 1983 to 1982. The other figures are then correct. This schedule breaks it down by the University and is explained in the amendment, attached.

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Senator Smith: I would resist this motion. I have talked with the Commissioner of Higher Education. They have already built this into their program. I appreciate your killing my motion to put it into the law. There is absolutely no reason for this.

Senator Dover: How do you build it in when it was projected for the high level of 1981? The amendment says if it goes down then this pay will also go down, and if the extra, then it will revert to the general fund.

Senator Nelson: If we are going to tear into this budget in this fashion we will be back on the drawing board for the duration of the session. If you cut a program you will have to go back into the whole thing. We cannot do this at this time.

Senator Haffey: To support Senator Nelson's statement, I did not understand the explanation. The proposal, that is. We have worked long to assure that it will do, in every respect, what Senator Dover wants. It will just tell them to cut back to the average of three years or the declining average. It eases them down, but that is a function of the whole interim study and what came out of it. To keep things in perspective. Information I asked to have prepared shows how much the committee rejected from the enrollment as it is. The amount to not accept enrollment figures that would have put \$7 million more in as a result of higher enrollments. The Commissioner says he can support the bill. We have done it within the system. It came out of the interim committee and out of the LFA report.

Senator Boylan: Senator Haffey has explained it. If it is the average and you are not funding them at the top line now. I think the average works out real well and that they are willing to accept it.

Senator Himsl: How many out of state students are in the system?

Commissioner Richardson: There are 17% at the U of M, 3 or 4% at two of the other colleges. It is not a drain on the general fund. One could agree it is an economic benefit to the state of Montana.

Senator Himsl: Only 17% now when previously they run as far as 30%. Richardson: yes.

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Senator Dover: If they are already having this in their proposed plans for budgeting in the future, I cannot understand why they are so defensive. This is only a check if the enrollment goes down.

The question was called, voted and the motion failed.

MOTION #75: Senator Dover said he had an amendment at the top of page 2 from yesterday. The interim committee recommended summer school be paid on a 3.3 FTE rather than 2.2. They are funding these teachers for teaching three months when in reality they are teaching two months.

Senator Aklestad: I could be wrong, but I think in the peer groups we are the only one doing this, maybe one other. If we establish pay for three months work for two months actual work we could be the only state that would be doing that. I think we are probably the only one.

Senator Jacobson: I believe that this was a recommendation that the interim finance committee gave.

Senator Smith: Actually, I guess they did come up with a recommendation but when the Legislative Finance Committee did review on the University maintenance and all these things, this was one of the things taken into consideration in examining peer institutions. I did not favor this. We did not come back as a committee and we did not have time to review on all the recommendations of the Legislative Finance Committee work. I did not have the opportunity to do this. If we used the peer groups in other areas, we would have used it here.

Senator Himsl: Are you telling us the peer groups aren't on this? Smith: no.

Senator Regan: Summertime quarter is very important because many teachers return to work. The quarter work is compressed. The teachers hours remain the same but the time is compressed. They do in two months what they would have done in three. The hours are all there, it is just compressed. We have penalized them at the University. The person that gets the summer salary, they are doing the same work but 2/3 of the salary for teaching the same amount of hours. It is not just, the hours are there within the frame. What the committee has authorized and what the interim finance committee recognized is the injustice of treating the faculty thus.

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Senator Dover: I appreciate what you are saying. The reason they are cutting it down is that the teachers are not teaching as many courses.

Senator Haffey: I am confused by the Board of Regents thing. On Senator Dover's amendment it talks about the Board of Regents current policy. I am confused on it.

Dr. Richardson: It is fair to say it is the Board of Regents policy because the legislature appropriates at 22%, from a management standpoint we implement it, since that is what it says for a summer quarter.

Senator Haffey: The peers do what? Richardson: I think it is mixed. I don't recall that data. Nichols: I have made calls recently. The peer groups seem to pay on the months work. It would be in line with the present Regents policy.

Senator Haffey: The whole pot of money that goes to the University for salaries.....it is short. Even though the critical area adjustment to try to get some competitive areas up. We are still \$1.4 million under the salary line now. The effect of this amendment would be to reduce it by \$1.4 million.

Senator Smith: The Legislative Finance Committee held out and gathered data. The committee did not authorize that this is the figures you should come up with. We collected the data so that you would have something to come up with.

Senator Story: Money compared in terms of student enrollment. Compared to other states we are funding higher. Nichols: We are not highly different than the others. Student enrollment is higher in the western states than in the eastern because of the lack of colleges there.

Senator Story: Do you have any per capita figures on the income of students in the west and the east? Nichols: There are figures available but we run into trouble with the type of information in the figures.

Senator Aklestad: I have some figures that are ball-park. We are eighth in the peer group as far as per capita 1979-80 when the figures were taken in 1980. Montana was paying \$84, number two, \$125 with the average of \$105 per student per capita income. The people of Montana are paying more.

The question was called and the motion failed.

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MOTION NO. 76: Senator Smith: This is a letter to notify the Board of Regents that if there are problems down the road as Senator Dover tried to express they would consider this. I would hope the committee would approve of having this letter signed and sent, and I would so move.

The motion was voted and passed with the vote unanimous.

MOTION NO. 77: While on letters, I have a letter on communications costs and the intent of the committee to the Department of Administration on a comprehensive communication plan for the state. I would move the letter be signed and sent. It requests them to coordinate and develop a unified communications system.

The motion was voted and passed, unanimously.

MOTION NO. 78: Senator Dover said he had some amendments on the water bill that was passed. It is on the Governor's desk and if there isn't any money for it there is no sense in signing it. This would appropriate the money for House Bill 667.

Les Simpkins, Governor's office, OBPP: It appropriates the money to the Supreme Court. It transfers the authority for Water courts jurisdiction. It is not general fund money.

Senator Dover: This would be on page 8, following line 8 and insert "8, Water Court's Supervision, other funds, \$227,543 and for '83 other funds \$349,762."

The question was called, voted and passed, unanimously.

MOTION NO. 79: This is an amendment to take care of the difference in the pay scale on the Disaster and Emergency Division. The salary is set on the federal level and we will have to change the figures on page 22, line 2, following line 2, we would have to insert: "1. Reclassification 9,046, 11,418, 9,046, 11,418" Senator Dover said he was just moving the top part of the amendment and to scratch the bottom one off. The top figures are the ones now approved and you do not need the bottom one. I guess this is a line item we put in.

Senator Hims1: Do I understand you to have said this is other funds? The 11,418 is other funds? Dover: I move the amendment.

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Senator Smith: I am not totally clear on this. You are adding about \$18,000 of general funds and \$22,000 in federal money?

Senator Himsl: That is right.
The question was called, and the motion voted and passed.

MOTION NO. 80: Senator Dover said he had an amendment on the Legislative Council that had to be changed because of the action the other day. Page 7, line 23 includes the NCSL. There is no difference in the appropriation of money, just makes it work for them. I would move the motion.

The question was called, voted and passed.

MOTION NO. 81: Senator Dover said this would be \$8,460 in 1982 and \$8,921 in 1983. We don't have to do it, but if not, it will cost us a lot more later. It has to do with the codes for administrative rules. If money is appropriated for getting it done it will be more reasonable and they will be caught up.

Senator Himsl: We changed this. This is twice as much.

Senator Dover: From the previous amendment we are only increasing \$8,460 and \$9,120. The other amendment was already put in. Look on page 10. If systems development data can be done. The Secretary of State is directed to contract with.....and strike the rest of it. Someone asked for the reclassification and that is what we have done. I move the amendment.

The question was called, the motion voted and passed.

MOTION NO. 82: Senator Dover proposed 6 amendments on the Highway Department. This would give them two sessions to evaluate and see if they are getting the job done. Amendments attached. Senator Dover moved the amendments.

MOTION NO. 82A: Substitute motion by Senator Van Valkenburg which is the same as above, but adding two more amendments. My substitute amendment would be the same as offered and two more as 8 amendments rather than 6, and would include the language that the department for 1985 biennium submit a budget that has a construction and maintenance work plan for an operations system. The first one no lower than 1985.

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The motion was added to the blue bill and read so it would make more sense to the committee.

Senator Dover: I would oppose the substitute motion on #7 and 8. It says for all operational systems. They will just have to report on what is operational. They will try to delay. It has been an on-going thing and they don't get the job done. We are just trying to keep them from worming out of this.

Senator Hims1: I think with this instruction and what has come out of this committee, I think we have just put the "riggin" on them. They have to have the Finance committee get their reports and I think they will be accountable. I don't think there is anything wrong with the substitute motion.

The motion was voted and passed.

MOTION NO. 83: Senator Dover said this would be an amendment for \$53,000 for voting information pamphlets out of the Secretary of State's office. The committee had intended to do it and we did not do it in subcommittee, we had intended to line item it. The money required depends on the amount of initiatives, etc., that are on the ballot, and this money could be spent for that purpose only. You would take \$53,000 out of page 10, line 1. The total for records and management and then line item underneath for the voter information pamphlets. I would move the amendment.

The motion was voted and passed unanimously.

MOTION NO. 84: I had earlier moved #9 that would add language to the Crime Lab which would charge the Department of Institutions for drug screens. I have since learned that it would necessitate adding money to the Department of Institutions and might necessitate taking money out of the Crime Lab and would get confusing. I think at least for now it is better to withdraw the amendment. I would so move to reconsider motion #9.

The motion was voted, and passed unanimously.

Motion by Senator Van Valkenburg that #9 be deleted. The motion was voted and passed with the vote unanimous.

MOTION NO. 85: Motion by Senator Dover to make the effective date of the bill July 1. He explained this necessity so that there was no confusion.

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The motion was voted and passed unanimously.

MOTION NO. 86: Senator Keating said he would like to move for reconsideration of motion #24 on district court funding which was done with regard to House Bill 300 to provide emergency funding in the district courts. In 1980 the only emergency was \$85,000 so we have \$1 1/2 million in the emergency funding and it seems to be disproportionately high. I would move to reduce it to \$300,000 per year and to take \$900,000 out of House bill 500.

Senator Smith: We passed legislation last time and made no appropriation.

Senator Keating: There was a special case that received it.

Senator Himsl: There was no appropriation.

Senator Keating: There was an \$85,000 emergency. My point is that \$1 1/2 million emergency fund seems to be high.

Senator Stimatz: The current Senate Bill 300 just has the language. It is a successor to a previous bill and the emergency defined in there is not relating to a special trial, but any county that has levied the 6 mills or whatever. The testimony on Senate Bill 300 showed that there was quite a large number of counties that were using an amount of money that approached \$1 million or so. There is the need for \$1 1/2 million. If they don't levy for the 6 mills they don't get it. I think this action was necessary. What we have done to the counties is going to be rough, and I would not question their need of the help they can get in this amendment.

Senator Regan: If you remember, we had two bills to deal with this. We unfortunately chose the broader of the two and the more expensive. It does not seem logical to me to encourage local districts to spend over their budgeted amounts and say, we can go to the state and get it. The real intent of the emergency district court funding was to help the smaller counties with murders, etc., where they really need the help. I will support Senator Keating's motion and I think it is the thing to do and will hope that whoever administers it will be sure that they do qualify.

The question to reconsider was voted and passed.

Senator Dover moved to amend HB 500, page 19, line 23, change

the \$750,000 to \$300,000 and \$750,000 to \$300,000.

Senator Aklestad: I think the amount we had in it might be high, but this amount is low.

SUBSTITUTE MOTION No. 87A: I would make a substitute motion said Senator Aklestad, that the figures changed be not \$300,000, but \$500,000 in 1982 and \$500,000 in 1983.

Senator Keating: It is true, quite a number of claims could come in from the district courts. In the review only one qualified as an emergency. It was not paid because there was no money in there. Of all the claims that was the only one that would have qualified.

Senator Himsl: There are two concepts. Emergency is one and the other is the added burden from the amount of cases.

Senator Thomas: I would oppose the motion. If we start funding added expenses of non-court costs here, we will have a total funding of the district courts next time. We should provide money for emergencies only.

Senator Aklestad: Senate Bill 300 tightens up that provision where only for emergency.

The question was called, the substitute motion passed.

MOTION NO. 88: Dave Lewis, BPP office said they had some trouble with page 22, line 23. Under budget amendment authority they have to go through a lot of certification on earmarked funds in addition to the regular certification so that anyone under emergency funds is only an emergency. I think this lays the groundwork for problems. I would like to ask them to define what they contend as far as emergency or to remove them and leave them subject to the same provisions as the others.

Senator Himsl: I think that is a reasonable request. Especially the professional licensed people could not establish an emergency.

The motion to remove this language on page 2, line 1 and on page 3 was moved by Senator Stimatz.

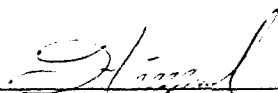
The motion was voted and passed unanimously.

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MOTION NO. 89: Senator Dover moved that we do pass House Bill 500 as amended.

The motion was voted and passed unanimously.

The meeting was adjourned at 10:34 a.m. The next meeting will be tomorrow, Friday, at 8:00 a.m.



Senator Himsl, Chairman

MH:SK:mec

ROLL CALL

FINANCE AND CLAIMS COMMITTEE

47th LEGISLATIVE SESSION - - 1981

Date

4/2/81

NAME	PRESENT	ABSENT	EXCUSED
Senator Etchart	✓		
Senator Story	✓		
Senator Aklestad	✓		
Senator Nelson	✓		
Senator Smith	✓		
Senator Dover	✓		
Senator Johnson	✓		
Senator Keating	✓		
Senator Boylan	✓		
Senator Regan	✓		
Senator Thomas	✓		
Senator Stimatz	✓		
Senator Van Valkenburg	✓		
Senator Haffey	✓		
Senator Jacobson	✓		
Senator Hims1	✓		

SENATE COMMITTEE

FINANCE AND CLAIMS

Date

4/1

Bill No.

500

Time

9:28

NAME	YES	NO	ABSENT	EXCUSED
Senator Etchart	✓			
Senator Story		✓		
Senator Aklestad	✓			
Senator Nelson		✓		
Senator Smith		✓		
Senator Dover	✓			
Senator Johnson		✓		
Senator Keating	✓			
Senator Boylan		✓		
Senator Regan		✓		
Senator Thomas		✓		
Senator Stimatz		✓		
Senator Van Valkenburg		✓		
Senator Haffey		✓		
Senator Jacobson		✓		
Senator Himsl	✓			

Sylvia Kinsey
Secretary

Senator Himsl
Chairman

Motion:

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SENATE COMMITTEE

FINANCE AND CLAIMS

Date

11-2

Bill No.

H 500

Time

NAME	YES	NO	ABSENT	EXCUSED
Senator Etchart	✓			
Senator Story	✓			
Senator Aklestad	✓			
Senator Nelson	✓			
Senator Smith		✓		
Senator Dover		✓		
Senator Johnson		✓		
Senator Keating	✓			
Senator Boylan	✓			
Senator Regan	✓			
Senator Thomas	✓			
Senator Stimatz		✓		
Senator Van Valkenburg		✓		
Senator Haffey		✓		
Senator Jacobson		✓		
Senator Himsl	✓			

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Sylvia Kinsey
Secretary

Senator Himsl
Chairman

Motion:

Reconsider

D C H N

11-6

SENATE COMMITTEE

FINANCE AND CLAIMS

Date

4/12

H

Bill No.

500

Time

NAME	YES	NO	ABSENT	EXCUSED
Senator Etchart	✓			
Senator Story		✓		
Senator Aklestad	✓			
Senator Nelson		✓		
Senator Smith	✓			
Senator Dover	✓			
Senator Johnson	✓			
Senator Keating	✓			
Senator Boylan	✓			
Senator Regan		✓		
Senator Thomas		✓		
Senator Stimatz	✓			
Senator Van Valkenburg	✓			
Senator Haffey	✓			
Senator Jacobson	✓			
Senator Himsl	✓			

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Sylvia Kinsey
SecretarySenator Himsl
Chairman

Motion:

5 ✓

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SENATE COMMITTEE

FINANCE AND CLAIMS

Date 4/2HBill No. 500 Time 10:08

NAME	YES	NO	ABSENT	EXCUSED
Senator Etchart	✓			
Senator Story			✓	
Senator Aklestad	✓			
Senator Nelson	✓			
Senator Smith		✓		
Senator Dover		✓		
Senator Johnson	✓			
Senator Keating		✓		
Senator Boylan	✓			
Senator Regan	✓			
Senator Thomas	✓			
Senator Stimatz		✓		
Senator Van Valkenburg	✓			
Senator Haffey	✓			
Senator Jacobson	✓			
Senator Himsl	✓			
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Sylvia Kinsey
Secretary

Senator Himsl
Chairman

Motion:

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SENATE COMMITTEE

FINANCE AND CLAIMSDate 4/2 H Bill No. 500 Time _____

NAME	YES	NO	ABSENT	EXCUSED
Senator Etchart	✓			
Senator Story	✓			
Senator Aklestad		✓		
Senator Nelson		✓		
Senator Smith		✓		
Senator Dover	✓			
Senator Johnson	✓			
Senator Keating		✓		
Senator Boylan		✓		
Senator Regan	✓			
Senator Thomas		✓		
Senator Stimatz	✓			
Senator Van Valkenburg	✓			
Senator Haffey	✓			
Senator Jacobson	✓			
Senator Himsl	✓			

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Sylvia Kinsey
SecretarySenator Himsl
Chairman

Motion:

Sec. St
84

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SENATE COMMITTEE

FINANCE AND CLAIMS

Date _____

Bill No. 500Time 9:50

NAME	YES	NO	ABSENT	EXCUSED
Senator Etchart	✓			
Senator Story		✓		
Senator Aklestad		✓		
Senator Nelson		✓		
Senator Smith		✓		
Senator Dover	✓			
Senator Johnson		✓		
Senator Keating	✓			
Senator Boylan	✓			
Senator Regan	✓			
Senator Thomas	✓			
Senator Stimatz	✓			
Senator Van Valkenburg	✓			
Senator Haffey	✓			
Senator Jacobson	✓			
Senator Himsl	✓			

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Sylvia Kinsey
SecretarySenator Himsl
Chairman

Motion:

79

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Date

7/2

Bill No.

Time

9:41

NAME	YES	NO	ABSENT	EXCUSED
Senator Etchart	✓			
Senator Story	✓			
Senator Aklestad	✓			
Senator Nelson		✓		
Senator Smith	✓			
Senator Dover	✓			
Senator Johnson		✓		
Senator Keating	✓			
Senator Boylan		✓		
Senator Regan		✓		
Senator Thomas		✓		
Senator Stimatz		✓		
Senator Van Valkenburg		✓		
Senator Haffey		✓		
Senator Jacobson		✓		
Senator Himsl	✓			

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Sylvia Kinsey
Secretary

Senator Himsl
Chairman

Motion:

res by L. H. v. 2. 2 F. 76
 7.33 - 7.41
 res by P 1.3
 # 76

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