

MINUTES OF THE MEETING
FINANCE AND CLAIMS COMMITTEE
MONTANA STATE SENATE

November 21, 1981

The fifth meeting of the Senate Finance and Claims Committee met in room 108 on the above day. The meeting was called to order by Chairman Himsl at 9:17 a.m.

Roll Call: All members were present.

Senator Himsl asked Curt Nichols, Legislative Fiscal Analyst, to give a report on the latest rumor from Washington.

Nichols: The conference committee met last night and they are in again this morning. They had 75 amendments to consider and are still working on them.

Senator Himsl: Since they have already passed the deadline, then at the present time we will approach this bill and get it over to the House. Maybe some adjustments can be made if necessary in the conference committee. Working with such tentative figures as we are, they may well be back in January of 1983 and there will still be 6 months of the appropriation that may have to be adjusted at that time.

Senator Regan: I asked yesterday that the Fiscal Analyst staff look at the sections of the bill most likely to be in trouble if more cuts are required of them. It seems to be the Developmentally Disabled program and Medicaid. If we go along with granting a single grant for those two parts and place the restrictive language in and permit the department to transfer from the second to the first year to make up only for the cuts from the federal, it seems to me that we may have provided for a cut that will hurt where we might not want it. In January, we can make up the short fall.

Himsl: As I understand it, the entitlement programs are not affected. However, there could be further cuts. A Pennsylvania judge has said AFDC is null and void since they did not provide for a hearing procedure. Maybe we will know more about this later in the day.

John LaFaver, Director, Department of Social and Rehabilitation Services, said they do not have any information on that situation.

Himsl: Is it substantially the same way as reported? LaFaver: There is some uncertainty as to whether they can be put in place. I will have to hear from the courts here, I suppose.

Senator Himsl: I think that we will take action on the bill. We will be excused from the Senate. They won't have a real session at 10 a.m.; they will just go in and out.

Senator VanValkenburg: We have never allowed any public comments on Representative Hurwitz's part of the bill.

There followed some debate by various senators as to whether this was true or not, and Sen. Himsl said he would ask for public comment now. There being none, the Chairman said we would go into executive session on House Bill 2, and asked if there were any amendments.

AMENDMENT 1. MOTION by Senator Etchart to amend on page 2, line 3, that we insert "or any block grant as defined by an act of Congress enacted subsequent to April 1, 1981". Voted, passed, unanimous.

AMENDMENT 2. MOTION by Senator Dover to amend line 3, page 5, to strike "April 1, 1981" and insert "November 15, 1981".

Senator Smith: If some insignificant funds are allocated, does this mean we would have to call ourselves into session before any of that money could be spent?

Senator Himsl: I think not. If you read on, it says "as a block grant".

Senator Aklestad: It did not make any reference to the size of the block grant, however.

Sen. Himsl: I guess we have to make some assumptions in this area. I think it is almost certain that before 1983, they are not going to give us any more block grants. It is protective language, and is the same provision as in HB 500, but states a different date.

QUESTION was called, the amendment was voted and passed with Senator VanValkenburg voting "No".

AMENDMENT 3. MOTION by Sen. Dover to amend page 5, line 7, following "programs." insert "The social services, low income energy assistance, maternal and child health services, preventative health, community services, elementary and secondary education, community development, and alcohol, drug abuse, and mental health block grants have been considered and the funds applicable to the federal and private revenue fund have been appropriated. There are other funds which pass through the federal and private grant clearance fund which are not required by section 17-2-102(5) MCA to have a specific legislative appropriation, these funds considered by the special session of the 47th legislature from the above eight block grants are appropriated for purposes of this bill." Voted and passed unanimously.

AMENDMENT 4. MOTION by Senator Jacobson to amend page 6, line 5, following "of a" insert "general fund" and following "any" insert "general fund".

Senator VanValkenburg: I have a question from the governor's office on this -- could I ask them to give their views on this amendment?

Dave Lewis, Director, Office of Budget and Program Planning said this might cause some problem -- what if a short fall in Highway or Fish and Game, University, or any of the other treasury accounts. We might have to call them in so that the agency did not get themselves into a deficit position.

Sen. Himsl: We are talking about general fund revenues. Lewis: This also applies to the 100+ earmarked funds. We would go into the statute to see that the agencies don't get into a deficit spending position. Any loss in federal revenue could result in loss here. You might want to take another look at this amendment.

Sen. Regan: May we ask Mrs. Rippingale, what is the intent or what is the problem?

Judy Rippingale, Director, Legislative Fiscal Analysts, said the intent was so that the government would have the flexibility to deal with these if they came up. The Old West one took all the other funds. If the Governor had interpreted it to say it looks like it will only be 15%, then you could have read into it that the legislature would have been responsible to pick up 85%. That was not the purpose. The intent was that if a federal fund dried up, 15% had been able to deal with it. This is as funds dry up in an area.

Senator Regan: Would Mr. Lewis and Mrs. Rippingale go across the hall and take a good look at it?

Senator Himsl: We will suspend Motion #4 for further information. Going through the bill, are there other amendments?

AMENDMENT 5. MOTION by Senator Smith to amend page 30, line 7, following line 6 to insert "4. Renovation of emergency operations center \$75,000" and to adjust the totals accordingly.

Senator Smith: This goes with House Bill 666, the Long Range Building bill. We thought it would be addressed by a separate bill and they thought by a budget process. Then finally it was decided it did refer to HB 500. I am really carrying out the thoughts of the Rules Committee on having this put in here. The motion was voted and passed unanimously.

AMENDMENT 6. MOTION by Sen. Smith to amend page 30, line 13, following line 12 to insert "Item 4 is a biennial appropriation to the department of Military Affairs for the improvement of the emergency operations center." Voted, passed, unanimous.

AMENDMENT 7. MOTION by Senator Dover to amend page 30, line 25, to strike "3,111,283 and 3,159,888" and insert "3,109,328 and 3,155,158" and to amend the totals to comply.

Senator VanValkenburg: Could I ask Mr. Bartlett a question: You're still going to have a merit system. You will contract with the Department of Labor? Mr. Bartlett: Yes, in house. Sen. VanValkenburg: enough money? Bartlett: We would like to retain the funds to see that it is not needed in house. If not used, then it could revert. Sen. VanValkenburg: Were you appropriating any other funds? Bartlett: The \$30,000 is available. We would like to retain it thinking we do not need it, but that it would be there in case.

QUESTION was called, the amendment was voted, passed, unanimous.

AMENDMENT 8. MOTION by Wolf to amend page 30, line 25 to strike "3,159,888" and insert "3,136,938". She said this amendment would remove general fund monies originally appropriated to match Title XX, Family Planning funds. The omnibus bill says this match is no longer required.

Sen. Himsl: Was this the amount that was out and then put in, and then now you want to take it out again?

Sen. Jacobson: We would be pulling out a match. When we appropriated this, it was expected they would have the \$22,000. It will in 1983 result in reductions in the area of preventative medicine. Screens for pregnancy, cancer, diabetes, etc. I think it is an important service to women. I would vote to keep it current. There is not one penny in it for contraceptives. I think it is important we leave the money in there. It is appropriated money that is there.

Sen. Keating: The Title XX funds are over \$200,000 to accomplish these things. This is about 1% of the things that are coming in. They are general fund matched.

Sen. VanValkenburg: First, it is not 1%; it is 10%. Secondly, in this matter there is no other area where the state is receiving Title XX money where the match is being pulled out. It is being singled out for a political reason and I am not sure why. We have reduced this section substantially during the regular session.

Now we are to take another whack at it when it is not necessary. It removes any state money at all, and in the long run, I think it will be a very expensive move. The small amount of money involved, if it prevents an unplanned pregnancy (and this has no contraceptive money in it, this would be through counseling) -- if used in a counseling to keep someone from becoming pregnant -- if it would prevent six pregnancies, it would pay back to the state the money that is there. If 18, it would pay back all monies. If this is done now, it will be by the Senate, and not by the House.

Senator Story: I do not know if this is administrative money or what that goes to family planning.

Sen. VanValkenburg: No money remains in Helena. There is no administrative savings in this amendment.

Mr. John Bartlett, Health Department, said Susan Nybo could probably answer the questions for the committee.

Susan Nybo: The Title XX money given to State Health to contract to SRS and directly allocated to the areas where it goes to pay for the cost of medical services. A dollar amount for each woman served. \$229,000 in the existing program. The program is reimbursed by \$306, women currently having services paid for that will be deleted.

Sen. Story: I thought at least part of this money went into the Health Department laboratory. Ms. Nybo: It is given directly to the 15 centers. Sen. Story: This was taken out by the full committee and put back on the House floor?

Sen. Keating: It was taken out by the joint subcommittee and returned by the House Appropriations committee. There was no floor action.

Sen. Jacobson: Could I ask the Analyst about this?

Norman Rostocki, Legislative Fiscal Analyst, said I can't really say if it is passed through or not. I am not that familiar with the budget. It is the general fund portion of the program that is no longer required.

Sen. Regan: I think we have an obligation when we sit on this committee to meet the needs of the state. This is an area where the state should take an interest and should show some support and, even though infinitesimal, it is an area where I understand 4% cuts will be coming down. We have been assured that it is against the law to use it for contraceptives. This is for vital services to these women, and I think we should be responsive.

Senator Himsl: We are only talking about \$23,000. Sen. Regan. That is right. The issue is whether the state has an obligation, not the money being the issue. When I looked at what happened to the program for pregnant women, I think the state is acting wrong if they do this.

QUESTION was called, and Sen. Regan said she would ask the committee not to delete the \$22,900 from this appropriation.

Voted, roll call, amendment was defeated 10-6.

AMENDMENT 9. MOTION by Sen. VanValkenburg to amend page 30, line 25, by putting the money back in for the training program for local sanitarians. He said this would add money to the Food and Safety Bureau for the training of the local sanitarians. Mr. Sloulin of the Health Department spoke on this at the time we went through the budget. I think this is a time when we should replace the funds. The hotels and restaurants need a consistency so that they can rely on it to run their businesses.

Sen. Smith: After the discussion, I called one area that has a new sanitarian. They have already sent this one to an area for training and thought that was enough. This would bring it to \$3,197,188.

Senator Thomas: I think some of the county commercial food handlers have asked them to inspect grain dealers, etc. It is important that they receive training not only in restaurants but in commercial food facilities, etc. They are beginning to handle a great deal of food that is not packaged in the super markets now. It is important to have these places inspected; it is important to human health.

Sen. Himsl: Is this the service that inspects grain elevators?

Sen. Thomas: The state people do put part of the money into that, but money is used to train the people to do this and the local can also do it so it is a combination of state and local inspections.

Sen. Keating: The testimony was that they need the money for the state Personell to train the local sanitarians hired by local people to do the inspecting wherever food is processed and handled. It is not the inspection itself, but for the state person to train the people hired out into the counties.

Sen. Himsl: The sanitarians use some sort of common rules. Is this for the new ones then?

Senator Keating: There are 10 new ones. They need more training for the new ones. That is what this money would be used for.

QUESTION was called, this would increase the general fund appropriation in 1983 by \$38,000 for this food and safety inspection training program.

Voted, passed, roll call vote, 9-7.

AMENDMENT 10. MOTION by Senator Haffey to amend page 33, line 20, to strike "23,050,557, 22,711,675, 22,881,755, 24,169,166" and insert "23,884,919, 21,877,313, 23,716,117, 23,344,804" and amend page 39 by striking lines 4 through 7 in their entirety.

Sen. Haffey passed out supporting evidence in the form of an analysis on LIEAP. He said that Rep. Cozzens had said we leave an amount of money that is a 30% increase over that of two years ago. LaFaver says by transferring it we get 30% less than last year. The figures were each going a different way. I have checked this out, and then I went to the department and asked them to see if I was right. John Bebee, LFA, has this documented and may have some clarifying comments to help us. Sen. Haffey then went through the analysis pointing out the costs, the weatherization factor, and the winters, pointing to evidence that the state would need this money in, not cut.

Senator Story: I compliment you on what you have done and I guess I could have done the same thing. These assumptions are educated guesses and that is all they are. Your assumptions could be way off. You did not mention the unknown grid. Sen. Haffey: It is there. Sen. Story: It is an educated guess about a relatively new program on the amount it spends and what we expect SRS to do. To crank down their criteria for the real needy, you are balancing it against other groups where we have a much more truly defined group of needy people whose misery or trouble if we cannot take care of them is well defined. Also against a portion of taxpayers who will probably be eligible but still are paying their own bills. What it boils down to is where do you want to set your priority? You would have this on a curve where we could be spending as much as on education, but your philosophy is you want to give SRS the job of telling you where you want to put your priorities.

Sen. Dover: When I look at these wood prices -- \$65 a cord? Where? That is a high price and you are paying that much? These evaluations, plus trying to get everyone in, it looks like a tremendous program to get everyone in. There are some of the low income people who need help and should have it. Some do not. This is based on a philosophy, not a certain income.

Sen. Stimatz: If this amount passes, do we need the \$1.6 million to appropriate out of the general fund? Why?

Senator Haffey: Yes. The second part is that Rep. Cozzens said "No", Mr. Bebee said "Yes", etc. Sen. Stimatz: What happened here, Mr. LaFaver? We must have taken this money and put it in another area?

Sen. Story: In this area, we pick up some people and Medicaid, when the money fell off, we felt the program should be fully funded. We did not want to knock out services in Medicaid. We thought that should be funded no matter. We are looking down the road to where the state could be in a deficit position. Medicaid 1st; Title XX monies. This other thing was something the people had not had before and were not into big. Last session \$1 million or more; the greater rise in fuel was in the last 10 years. Prior to that time, there were tremendous leaps in the cost of oil. It went up so much we thought we would help some of these people. Since that time, an increase in cost of living has gone in, and that should do a certain amount in our attempt to help them with these price raises. There have been other things put in place since then. Fuel companies cannot cut off fuel in the dead of winter like they could. The philosophy of the subcommittee was we didn't want to turn this into another big thing for the state to have to carry at this time.

Sen. Himsl: \$1.6 million out of the program and put it in general fund. In the general fund mechanism it became part of the money we put in -- 35 cents state and 65 cents federal match, we put it into a general fund build up.

Sen. Stimatz: This motion, in effect, takes the money and puts it into the other social services areas.

Sen. Regan: This is a shell game. We take this out and put it in the general fund so that we do not have to spend that much.

Sen. Himsl: From social services program to general aid program.

Sen. Regan: If we had not done that, the level of spending would have been \$1.6 million more. We put it in the general fund so that we don't have to spend that much more in social programs.

Sen. Himsl: It is taken out of social programs.

Sen. Regan: We would have to take this out of the general fund to put it back.

Sen. Van Valkenburg: To LaFaver, on the discussion and your testimony previously, is it your understanding that the subcommittee has told you by this that the money is coming out of what you used to field in the social services area as opposed to Medicaid? Mr. LaFaver: From low income. \$1.7 million -- we asked for this amount of general fund money; it has been taken out and put into the general fund again.

Senator VanValkenburg: How are you going to keep this from expanding and becoming the monster that Sen. Story expects it to become?

Mr. LaFaver: I don't see a rapid expansion. I suppose it is possible; the reasoning on the \$1.7 million is not to attract more clients, but to help those we already have.

Sen. VanValkenburg: The man making \$50,000 is better off than the one making \$12,000. That is the kind of statement that is being indicative of being a different idea, I guess. The man with the larger income may have many commitments that bring the total down.

Sen. Dover: Some people with a \$50,000 income have more trouble paying their bills since they have not learned to manage any money.

Sen. Story: One more point. If this motion passes, you have another problem. You will have to pump in another \$6.5 million or decide to ask Mr. LaFaver to cut off more Medicaid.

Sen. Haffey: Just to clarify this, part of the amendment is on page 33 and part is on page 39.

Sen Hims1: Federal laws allow the service to be turned to those eligible. This may not always be the case; it may not be "need" but a case of "want". It is a reimbursement of energy bills and they obviously got along in the time before that. I think the subcommittee action was not hasty. They took that money from a social service block area and put it in general fund where it became funds available to put the state money where it was available.

Sen. Haffey: SRS isn't going to have the latitude to weed out the needy from the non-needy from the group that qualifies. I am saying they will have an obligation to provide the funds if the people are eligible. There is a real need in the energy assistance program in most wants. Weatherization is a tool that will help Mr. LaFaver to reduce the future bills. If there is not the proper amount of money to include the weather assistance, it is a continuing problem. This is not a matter of philosophy, we should simply face up to our obligations.

Sen. Smith: I would like to ask Senator Haffey a question. On this area of fuel, presentation of increases and decreases. 1.15 for burner fuel. Isn't that high fuel? The questions Dover mentioned. When wood is cut and you can buy it by the load that isn't cut. You can buy it cut in ricks or you can buy it cut and chopped. Some of those people are unemployed and they can help themselves a little.

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Senator Haffey: On the fuel and wood prices and a 22% increase -- if you will notice, the fuel price goes down and the wood price stays the same. Those two really pull down the 22%. It would have been higher otherwise.

Senator Smith: Are these the guidelines the SRS plan on using? Is this their idea of what they will base the appropriation on?

Senator Haffey: The back up for fuel prices are social services analysis of what SRS uses.

QUESTION was called on AMENDMENT 10. Roll call vote was taken and the motion failed 12-4.

Senator Himsl asked if this disposes of both pages of the amendment, and was answered "Yes".

The hearing was recessed at this time and reconvened at 10:53 a.m.

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AMENDMENT #4, which was delayed for the LFA and OBPP offices to work on, was brought back okayed. Page 6, line 5.

QUESTION was called, the motion was voted and passed unanimously.

AMENDMENT #11: MOTION by Sen. Jacobson to amend page 34 to strike lines 11 and 12, page 40 to strike line 1, and to amend the totals to comply.

Senator Jacobson said this would put the community block grant back where it was before the Sales amendment. It is the HRDC issue.

Senator Himsl: If I understand what you are doing here, you are deleting item #7 which will have an affect on the other items you have. If you leave it in, the other items stay the same. I think the original motion would be on page 39. If the amendment prevails, to strike the "sales" amendment, then go to the other two.

Senator Jacobson: This amendment would in effect put the money back in SRS to contract with the HRDC's. We had testimony that seemed to indicate they are doing a good job and this would spread it too thin to do any good. I wonder if this would do any good. Several counties testified that they don't want local control of this program. A lot of people are being kept out of the poor fund and the welfare systems by the services the HRDC's are administering. Senator Jacobson then showed a chart that showed Silver Bow \$21,142, Deer Lodge \$7,381, Granite \$1,501, Beaverhead \$4,587, Madison \$3,128 and Powell \$4,045. She said after they take out the administrative cost there would be such a small sum left on the small counties that it would behoove them to put it into the poor fund. Through the HRDC's a lot of people are getting one good square meal with Meals on Wheels or Diner's Out programs. Many of the youth programs would be dumped on the counties. She thought someone should look into this or ask SRS to look into it. The counties don't seem to want it; the people don't want it; and the HRDC's don't want it.

Senator Wolf: From where did your area get the figures? Is the 50% put into the counties on the basis of population? Then it says SRS may distribute on a formula to the counties, etc. How could you come up with the figures? Jacobson: We simply don't know how it is going to work yet. It is a premature plan, and we need to give everyone a chance to look at it.

Senator Smith: I just had some information delivered to me. Example: In the 17 counties. . they have told the people lobbying me to support the amount of programs it will affect in these counties. In my area, they say this is broken down to one-half the population of the counties. Dawson County, \$6,047; Custer, \$7,500;

Treasure; \$623; Roosevelt, \$56; Daniels, \$1,500 plus, and Sheridan (?). I am sure from this that Dawson and Custer can handle their programs. One county gets 10 times as much but does not have maybe 10 times the land area. It will be harder for the small counties that have a lot of area to cover. The big counties will get most of the money.

Senator Himsl asked if Sen. Etcharf would take the chair while he addressed this.

Senator Himsl: We would be remiss if we don't take a good look at this. It was an impulsive thing. According to the plan, the state must not use less than 90% to fund existing community action programs. This has no bearing on 1982. Nothing can be done until 1983. In January of 1983 you can address this particular problem. If the thrust of the idea is that you want to drive the management into local areas, do it at that time. This is a hip-shot measure. The money would go to the counties on basis of 50% population and 50% formula to be divided. The system works now (see testimony from county commissioners, members of the council, commission on the aged). The only testimony in support of the amendment was from the sponsor. The one gentleman was against the whole block. There was no one from the county commissioners saying they wanted it. No one said they would like to do it. I think it is premature to take action at this time. I support the motion to cancel or withdraw the amendment.

Wolf: I can see the 50% divided to the counties--we know it is inequitable. When you get down here we are down to the number of public recipients, unemployed, per capita, and age. We are diluting the money into the areas that need the money. Everything here is across-the-board. If we continue with the HRDC's, everything is status quo. We have the criteria here to have the money go to the counties where it is going.

Sen. Regan: I suppose I should be supporting the Sales amendment as I come from the county that will probably get the most of it. But, let us at least have a plan. Take the data and do it systematically. SRS has indicated they have some problems, but didn't put something worse in its place. Let us think about the kind of service and the background. The HRDCs do a tremendous amount of good. They have local involvement, elected officials, low-income people, and health people. People who are local business and community people are on their boards. It is looked on favorably by the communities. I would hope you would pass this amendment and defeat the Sales one. At no time did the subcommittee consider this. It was shooting from the hip.

Senator Aklestad: What has been brought up is relevant. It is a point of philosophy. The indications we have been getting from people is that they want more local control. This has not been researched out as well as it should be. This would not be an experiment, but a trial. I would like to see it go on a 13-month trial rather than a 24-month trial as it would be in the next session. If you are talking about a trial basis, let us have a shorter trial. We are not taking the total funding away from the HRDC's. If the counties want to they can funnel it right back. I disagree in the other 50% not being allocated in the counties. It will go to the commissioners and go where it is needed. I heard the statement that no two counties are in it in the same manner. True, no two counties have the same needs. The counties should run it the way they want to. HRDC programs are not working very well. I asked my questions in the subcommittee. That amount of 14 to 15% for administration costs in the HRDC...the county commissioners and SRS could do a better job for this. We are talking about our local budgets. They are working with several million dollars. Here, we are only dealing with about 10% of it.

Senator Dover: What kind of regulation to disburse the money to the HRDC now? LaFaver: The way the money will probably be distributed--we are not over the block grant. The HRDC's have a different funding period. They will be operating on their previous contract. The money in the block grant is a substantial cut, and we will try to spread it out in as equitable a fashion as we can. We will try to give them about the same percent.

Sen. Dover: Do you have a feel of about what the total is to HRDC? LaFaver: The only program now with the HRDC is the low-income energy program.

Sen. Smith: The county commissioners of Valley, Phillips, and Daniels, etc., said it should be continued on the same basis. They will probably look at it down the road.

Senator Keating: It has been hastily done, in determining the source of the Sales proposal. By a group of one ex-county commissioner, a few legislators trying to arrange it. Some say it is one way of giving local control for funds for the needy. It has been thought out, and the formula being applied seems to be a fair application. I realize it does not start until 1982. I support the bill as it is and reject the new Jacobson amendment. This is a good amendment (Sales). It is well thought out and can be approved in the next six months. The county commissioners have been parading before us for more control and less state interference.

Sen. Aklestad: On Senator Smith's remarks. These counties can remain the same. Under this amendment they can do just that. They can just direct the money right back into this program and continue it.

Senator Dover: I would hope you would back up a bit. You don't know how the money is going. This bill will give direction as to how the money should go.

Senator Smith: The concern of my county commissioner is funding is now based on county population. They can administer it, and there is a chance these three counties can pull out and the rest cannot handle it.

Senator Haffey: We are talking about the control of the funds and the channels. I think I see the local control being addressed now--the channel. I would rather not destroy this now.

Senator Wolf: I want to reiterate; we have had them say they are for local control. This is not taking away the local control. The money can still be passed through. Here we are addressing the area of need. Maybe these counties will not get as much money, but maybe they don't have the need. The amount of dollars will be based on the need.

Senator Van Valkenburg: In talking with our county commissioner, I have been advised it would increase the administration costs.

Senator Jacobson: The local control. With HRDC you have local control. Your comment on 14 to 15% administration cost--yet you are looking to add that much more by giving it to your county commissioners. Senator Wolf said SRS can consider it. The bill says SRS "may". I think we could just suggest this whole thing to them without adding it into the bill. The legislators may be thinking about it, but I don't think SRS has had time. The Silver Bow county executive stated he didn't want this program. We seem to be rather premature. In the block grant it clearly says we should give consideration to community programs.

QUESTION WAS CALLED. Senator Jacobson's amendment was voted and passed by roll call vote, 9-7.

AMENDMENT #4: MOTION by Senator Jacobson to move the remainder of #4. To strike lines 11 and 12 on page 34.

Senator Regan: The block grants do not have to be appropriated per se. I think with these approved we could use the same vote.

Judy Ripplingale: The money is not spent administratively at SRS; therefore, SRS will disburse through all five of the federal and private grant clearance funds; it does not take a line item in the bill.

Senator Van Valkenburg: Is there some language that authorizes them to do it in the bill? Rippingale: You passed a motion this morning that we meet and consider it, and it is all approved.

Senator Aklestad: SRS will receive the money and have the latitude to use it as they want? Rippingale: No, it is in the law. Aklestad: Counties will not receive it at all?

Senator Himsl: After 1982 the state must give use formulas. They have to present an operating plan in order to receive the money.

Van Valkenburg: Spend it in the same manner, but reduce it in accordance with the cut in the block grant.

QUESTION was called on the balance of Sen. Jacobson's #4 amendment. Voted, passed unanimously.

AMENDMENT #12 MOTION by Senator Regan to amend page 39, line 3 following "fund". Insert "If the social service block grant funds are less than \$6,206,500 in fiscal 1982, SRS may transfer general fund from fiscal 1983 in item 1 to replace the amount of decreased social service block grant funds."

This is an attempt to solve the dilemma we are in while we sit here and wait for the federal government to make up its mind as to what they are going to do. This addresses the DD fund. If we were to amend the bill so that the appropriation given for DD was one lump sum, and if we were to then say to the head of the department that should a fund cut come down from Washington that will affect this project, you will take monies from the second year and put them in the first and spend it for the level we appropriated for, and in 1983 the Legislature will make up the shortfall through an appropriation. I offer this amendment so that if there are social cuts we are not faced with massive cuts in the DD program. If you look at the language it is very specific. The only way the funds may be spent is in regard to pay cuts.

Senator Story: I think it is the intent of the committee to make up the funds. Now if it is amended to say this, they can spend the entire appropriation even if they get \$1 less. I think it should say only the shortfall.

Senator Regan: Is this the way you read this? Story: It appears to me it says you can replace as much money as you want to because of decreases. I think it should say only by the amount by which it was decreased.

Senator Himsl: Read the last part of the sentence. Perhaps it should say "to replace the amount of decreased social service", etc. That should take care of it.

Senator Thomas: I would make a MOTION to amend the amendment by inserting the words "amount of" on the last line between "replace the" and "decreased amount."

MOTION to amend the amendment on #12 was voted and passed unanimously.

Senator Aklestad: Where would this figure come from? Regan: The level the subcommittee appropriates. It was passed in the subcommittee, in the House Appropriations Committee and in the House. It came to us untouched. What you are saying, after we leave here where is the shortfall? The SRS can transfer 1983 money back into 1982. This would be only the Title XX monies used for DD's. If Title XX gets cut, then Mr. LaFaver will take money from the 2nd and will use it in the 1st, but only by the amount of the cut.

Senator Aklestad: I am saying then the \$6 million is the maximum level that can be transferred back. Regan: That is the appropriation for 1982. The DD budget. If there is a 4% cut, we estimate about \$800,000 of that money will have to be replaced in January of 1983.

LaFaver: I don't know for sure what it comes off of.

Senator Aklestad: I guess my problem is with a set figure -- I feel we should give them some latitude. Is this the maximum figure of latitude?

Senator Himsl: Look at page 39. I think this answers your question.

Senator Keating: I don't understand item 1.

Senator Regan: It is on page 33, line 20.

QUESTION was called and Motion 12 was voted and passed unanimously.

AMENDMENT #13. MOTION by Senator Regan to amend page 36, line 16. Following "funds." Insert "in item 2 and item 3 general fund appropriated for fiscal 1983 may be transferred to fiscal 1982 if there are further reductions in the federal medicaid funds. Expenditures from all funds for item 3 may not exceed \$27,738,475 in fiscal 1982." (This figure was discussed and adjusted by the fiscal analysts who said it was the wrong figure. It was adjusted to \$84,084,682 and then, after finding this was not correct either, to \$75,048,766 which they said was the correct and final figure change on this amount).

Senator Regan said this would offer some protection against having to come back. The amendment addresses page 36, line 16, to insert the language.

Senator Himsl: The medicaid is not in the entitlement. Cuts aren't anticipated there. Regan: We don't, but what if? Himsl: That point is well taken.

Senator Aklestad: Where does the \$27 million come from?

Senator Himsl: Page 34, line 1.

Senator Etchart: There is a difference in definition of the reductions as to the other one. Regan: We have that to make the transfer. If we could use the same language as in the other one, this would solve it.

Rippingale: Medicaid operates differently than other Title XX. You could get different kinds of reductions--perhaps a cap, or a percentage reduction. The way it is kept throughout is the expenditure of federal funds and state funds. You would be saying the medicaid program, regardless of money, says the federal government could reduce the funds but you will let the program operate at a different level in combination of all funds. Regan: It has been kept and we will be voting on the motion.

Senator Smith: This would limit them to the amount of money they used.

QUESTION was called. The motion was voted and passed unanimously.

AMENDMENT #13A. MOTION by Senator Regan to strike lines 8 through 12, page 39, in their entirety.

LaFaver: I would ask that this paragraph is moved to fiscal 1982 but not 1983. It does give some guidelines on how we operate from July 1 until you are in session. Regan: Is it the AFDC you are concerned about? LaFaver: The amounts you offer here would cap it in place. Regan: I think we can do it in an easier way. Because of the uncertainty of federal funding in fiscal 1983. That really gives you direction. The question was called, voted and passed, unanimously. This motion was later withdrawn by the request of Senator Regan.

MOTION by Senator Regan: A technical change in renumbering items. On page 34 you are saying medicaid accrual was taken out as item 4. When you turn to page 37, line 22, you find the item is addressed as item 5 and should be item 4. Page 37, line 22, we should strike 5 and insert 4. You amend page 38, line 4. Strike 7 and insert 6.

QUESTION was called, the motion for renumbering was voted and passed unanimously.

Rippingale: The Department and I discussed the amendment of Senator Regan -- in regard to an overrun on medicaid. Expenditures from all funds for item 3 may not exceed etc. The final figure there should be \$84,084,682. That is what the figure should be. (Re amendment #13). That is not a general fund expenditure reached until they are certain of what the number should be.

There were no further amendments for the Dept. of Agriculture, the Dept. of Commerce, Dept. of Fish, Wildlife and Parks, State Lands, Public Service Commission or the Dept. of Institutions. Next on the agenda is the Office of Public Instruction.

Amendment 14. MOTION by Senator Jacobson to amend page 69, line 21 to strike "\$1,689,943 and \$2,687,643 and insert \$2,009,984 and \$2,367,602" and to amend the totals to conform. Page 70, line 20 to strike "\$45,641" and insert "\$325,600". Originally the sub-committee had looked at the worst possible case, and we said we would give them that much money in a backup fund. If federal money came in that amount, it would come back into the general fund. Later we changed our lines and went to the middle case. Unfortunately it was Veterans Day and the OPI could not respond. I have spent a lot of time with them. OPI was cut \$325,000 and lost 9.65 FTE. The cost of this program is \$9,855 in the worst possible case, but it could be only \$3+ thousand. There is a \$214,368 difference. They have carryover money categorical of \$57,857. If this goes into block grant, does it comply? If so, only \$31,000 would be received. If the carryover money is available, they would have to use that first.

Senator Himsl: You will increase in the general fund one year and reduce the federal and private funds in the second year.

Senator Keating: Are we dipping into general fund for more money?
Jacobson: \$372,000; however, the only way they can use that much money is if the federal dollars are not coming through, and they cannot use it if they do.

Sen. Keating: What kind of percentage? Is it in the event of a 4% cut?

Curt Nichols: The situation that is covered by the amendment is the proposal of 12%--the worst that is a block grant cut and worst of carryover. This amendment puts the general fund in and says if not the worst case, it will revert.

Keating: What is the money used for? Jacobson: Administrative money in the OPI to administer school programs.

Senator Hims1: Instructions? Nichols: The amount on page 70, line 20, is uncut. It is the higher level of federal funds and carryover. The amendment now says, if they do not get it.

Sen. Hims1: The \$645,641 figure line is right? Nichols: No, it should be \$325,600.

Sen. Story: What happens if we tell them to stop it?

Etchart: Senator Jacobson is right. We changed the numbers in taking the worst case. We didn't check the ramifications. After finding out what we had done, I feel we need this amendment.

Sen. Story: I don't have in my mind the dire effect if we don't pay it.

Nichols: If, in fact, it would come in at the worst they would have to take fund reductions in their staff that administers the block grant.

Jacobson: They have already been cut and this would cut even deeper.

Aklestad: They had already cut and cutting additionally was what you did in your committee? Jacobson: Yes.

QUESTION was called, the motion was voted and passed unanimously.

AMENDMENT 13. Senator Regan asked if they could revert to Medicaid in regard to Amendment 13. The new figures. The combined general and federal funds to put the figure into the amendment. The LFA and the Department have come in with a final figure of \$75,048,766. They said this is correct, and should be put into the amendment we just passed.

QUESTION was called, the motion was voted and passed unanimously.

AMENDMENT 15. MOTION by Senator Regan to amend page 70, line 2, to strike "\$807,449" and insert "\$1,428,449". This is the school lunch program. The testimony we had seemed to indicate 53% of the districts were not having trouble and 47% were. On the surface, that should settle it. The 47% having trouble are feeding 75% of the kids being fed. The School lunch program has jumped to 75 cents and \$1, plus cuts in food as well. I work in a school where I see what happens. Many are subsidizing their school lunch program with other monies, taking money set aside for capital equipment or whatever. When you go to higher and higher prices and the lunch does not really fill them up, they quit buying school lunches. It has declined to 19% now and will probably pick up in the winter. A decrease of 15% of the paying kids will certainly affect the program.

The amendment will allow the school in 1982 and 1983 to maintain the same price level to enhance the program. If we don't do this, we will see a big increase that will force more paying kids out. When you discover you have a smaller number of paying kids, we will be supporting a program that has had a lot of cuts. The analysis was not carried out to see where the impact was. In some areas, you are going to see the school lunch program being dropped.

Sen. Jacobson: This would not be an ongoing replacement but to help if they get cut from the federal government. It is like the Vo-Tech funds, if we raise them from \$100 a quarter to \$180 a quarter, a lot of people drop off. It is too much of an impact. We are asking to do it, if it is in the federal cuts.

Sen. Etchart: This was in our subcommittee. The needy children will be covered. Seventy percent of the kids, according to the OPI, are able to pay for their lunches. If they get into trouble he will come back in 1983 and ask for money to keep it going.

Sen. Jacobson: I did carry the amendment for the administration for OPI. I am in perfect agreement they need the money for administration. I think it is inexcusable to give them money for the administration and then say no to a lunch program for the kids.

Sen. Regan: To respond that 70% of the people can pay it -- if you continue to raise the price, you are going to price those kids out of the market and the program will collapse.

QUESTION was called on #15. Voted, failed, 10-6.

Senator Regan: After amending page 2, Lewis said he had some question on it.

Sen. Himsl: In the presentation of this bill we don't have to have the printed bill. The procedure is that the Chairman of the subcommittee (the Senate chairman) will make the presentation of Committees I, II, and III from the book. It will coincide with the blue bill, except for our amendments. Perhaps the most expeditious way would be for the people making the amendments to make them on the floor.

Sen. Story: On Committee III, I am able to handle the amendments on this part.

Sen. Regan: With your permission, I would like to have Mr. Lewis address the language on page 2, line 22.

Dave Lewis, OBPI: We would propose that on page 4, line 25, we would eliminate all that language and on through that section, line 7, page 5. It was to require a special session to spend the block grants. I was not quite able to follow the amendment this morning. I would want to make it clear that it looks like the Governor would not call a special session again. He believes the appropriations can carry us through. They carry us through 1982 in September, and he feels they can get by for the remaining time until the regular session. We know there will be additional cuts before then, but we don't want a special session to take care of that.

Sen. Smith: Just one comment--By our action today we, as legislators, are just as opposed to a special session.

Sen. Himsl: I don't think I quite understand it. In the event of any more block grants, the consensus of this section is that the Legislature will be called back to make an allocation of the new block grants.

Lewis: That was requested as a consideration of the Legislature to come in if there are any new block grants. If the Governor wants to strike it, I guess that is his privilege. That is the intent of this amendment. I wanted to show you we don't want another session.

Sen. Van Valkenburg: I understand the administrative money we put into OPI. MOTION by Sen. Van Valkenburg that we reconsider putting this money into it.

Sen. Etchart: I oppose that motion. It has been considered and we simply are correcting an error of the subcommittee. I think we will need this amendment, and it is not a lot of money.

QUESTION was called, the motion was voted and lost, 10-6.

Senator Regan said she would not want to come in for another session and asked if the committee would consider changing this section.

MOTION by Senator Regan to reconsider this section on page 2, line 22, and page 4, line 25. Motion was voted and failed.

MOTION by Senator Dover we CONCUR in HB 2 as amended. Voted, passed unanimously.

The meeting was adjourned at 12:44 p.m.

ROLL CALL

FINANCE AND CLAIMS COMMITTEE

47th LEGISLATIVE SESSION - - 1981 Date 11-21-81

NAME	PRESENT	ABSENT	EXCUSED
Senator Etchart	✓		
Senator Story	✓		
Senator Aklestad	✓		
Senator Nelson	✓		
Senator Smith	✓		
Senator Dover	✓		
Senator Johnson ^{Wolf}	✓		
Senator Keating	✓		
Senator Boylan	✓		
Senator Regan	✓		
Senator Thomas	✓		
Senator Stimatz	✓		
Senator Van Valkenburg	✓		
Senator Haffey	✓		
Senator Jacobson	✓		
Senator Himsl	✓		

Amend HB 2 - Third Reading Copy

1
Page 2, line 23.

Following: "act"

Insert: "or any block grant as defined by an act of congress enacted subsequent to April 1, 1981"

2
Page 5, line 3.

Following: "to"

Strike: "April 1, 1981"

Insert: "November 15, 1981"

3
Page 5, line 7.

Following: "programs."

Insert: "The social services, low income energy assistance, maternal and child health services, preventive health, community services, elementary and secondary education, community development, and alcohol, drug abuse, and mental health block grants have been considered and the funds applicable to the federal and private revenue fund have been appropriated. There are other funds which pass through the federal and private grant clearance fund which are not required by section 17-2-102 (5), MCA to have a specific legislative appropriation, these funds considered by the special session of the 47th legislature from the above eight block grants are appropriated for purposes of this bill."

4

House Bill 2 - Third Reading Copy
Amendments

Page 6, line 5.
Following: "reduce"
Strike: "any"

Page 6, line 6.
Strike: "appropriations"
Insert: "appropriations. General fund appropriations may be reduced"

Page 6, line 6.
Following: "15%"
Strike: "except"
Insert: ". The following"

Page 6, line 7.
Strike: "for"
Insert: "may not be reduced"

Amendment to HB2 (Third Reading)

#5 1. Amend page 30, line 7

Following: line 6

Insert: "4. Renovation of emergency operations center
75,000"

Adjust totals accordingly

#6 2. Amend page 30, line 13

Following: line 12

Insert: "Item 4 is a biennial appropriation to the department of
Military Affairs for the improvement of the emergency
operations center."

#7

Senator Dover
House Bill 2 - Third Reading Copy Amendment

Health

Removal of general fund for merit system council.

Page 30, line 25.

Strike: "3,111,283 3,159,888"

Insert: "3,109,328 3,155,148"

Amend totals to comply.

NR:ve:y3

11
8

Senator Wolf
House Bill 2 - Third Reading Copy
Amendment

Family Planning, Title 20 Funds

26 750

Page 30, line 25.

Strike: "	3,159,888	"
Insert: "	3,136,938	"

This amendment removes the general fund originally appropriated to match Title 20 family planning funds. The Omnibus bill states this match is no longer required.

Amend totals to comply.

SENATE COMMITTEE

FINANCE AND CLAIMS

Date _____

Bill No. _____

Time _____

NAME	YES	NO	ABSENT	EXCUSED
Senator Etchart	✓			
Senator Story	✓			
Senator Aklestad	✓			
Senator Nelson	✓			
Senator Smith		✓		
Senator Dover		✓		
Senator Johnson <i>Way</i>	✓			
Senator Keating	✓			
Senator Boylan		✓		
Senator Regan		✓		
Senator Thomas		✓		
Senator Stimatz		✓		
Senator Van Valkenburg		✓		
Senator Haffey		✓		
Senator Jacobson		✓		
Senator Himsl		✓		
	6	10		

Sylvia Kinsey
Secretary

Senator Himsl
Chairman

Motion: ye 20 Co # 8

SENATE COMMITTEE

FINANCE AND CLAIMS

Date 11/2/81

H

Bill No. 2

Time 10:05

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		✓		
	9	7		

Sylvia Kinsey
Secretary

Senator Himsl
Chairman

Motion: S. Manning Santman

#9
Van Valkenburg

#10

Senator Haffey
House Bill 2 - Third Reading Copy
Amendments

Page 33, line 20.

Strike:	"23,050,557	22,711,675	22,881,755	24,169,166"
Insert:	"23,884,919	21,877,313	23,716,117	23,334,804"

Page 39.

Strike: Lines 4 through 7 in their entirety.

*Analysis*1) How Payments go out

Based on federal nation wide appropriation of \$1.4 billion, the state of Montana will receive \$8,306,088 per year, or \$16,612,176 per the biennium (after 19.28% is deducted for Indian Reservations).

Biennium grant	\$16,612,176
10% administration	- 1,661,218
10% Transfer to S.S.	- 1,661,218
15% Weatherization	- 2,491,826
	<u>10,797,914</u>

October 81' to Sept. 82'	5,398,957	} Available for fuel bills
October 82' to Sept. 83'	5,398,957	

1) Eligibility

Clients must apply for Energy Assistance through their local HRDC. Their eligibility is based on gross income. Gross income less than 125% of poverty are eligible for assistance. (Attachment A)

2) Amount of Payment

The amount of payment the household will receive is based on 4 factors
 a) size of home, b) type of fuel used c) average winter in HRDC area, d) number of months remaining in heating season (ex. applications received in February only eligible for assistance from February through March) Attachment B)

3) Method of Payment

Applications received by the HRDC and approved for assistance, are sent to SRS state office. The state office verifies the applications and transfers to the appropriate vendor 80% of the amount authorized for the household. Reconciliations by client at the end of the heating season may result in the transfer of the remaining 20% of the authorized amount.

2) Possible Needs

The LIEAP Program's expenditures are dependent on four factors:

- 1) Weather variability - need for fuel assistance is a product of the severity of the winter weather.
- 2) Fuel prices - need for assistance is a product of the price of wood, coal, natural gas, electricity and petroleum. As the unit prices of each energy source increases the need for assistance increases.
- 3) Recipient Volume - LIEAP is a recipient driven system. The more recipients qualified to receive assistance, the higher the expenditures.
- 4) Amount of Assistance - the percentage of the heating season that is covered drives the expenditures up or down, because it changes the average amount of assistance to each household.

Therefore:

(previous year expenditures) X (expected price increase) X
 (weather variability) X (recipient volume variability) X
 (% of season covered) = expected expenditures.

<i>Admin Cost</i>	FY 1981	Price Increase	Weather variability	Recipient volume	% of season covered
	\$8,200,000	X 1.22	X 1.05	X 1.5	X .58 =

FY 1982 need = \$9,138,654

Possible 82 need	\$9,138,654
Available 82	<u>5,398,957</u>
	3,739,697

This \$3,700,000^{reduction} represents 41% of possible need, even after reducing the amount of assistance per case from 100% of energy bills to 58% of energy bills. The only remaining factor within the control of SRS, is the eligibility level. By manipulating the eligibility level there could be a reduction in households served to decrease the possible need to the level of funds available after the transfer, SRS would have to limit the household to 17,600 for FY 82. In FY 83, if energy prices rise the 22% they did this year, the caseload would need to be reduced to 14,400 households to stay within the \$5,398,957 appropriation.

Weather variability: % of normal (43.8^o)

1978 state average	41.5 ^o	94.6%
1977	44.4 ^o	101.1%
1976	45.8 ^o	104.4%
1975	42.2 ^o	96.3%
1974	45.4 ^o	103.5%

High = 104.4%

Low = 94.6% (-5.4%)

Weather variability is + 5%

Fuel Prices

Winter fuel prices (from fuel providers)

	1980	1981	Change percentage	% of caseload	% increase
Fuel	1.23/gal	1.21/gal	- 1.6%	7.5%	- .1%
Electricity	.0319/kwh	.0367/kwh	+15.0%	10.5%	+1.6%
nat. gas	3.30/mcf	4.24/mcf	+28.5%	71.5%	+20.4%
coal	55.00/ton	45.00 ton	-18.8%	.4%	- .1%
propane	.69/gal	.71/gal	+ 2.9%	8.2%	+ .3%
wood	65.00/cord	65.00/cord	+ 0.0%	1.9%	+ 0%
					<u>+22.1%</u>

Recipient Volume

From 1970 census data there are 45,000 households under 125% of poverty. In FY 81 LIEAP served 16,000 households. This represents 36% of the target population. It is expected that FY 82 has the potential of serving an additional 20% of the target group. this is expected because of the unit price increase in energy fuels plus added emphasis on local outreach efforts.

Amount of Assistance (percentage of heating season covered)

80% of heating fuel is used during October to March season
(based on heating degree days)

28% hot water and cooking portion
(Section 8 housing study 1979)

.72 for heating x 80% = 58%

The six months Oct. to March need for space heating represents 56% of total yearly energy bill.

Arguments Against keeping Money in LIEAP for fuel assistance

- 1) Abuse - there is some abuse of the system by people who do not need the help. An example of this is wood dealers who are paid and do not deliver wood. This year small vendors will be paid after the client signs the voucher indicating delivery. Some feel there are people eligible who are not "needy". Federal law requires services to be delivered to those eligible, if funds are available.
- 2) Weatherization - the weatherization of homes is dependent upon the demand placed upon fuel assistance. The weatherization set-aside (15%) will not be tapped until fuel assistance needs are met. Utilizing the weatherization funds will assist, but not totally address, the deficit if the 10% transfer is completed.
- 3) Outreach - we estimate 1.5 times as many clients as last year. In the past the heaviest demand on the program has been made in the very early spring, a period we do not intend to cover.

It is possible that we are overestimating the caseload for the October - March period. If the outreach is insufficient, and if the subsequent # of applications is less, the demand on the program could be such that we are overfunded. If so, the time period for eligible would be expanded accordingly.

4) General fund - By transferring the funds to other Social Service programs, General funds would not have to be tapped. Would be construed by block grant opponents or evidence that states are not responsive to the needs of the people and are merely using block grants to supplant state efforts in other areas.

COMPARISON OF INCOME GUIDELINE OPTIONS FOR LIEAP FY 82
RANKED BY INCOME AMOUNT, COMPARED FOR NON-FARM AND FARM INCOME

COMPARISON OF NON-FARM INCOME

FAMILY SIZE	COMPARISON OF NON-FARM INCOME			
	Lowest ← CURRENT POVERTY GUIDELINES	CURRENT LIEAP GUIDELINES	125% POVERTY GUIDELINES	60% MEDIAN INCOME → Highest 150% POVERTY GUIDELINES
1	4,210	4,870	5,388	6,256
2	5,590	6,862	7,113	8,181
3	6,970	8,854	8,838	10,106
4	8,350	10,846	10,563	12,031
5	9,730	12,838	12,288	13,955
6	11,110	14,830	14,013	15,880
ADDITIONAL PER FAMILY MEMBER	+ 1,380	+ 1,922	+ 1,725	+ 1,925
				+ 2,070

COMPARISON OF FARM INCOME

FAMILY SIZE	COMPARISON OF FARM INCOME			
	Lowest ← CURRENT POVERTY GUIDELINES	125% POVERTY GUIDELINES	CURRENT LIEAP GUIDELINES	60% MEDIAN INCOME → Highest 150% POVERTY GUIDELINES
1	3,590	4,600	4,870	5,520
2	4,760	6,063	6,862	7,275
3	5,930	7,525	8,854	9,030
4	7,100	8,988	10,846	10,785
5	8,270	10,450	12,838	12,540
6	9,440	11,913	14,830	14,295
ADDITIONAL PER FAMILY MEMBER	+ 1,170	+ 1,463	+ 1,922	+ 1,755
				+ 1,925

LOW INCOME ENERGY ASSISTANCE PROGRAM

BENEFIT AWARD WORKSHEET

INCOME SOURCE	HOW VERIFIED	AMOUNT	Work Area
GROSS INCOME TOTAL			

MEDICAL EXPENSES

PROVIDER	Date Of Payment	Third Party Reimbursement	HOW VERIFIED	AMOUNT
TOTAL			TOTAL	

Total Medical Expense _____
 (minus) Third Party Reimbursement _____
 (equals) Net Medical Expense _____

Gross Income Total _____
 Net Medical Expense (minus) _____
ADJUSTED GROSS INCOME _____

HOUSING TYPE: Mobile Home Multi-Family Single Family

FUEL: Natural Gas Electricity Propane Fuel Oil Coal Wood Other _____

APPLICATION TAKEN IN:

			MATRIX		BENEFIT AWARD
MARCH	'82	16.7 %	X _____	=	_____
FEBRUARY	'82	33.3 %	X _____	=	_____
JANUARY	'82	50.0 %	X _____	=	_____
DECEMBER	'81	66.6 %	X _____	=	_____
NOVEMBER	'81	100.0 %	X _____	=	_____
OCTOBER	'81	100.0 %	X _____	=	_____

BENEFIT AWARD _____
 (minus) CREDIT BALANCE _____
 (equals) Adjusted Award _____

Date _____

Technician Signature _____

#10

Date 11/21

H

Bill No. 2

Time 10:43

NAME	YES	NO	ABSENT	EXCUSED
Senator Etchart		✓		
Senator Story		✓		
Senator Aklestad		✓		
Senator Nelson		✓		
Senator Smith		✓		
Senator Dover		✓		
Senator Johnson <i>Wheeler</i>		✓		
Senator Keating		✓		
Senator Boylan		✓		
Senator Regan	✓			
Senator Thomas		✓		
Senator Stimatz			✓	
Senator Van Valkenburg		✓		
Senator Haffey		✓		
Senator Jacobson		✓		
Senator Himsl			✓	
	4		12	

Sylvia Kinsey
Secretary

Senator Himsl
Chairman

Motion: #10 Haffey

7 11

Senator ~~Regan~~ ^{Jacobson}
House Bill 2 - Third Reading Copy
Amendments

Page 34.
Strike: Lines 11 and 12 in their entirety.

Page 39.
Strike: Lines 13 through 25 in their entirety.

Page 40.
Strike: Line 1 in its entirety.

Amend totals to comply.

SENATE COMMITTEE

FINANCE AND CLAIMS

Date 11/21

H

Bill No. 2

Time 11:37

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

9 7

Sylvia Kinsey
Secretary

Senator Himsl
Chairman

Motion: Jacobson, #11
C. J. P.

12
Amendments to HB 2 - Third Reading

Page 39, line 3.

Following: "fund."

Insert: "If the social service block grant funds are less than \$6,206,500 in fiscal 1982, SRS may transfer general fund from fiscal 1983 in item 1 to replace the ~~decreased~~ ^{reduced} social service block grant funds."

SENATE COMMITTEE

FINANCE AND CLAIMS

Date 11-21

Bill No. _____

Time 11:

NAME	YES	NO	ABSENT	EXCUSED
Senator Etchart				
Senator Story				
Senator Aklestad				
Senator Nelson				
Senator Smith				
Senator Dover				
Senator Johnson <i>Wolf</i>				
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:

H 12, Regan

Hansen

#13

Amendments to HB 2 - Third Reading

Page 36, line 16.

Following: "funds."

Insert: "In item 2 and item 3 general fund appropriated for fiscal 1983 may be transferred to fiscal 1982 if there are further reductions in the federal medicaid funds. Expenditures from all funds for item 3 may not exceed ~~\$27,738,475~~ in fiscal 1982."

~~84,084,682~~

75,048,766

3 A
House Bill 2 - Third Reading Copy
Amendment

Page 39.

Strike: Lines 8 through 12 in their entirety.

#14

Senator Judy Jacobson
HB 2 - Third Reading Copy
Amendment

Page 69, line 21.

Strike: "	1,689,943	2,687,643"
Insert: "	2,009,984	2,367,602"

Amend totals to conform.

Page 70, line 20.

Strike: "645,641"
Insert: "325,600"

Passed

#15

Senator Regan
HB 2 - Third Reading Copy
Amendment

Page 70, line 2.

Strike: " 807,449"

Insert: " 1,528,449"

Date _____

Bill No. _____

Time 12:25

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

6 10

Sylvia Kinsey
Secretary

Senator Himsl
Chairman

Motion: # 15

Wing

Date _____

Bill No. _____

Time 12:22

NAME	YES	NO	ABSENT	EXCUSED
Senator Etchart		✓		
Senator Story	✓			
Senator Aklestad		✓		
Senator Nelson		✓		
Senator Smith		✓		
Senator Dover		✓		
Senator Johnson <i>Wheeler</i>		✓		
Senator Keating		✓		
Senator Boylan	✓			
Senator Regan	✓			
Senator Thomas		✓		
Senator Stimatz	✓			
Senator Van Valkenburg	✓			
Senator Haffey	✓			
Senator Jacobson		✓		
Senator Himsl		✓		
	6	10		

Sylvia Kinsey
Secretary

Senator Himsl
Chairman

Motion:

Reconsidered Sept. 2

Op 1 of 9

Date _____

Bill No. _____

Time 12:22

NAME	YES	NO	ABSENT	EXCUSED
Senator Etchart		✓		
Senator Story	✓			
Senator Aklestad		✓		
Senator Nelson		✓		
Senator Smith		✓		
Senator Dover		✓		
Senator Johnson <i>Wheeler</i>		✓		
Senator Keating		✓		
Senator Boylan	✓			
Senator Regan	✓			
Senator Thomas		✓		
Senator Stimatz	✓			
Senator Van Valkenburg	✓			
Senator Haffey	✓			
Senator Jacobson		✓		
Senator Himsl		✓		
	6	10		

Sylvia Kinsey
Secretary

Senator Himsl
Chairman

Motion:

Reconsidered Sept. 9

OP 1 of 9

Amendments to House Bill 2 - Third Reading

Page 37, line 22.

Strike: "Item 5"

Insert: "Item 4"

Page 38, line 4.

Strike: "Item 7"

Insert: "Item 6"

Change item numbers.

Quinn Ch

STANDING COMMITTEE REPORT

November 20 21 19 81

MR. President

We, your committee on Finance and Claims

having had under consideration House Bill No. 2

(Donaldson) Hiasl

Respectfully report as follows: That House Bill No. 2

AND, AS SO AMENDED,
BE CONCURRED IN

~~XXXXXX~~
DO PASS

SENATE FINANCE AND CLAIMS AMENDMENTS
TO HOUSE BILL 2

BOILER PLATE

- BP1. Page 2, line 23.
Following: "act"
Insert: "or any block grant as defined by an act of congress enacted subsequent to April 1, 1981."
- BP2. Page 5, line 3.
Following: "to"
Strike: "April 1, 1981"
Insert: "November 15, 1981"
- BP3. Page 5, line 7.
Following: "programs."
Insert: "The social services, low income energy assistance, maternal and child health services, preventive health, community services, elementary and secondary education, community development, and alcohol, drug abuse and mental health block grants have been considered and the funds applicable to the federal and private revenue fund have been appropriated. There are other funds which pass through the federal and private grant clearance fund which are not required by section 17-2-102 (5), MCA to have a specific legislative appropriation, these funds considered by the special session of the 47th legislature from the above eight block grants are appropriated for purposes of this bill."
- BP4. Page 6, line 5.
Following: "reduce"
Strike: "any"
- Page 6, line 6.
Strike: "appropriation"
Insert: "appropriations. General fund appropriations may be reduced"
- Page 6, line 6.
Following: "15%"
Strike: "except"
Insert: ". The following"
- Page 6, line 7.
Strike: "for"
Insert: "may not be reduced"

A. LEGISLATIVE, JUDICIAL, AND ADMINISTRATIVE

- A1. Page 30.
Following: Line 6.
Insert: "4. Renovation of Emergency Operations Center
75,000"
- A2. Page 30, line 8.
Strike: " 983,277"
Insert: "1,058,277"
- A3. Page 30.
Following: Line 8.
Insert: "Item 4 is a biennial appropriation to the department of
military affairs for the improvement of the emergency
operations center."
- A4. Page 30, line 15.
Strike: "236,174,231"
Insert: "236,249,231"

B. HUMAN SERVICES

- B1. Page 30, line 25.
Strike: "3,111,283 3,159,888"
Insert: "3,109,328 3,193,148"
- B2. Page 31, line 9.
Strike: "3,114,156 3,171,004"
Insert: "3,112,201 3,204,264"
- B3. Page 34.
Strike: Lines 11 and 12 in their entirety.
- B4. Page 34, line 15.
Strike: "25,790,000"
Insert: "24,706,738"
- B5. Page 36, line 16.
Following: "funds."
Insert: "In item 2 and item 3 general fund appropriated for fiscal
1983 may be transferred to fiscal 1982 if there are further
reductions in the federal medicaid funds. Expenditures
from all funds for item 3 may not exceed \$75,048,766 in
fiscal 1982."
- B6. Page 37, line 22.
Strike: "Item 5"
Insert: "Item 4"
- B7. Page 38, line 4.
Strike: "Item 7"
Insert: "Item 6"

F. HIGHER EDUCATION

No amendments.

GT1. Page 82, line 25.

Strike: "265,944,299 410,039,657 270,901,533"

Insert: "265,942,344 410,114,657 271,254,834"

GT2. Page 83, line 1.

Strike: "

420,731,441"

Insert: "

419,328,138"

SENATE FINANCE AND CLAIMS NARRATIVE
TO HOUSE BILL 2 AMENDMENTS

BOILER PLATE

- BP1. This amendment does not allow a budget amendment for administrative costs on block grant funds above the level considered by the legislature.
- BP2. This provides that if there are additional block grants enacted by congress after November, the legislature reserves their right to appropriate these funds.
- BP3. This indicates the legislature has appropriated the eight block grants considered and acknowledges that some moneys go through the federal and private grant clearance account.
- BP4. This amendment allows the executive to reduce nongeneral fund appropriations by more than 15 percent if there is a revenue shortfall.

A. LEGISLATIVE, JUDICIAL, AND ADMINISTRATIVE

- A1. Adds \$75,000 of federal spending authority in fiscal 1982 for renovation of the emergency operations center.
- A2. Amends agency totals.
- A3. Provides language to authorize amendment A1 as a biennial appropriation.
- A4. Amends section A totals.

B. HUMAN SERVICES

B1. Two changes are made in the health department's general fund budget by this amendment. General fund was reduced \$1,955 in fiscal 1982 and \$4,740 in fiscal 1983 due to the termination of the merit system council.

The second change increased the general fund in fiscal 1983 by \$38,000 to totally replace lost federal funds for grain elevator and food warehouse inspections.

B2. Amends department totals.

B3. This amendment keeps the allocation of the community services block grant in fiscal 1983 being distributed to the HRDC's (human resource development councils).

B4. Amend agency totals.

B5. This amendment allows SRS to transfer general fund appropriated in fiscal 1983 to fiscal 1982 to offset any further federal cuts in medicaid in fiscal 1982, but does not allow the program to expand.

B6. This amendment corrects item numbers.

B7. This amendment corrects item numbers.

B8. This amendment allows SRS to transfer general fund appropriated in fiscal 1983 to fiscal 1982 to offset any further federal cuts in the social services block grant in fiscal 1982, but does not allow the program to expand.

- B9. This amendment specifies that the language applies to fiscal 1983.
- B10. This amendment is in conjunction with amendment B3. It strikes the language that distributed the community services block grant funds to the counties rather than to the HRDC's in fiscal 1983.
- B11. Amend section B totals.

C. NATURAL RESOURCES

No action taken in senate finance and claims.

D. INSTITUTIONS

No action taken in senate finance and claims.

E. OTHER EDUCATION

- E1. Senate finance and claims increased the general fund appropriation to the office of public instruction by \$320,041 in fiscal 1983. The additional general fund will be used to support state administration of block grant programs.
- E2. Amends agency totals.
- E3. This amendment requires the office of public instruction to revert general fund to the extent that the education block grant allocation for state administration plus any available carry-over funds exceed \$325,600.

E4. Amends section totals.

F. HIGHER EDUCATION

No action taken in senate finance and claims.

GT1. Amends grand total.