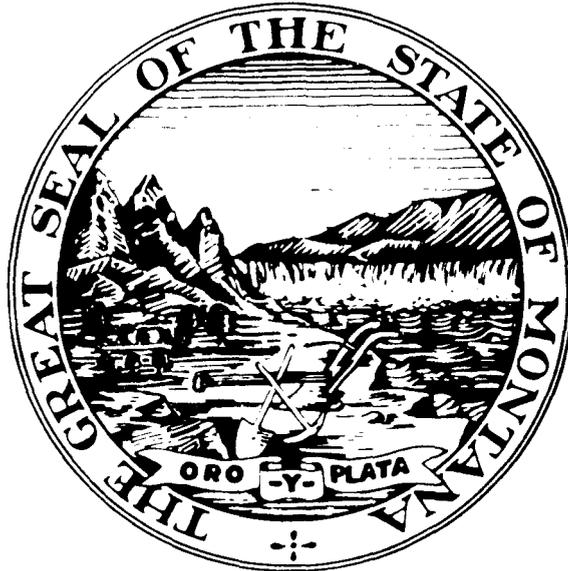


**REPORT TO THE  
HOUSE APPROPRIATIONS COMMITTEE  
BY THE JOINT SUBCOMMITTEES I, II and III  
(Subcommittee Recommended Changes to House Bill 500)**



**November 16, 1981**

## MEMBERS OF HOUSE APPROPRIATIONS COMMITTEE

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OFFICE OF LEGISLATIVE FISCAL ANALYST STAFF

Judy Rippingale, Legislative Fiscal Analyst

Education

Curtis M. Nichols, Senior Fiscal Analyst  
Bruce L. Shively, Assistant Fiscal Analyst  
Pam D. Joehler, Assistant Fiscal Analyst

Legislative, Judicial, Administrative  
and Natural Resources

JanDee May, Senior Fiscal Analyst  
Norman Rostocki, Associate Fiscal Analyst  
Barbara Bartell, Assistant Fiscal Analyst

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Ray Hoffman, Senior Fiscal Analyst

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Clifford D. Roessner, Senior Fiscal Analyst  
John Bebee, Associate Fiscal Analyst

Revenue

Judy R. Curtis, Associate Fiscal Analyst

Vonnie Evans, Administrative Secretary  
Jane Thorsen, Secretary

Legislative Council lawyers who assisted our staff are:

Cort Harrington  
Greg Petesch  
Lee Heiman

# **BOILERPLATE**



1 regents, office of the commissioner of higher education, the  
2 university of Montana at Missoula, Montana state university  
3 at Bozeman, Montana college of mineral science and  
4 technology at Butte, eastern Montana college at Billings,  
5 northern Montana college at Havre, western Montana college  
6 at Dillon, the agricultural experiment station with central  
7 offices at Bozeman, the forestry and conservation experiment  
8 station with central offices at Missoula, the cooperative  
9 extension service with central office at Bozeman, or the  
10 bureau of mines and geology with central office at Butte.

11 Section 3. Budget amendments. (1) The approving  
12 authority may approve a budget amendment to spend funds that  
13 were not available for consideration by the legislature but  
14 have become available from a source other than the state's  
15 general fund or earmarked revenue fund and other than  
16 receipts to the state from the United States government made  
17 available under provisions of P.L. 94-488, the federal  
18 Revenue Sharing Extension Act or any extension or  
19 modification of that act. Each budget amendment shall be  
20 submitted to the budget director and the office of  
21 legislative fiscal analyst.

22 (2) A budget amendment may be approved to spend money  
23 in the earmarked revenue fund only if the approving  
24 authority certifies that an emergency justifies the  
25 expenditure.

1           (3) A budget amendment may be approved for a time  
2 period greater than one fiscal year but not to exceed the  
3 biennium ending June 30, 1983. Budget amendments for greater  
4 than one fiscal year shall itemize planned expenditures by  
5 fiscal year.

6           Section 4. Amendment procedures. (1) In approving a  
7 budget amendment, the approving authority shall:

8           (a) certify specific additional services to be  
9 provided as a result of a higher expenditure level;

10          (b) certify that no other alternative is available to  
11 provide the additional services;

12          (c) certify that the additional proposed services have  
13 not been considered and rejected by the legislature;

14          (d) certify that no commitment, implied or otherwise,  
15 is made for increased future general fund support;

16          (e) specify criteria for evaluating the effectiveness  
17 of the additional services provided.

18          (2) The additional funds are appropriated contingent  
19 upon total compliance with all budget amendment procedures.

20           Section 5. Budget requests. Sufficient funds are  
21 appropriated in this act to enable each agency to submit its  
22 1985 biennium budget request to the budget director and the  
23 legislative fiscal analyst pursuant to the time schedule  
24 established in 17-7-112(1). If any agency fails to submit  
25 its final, complete budget request by the deadlines

1 established in 17-7-112(1), the expenditure authority herein  
2 granted shall be reduced or rescinded by the budget director  
3 unless the agency director certifies that an emergency  
4 situation has precluded a timely budget presentation and the  
5 budget director approves an extension not to exceed 30 days.

6 Section 6. Detailed budget information. Within 10 days  
7 after the 49th legislature convenes in regular session, the  
8 budget director and the legislative fiscal analyst shall  
9 mutually exchange expenditure recommendations by object of  
10 expenditure to the second level of detail and by funding  
11 source detailed by treasury fund. This information shall be  
12 filed in the respective offices and available to members of  
13 the legislature and the general public.

14 Section 7. Expenditure limit. Expenditures may not  
15 exceed appropriations.

16 Section 8. Other appropriated funds. Unless otherwise  
17 indicated herein, the appropriations made under the column  
18 heading "Other Appropriated Funds" are from funds within the  
19 earmarked revenue fund, the federal and private revenue  
20 fund, or the revolving fund that accrue under provisions of  
21 law to the expending agency. Any federal funds received by  
22 or allocated to the state of Montana prior to January 3,  
23 1983, as a block grant as defined by an act of congress  
24 enacted subsequent to April 1, 1981, and specifically  
25 designated as a block grant shall require a special session

1 of the legislature for appropriation by the legislature  
2 prior to distribution of these funds among agencies and  
3 programs.

4 Section 9. Operating budgets. Expenditures may be made  
5 only in accordance with operating budgets approved by the  
6 approving authority. The respective appropriations are  
7 contingent upon approval of the operating budget by July 1  
8 of each fiscal year. Each operating budget shall include  
9 expenditures for each agency program detailed at least by  
10 personal services, operating expenses, equipment, benefits  
11 and claims, transfers, and local assistance.

12 Section 10. Access to records. No funds appropriated  
13 by this act may be expended for any contract, written or  
14 oral, for services with a nonstate entity for services to be  
15 provided by the nonstate entity to members of the public on  
16 behalf of the state unless such contract contains a  
17 provision allowing access to those records of the nonstate  
18 entity as may be necessary for legislative audit and  
19 analysis purposes in determining compliance with the terms  
20 of the contract. Each such contract may be unilaterally  
21 terminated by the state, and each contract shall so provide  
22 upon refusal of the nonstate entity to allow access to  
23 records necessary to carry out the legislative audit and  
24 analysis functions set out in Title 5, chapters 12 and 13.

25 Section 11. Reduction of appropriation. In the event

1 of a shortfall in revenue, the governor may reduce any  
2 appropriation by not more than 15% except appropriations  
3 for:

- 4 (1) payment of interest and retirement of state debt;
- 5 (2) the legislative branch;
- 6 (3) the judicial branch;
- 7 (4) public schools; or
- 8 (5) salaries of elected officials during their term of  
9 office.

10 Section 12. Severability. If any section, subsection,  
11 sentence, clause, or phrase of this act is for any reason  
12 held unconstitutional, such decision does not affect the  
13 validity of the remaining portions of this act.

14 Section 13. Reversion. Notwithstanding other  
15 provisions of law, the unexpended balance of each  
16 appropriation reverts to the fund from which it was  
17 appropriated at the end of each fiscal year unless otherwise  
18 provided in this act.

19 Section 14. Other funds to offset general fund. The  
20 approving authority shall decrease the general fund  
21 appropriation of the agency by the amount of funds received  
22 from other sources in excess of the appropriation provided  
23 in this act unless such action is expressly contrary to  
24 state or federal law, rule, or contract or the approving  
25 authority certifies that the services to be funded by the

1 additional funds are significantly different from those for  
2 which the agency has received an appropriation.

3 Section 15. National conference of state legislatures.  
4 Agencies may participate in the activities and programs of  
5 the national conference of state legislatures within  
6 existing appropriations.

7 Section 16. Coal tax trust income. Interest income  
8 from the coal tax constitutional trust fund established  
9 under Article IX, section 5 of the Montana Constitution is  
10 hereby appropriated to the general fund for use during the  
11 biennium ending June 30, 1983. The portion of the general  
12 fund which represents this appropriation is appropriated to  
13 the school foundation program in HB 611 (\$16,000,000), the  
14 long-range building bond proceeds and insurance clearance  
15 account in HB 666 or the highway earmarked revenue account  
16 (\$16,469,324), and to the department of commerce in HB 500,  
17 items 4, 5, 6, and 8 (\$1,580,676).

18 Section 17. Amounts appropriated for audits may be  
19 transferred between fiscal years.

20 Section 18. Totals not appropriations. The totals  
21 shown in the act are for informational purposes only and are  
22 not appropriations.

23 Section 19. Appropriations. The following money is  
24 appropriated only for the purposes shown for the respective  
25 fiscal years:

**A. LEGISLATIVE, JUDICIAL,  
AND ADMINISTRATIVE**

A. LEGISLATIVE, JUDICIAL, AND ADMINISTRATIVE AGENCIES

	Fiscal Year 1982		Fiscal Year 1983	
	General	Other	General	Other
	Fund	Funds	Fund	Funds
LEGISLATIVE AUDITOR	1,008,825	861,675	1,266,805	783,425
LEGISLATIVE FISCAL ANALYST	489,178		506,639	
LEGISLATIVE COUNCIL	1,905,829	318,200	1,801,835	42,000
ENVIRONMENTAL QUALITY COUNCIL	151,807		166,178	
CONSUMER COUNSEL				

The general fund appropriation for FY 1982 includes funds for CSG and NCSL travel, interim studies, Forestry Task Force, Revenue Oversight Committee, Administrative Code Committee, District and Apportionment Commission, coal tax oversight subcommittee, and Constitutional Convention Proceedings publication in the total amount of \$347,710 which is a biennial appropriation.

The 1982 appropriation for the legislative council contains \$6,000 in general fund for the coal tax oversight subcommittee. This biennial appropriation is contingent upon passage of SB 487.

1		460,752		479,237
2	JUDICIARY			
3	1. Supreme Court Operations:			
4		990,113		980,656
5	2. Boards and Commissions			
6		141,182		145,269
7	3. Law Library			
8		279,969		325,813
9	4. District Courts			
10		1,537,532		1,545,622
11	5. Moving Expenses			
12				31,342
13	6. Moving Expenses:			
14	Rent Increase			
15				130,301
16	7. Montana Reports			
17		42,000		40,000
18	8. Audit			
19		10,000		
20	9. Water Courts Supervision			
21		-----	227,543	-----
22	Total Judiciary			349,762
23		3,000,796	227,543	3,199,003
24	If federal funds should be received for previously			
25	federal funded activities that have been general funded this			

1 biennium, a like amount of general fund, less matching  
 2 requirements, shall be reverted to the general fund.

3 GOVERNOR'S OFFICE

4 1. Executive Office

5	761,732	<del>150,000</del>	757,638	<del>100,000</del>
6		18,450		

7 2. Mansion Maintenance

8	78,986		70,721	
---	--------	--	--------	--

9 3. Air Transportation

10	90,124		99,969	
----	--------	--	--------	--

11 4. Office of Budget and Program Planning

12	643,626		654,946	
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13 5. Legal Jurisdiction

14	59,378		65,698	
----	--------	--	--------	--

15 6. Lieutenant Governor

16	173,141		179,332	
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17 7. Citizens' Advocate

18	65,864		68,654	
----	--------	--	--------	--

19 8. Board of Visitors

20	46,813		48,545	
----	--------	--	--------	--

21 9. Old West Regional Commission Dues

22	<del>45,000</del>		<del>60,000</del>	
23	15,000			

24 10. Engine Replacement

25	70,000			
----	--------	--	--	--

1 11. Audit

2 16,000

3 12. Contingency - Vacancy Savings

4 1,600,000

5 13. Federal Pay Plan Funds

6 ----- (6,193)

7 Total Governor's Office

8 3,650,664 150,000 2,005,503 100,000

9 3,620,664 18,450 1,945,503 (6,193)

10 Federal indirect cost reimbursements shall be reverted  
11 to the general fund.

12 Item 10 is an expense for the biennium.

13 ~~Funds in item 9 shall revert to the general fund if not~~  
14 ~~used for this purpose.~~

15 Item 12, a biennial appropriation, is solely for  
16 instructional faculty salaries in the six college and  
17 university units and shall only be expended if vacancy  
18 savings are not realized. As a further condition precedent  
19 to the expenditure of this item 12 appropriation, any of the  
20 said agencies requesting any portion of said appropriation  
21 shall submit a verified request therefor, which request  
22 shall be verified by the president of the requesting agency  
23 and supported by evidence itemized and detailed  
24 establishing, to the satisfaction of the governor, that the  
25 requesting agency is entitled to a portion of said funds.

1 The request and supporting documentation must be submitted  
2 by March 15 of each fiscal year and shall be subject to the  
3 conditions herein set forth. The governor shall respond with  
4 his decision by April 15 of each fiscal year.

5 The above agencies shall, by July 1 of each fiscal  
6 year, submit for the current unrestricted subfund a detailed  
7 list of all FTE, faculty positions, each individual salary,  
8 and total budgeted benefits. The list shall equal total  
9 compensation at 100% excluding critical area faculty salary  
10 adjustment funds appropriated in this act for personal  
11 services. This total compensation figure may not from any  
12 individual agency be 3.6% greater than the operating budget  
13 for personal services for such agency. The list shall have  
14 at least these sections. Section 1 shall detail the  
15 positions which are eligible for the contingency vacancy  
16 savings appropriation. Any salary increases granted after  
17 this list is submitted will not be reimbursed from the  
18 vacancy savings fund. Section 2 shall detail all other  
19 staff. Section 3 shall detail by position the allocation of  
20 the critical area faculty salary adjustment funds.

21 In the event any such request is submitted and the  
22 governor shall find that the requesting agency has satisfied  
23 all the requirements and conditions herein set forth, the  
24 governor may issue his approval for expenditure of the said  
25 contingency-vacancy funds.

1           If the governor should determine, in his discretion,  
 2 that any requesting agency has not satisfied the conditions  
 3 of item 12 relating to a request for a portion of this  
 4 appropriation, he may deny such request and such denial  
 5 shall constitute final agency action.

6           Item 13 decreases in the amount of \$6,193 the  
 7 expenditure authority provided in subsection (3) of section  
 8 9, Chapter 421, Laws of 1981, as it relates to distribution  
 9 to this agency.

10 SECRETARY OF STATE

11 1. Records Management

	580,152		573,661
--	---------	--	---------

13 2. Administrative Code

	86,072	80,000	91,801	81,000
--	--------	--------	--------	--------

15 3. Audit

			6,000	
--	--	--	-------	--

17 4. Voter information pamphlets

			53,000	
--	--	--	--------	--

19 5. Systems Development

	111,500	-----	88,500	-----
--	---------	-------	--------	-------

21 Total Secretary of State

	777,724	80,000	812,962	81,000
--	---------	--------	---------	--------

23           A budget amendment increasing the administrative code's  
 24 revolving fund spending authority in item 2 may be approved  
 25 only for additional printing expenses and related supplies

1 and postage.

2 The secretary of state is directed to contract with the  
 3 information systems division (ISD) for systems development.

4 COMMISSIONER OF POLITICAL PRACTICES

5 1. General Operations

6 120,466 116,992

7 2. Audit

8 ----- 3,000

9 Total Commissioner of Political Practices

10 120,466 119,992

11 STATE AUDITOR

12 1. State Auditor

13 1,547,545 125,000 1,561,152 150,000

14 2. Actuarial Fees:

15 Insurance Division

16 10,000 10,000

17 3. Audit

18 12,300 ----- 35,300 -----

19 Total State Auditor

20 1,569,845 125,000 1,606,452 150,000

21 In addition to the funds appropriated above, the local  
 22 assistance distribution of funds provided for in  
 23 19-10-305(1), 19-11-512, 19-11-606, and 19-12-301 is  
 24 appropriated.

25 Revenues generated under provisions of 50-3-109 shall

1 be deposited to the general fund.

2 DEPARTMENT OF JUSTICE

3 1. General Operations

4 ~~7,826,540~~ 8,213,221 ~~7,420,170~~ 8,391,837

5 6,285,288 6,462,784

6 2. Case Travel:

7 Legal Services Division

8 12,000 13,000

9 3. Contracted Services:

10 Antitrust

11 16,500 16,500

12 4. Severance Pay

13 4,900

14 5. Hearings Officer

15 5,000 5,000

16 6. Audit

17 20,500 20,500

18 7. Moving Costs

19 1,713 25,000

20 8. Out-of-State Travel:

21 Forensic Science

22 1,000 1,000

23 9. County Attorney Payroll

24 602,395 602,395

25 10. Transportation of Prisoners

1		<del>112,314</del>		129,115
2		<u>113,202</u>		
3	11. Radio Equipment			
4		42,000		25,000
5	12. a. SB 466			
6			3,750	
7	b. HB 364			
8		5,000		5,000
9	c. HB 389			
10			5,000	5,000
11	<u>13. Highway Patrol Gasoline Allocation</u>			
12		<u>841,252</u>	-----	<u>958,386</u> -----
13	Total Department of Justice			
14		<del>8,643,149</del>	8,249,184	8,245,180 8,401,837
15		<u>8,644,737</u>		

16 Appropriated amounts within item 2 are for case-related  
 17 travel only.

18 Any fund balance remaining within the motor vehicle  
 19 account at the end of a fiscal year shall revert to the  
 20 general fund.

21 Any collections made by the county prosecutor services  
 22 program or antitrust enforcement efforts shall be deposited  
 23 to the general fund.

24 Item 4 contains \$4,900 for the biennium for severance  
 25 pay, to be paid upon request from the county prosecutor

1 program.

2 The rate charged by the agency legal services program  
3 may not exceed \$30 per hour in 1982 and \$35 per hour in  
4 1983.

5 Collections made from hearings conducted by the motor  
6 vehicle division on dealer franchises shall be deposited to  
7 the general fund.

8 ~~Funds--remaining-within-the-1981-biennium-appropriation~~  
9 ~~for-coal-tax-defense-at-June-30--1981--are--reappropriated~~  
10 ~~for--the-1983-biennium-for-the-same-purposes--These-funds-are~~  
11 ~~approved-for-legal-related-costs-only~~

12 Of the remaining funds within the 1981 biennium  
13 appropriation for coal tax defense at June 30, 1981, \$50,000  
14 is reappropriated for the 1983 biennium for the same  
15 purpose. These funds are approved for coal tax defense  
16 legal-related costs only.

17 Salaries as established for the forensic science  
18 division may not be altered or combined during the 1983  
19 biennium to recreate the position of director of forensic  
20 services, which was specifically abolished by the  
21 legislature, or any other position which functions as a  
22 pathologist's assistant.

23 Amounts in item 12 are contingent upon passage of the  
24 noted bills.

25 The highway patrol may utilize funds within item 13 to

1 purchase no more than 509,850 gallons of gasoline in fiscal  
 2 1982 and 491,480 gallons in fiscal 1983.

3 BOARD OF CRIME CONTROL

4 1. General Operations

	218,250	391,250	217,900	404,400
--	---------	---------	---------	---------

5  
6 2. Grants

		1,100,000		2,100,000
--	--	-----------	--	-----------

7  
8 2. Matching Funds

	11,577			
--	--------	--	--	--

9  
10 3. Audit

	1,150	12,850	-----	-----
--	-------	--------	-------	-------

11  
12 Total Board of Crime Control

	219,400	1,504,100	217,900	2,504,400
--	---------	-----------	---------	-----------

	230,977	404,100	217,900	404,400
--	---------	---------	---------	---------

15 Should federal funds become available for the uniform  
 16 crime reporting program or the criminal justice data center,  
 17 a like amount of general fund, less the matching  
 18 requirement, shall be reverted. The maximum general fund  
 19 reversion is \$83,800 in 1982 and \$86,500 in 1983, less  
 20 matching requirements.

21 For the board of crime control, federal funds received  
 22 for action grants may be administratively appropriated  
 23 through the federal and private grant clearance funds.

24 Item 2 is a biennial appropriation. These funds are  
 25 limited to matching requirements of action grants received

1 prior to fiscal 1982 but not yet disbursed.

2 DEPARTMENT OF HIGHWAYS

3 1. General Operations Division

4 7,545,871 7,591,008

5 2. Low-Band Radio Equipment

6 74,000 74,000

7 3. Construction Division

8 118,303,305 118,876,162

9 4. Maintenance Division

10 36,011,400 37,854,616

11 5. Preconstruction Division

12 12,435,358 12,198,196

13 6. Service Revolving Division

14 2,426,004 2,537,543

15 7. Motor Pool Division

16 1,036,727 1,160,844

17 8. Equipment Division

18 11,369,034 12,113,491

19 9. Stores Inventory

20 13,341,876 14,518,052

21 10. Capital Outlay

22 570,072 571,153

23 11. Audit

24 20,625 61,875

25 Total Department of Highways

203,134,272

207,556,940

The department of highways is directed to:

(1) Develop and institute a comprehensive construction project planning system. This system will be operational no later than July 1, 1985, and will be the basis for:

- (a) project scheduling;
- (b) project monitoring;
- (c) manpower planning;
- (d) work measurement and evaluation;
- (e) cash flow projections;
- (f) long- and short-range construction goals; and
- (g) budget preparation.

(2) Utilize the partial funding method for construction projects.

(3) Institute a cash forecasting system to minimize cash reserves.

(4) Maintain a surplus of completed construction plans in order to obligate and expend the maximum amount of federal dollars available for construction during the biennium.

(5) Submit to the 1983 legislature a construction work plan for the 1985 biennium that is detailed by year, project phase, and fund. This work plan must specify, by road system or project area, proposed projects on which \$1 million or more would be spent during the 1985 biennium and an

1 aggregate cost for projects with anticipated expenditures of  
2 less than \$1 million. Costs must be detailed by year, fund,  
3 and project phase.

4 (6) Institute a maintenance management system for the  
5 maintenance division that incorporates equipment needs and  
6 usage. This system will be operational no later than July 1,  
7 1985.

8 (7) Conduct a thorough assessment of equipment needs  
9 based on maintenance needs by geographic area.

10 (8) Submit to the 1983 legislature a maintenance work  
11 plan for all operational systems that ties directly to the  
12 maintenance division budget request for the 1985 biennium.

13 (9) Report quarterly to the legislative finance  
14 committee regarding the progress of the above-mentioned  
15 items.

16 Should additional federal money become available during  
17 the 1983 biennium for highway construction, highway  
18 earmarked funds shall be budget amended to the extent of  
19 matching requirements.

20 Earmarked revenue within the equipment division must be  
21 reduced dollar for dollar by revenue collected from the  
22 auction of equipment. This is contingent upon passage of SB  
23 169.

24 The Helena headquarters van pool project administered  
25 by the department of highways may continue in operation and

1 is to be operated on a self-supporting basis.

2 Funds may be transferred between line items 1, 3, 4, 5,  
 3 6, 7, and 8 to reflect actual personal service expense. No  
 4 other transfers between line items may be made. This is not  
 5 to be construed as permitting the transfer of full-time  
 6 equivalent employees between programs, nor may there be an  
 7 increase in the total number of appropriated full-time  
 8 equivalent employees.

9 The conservation education program is funded.

10 The maintenance division is directed to establish a  
 11 separate revolving account to reflect collections and  
 12 expenditures related to damaged structures. One million  
 13 dollars per year in highway earmarked funds will be replaced  
 14 with revolving authority.

15 Funds within item 2 may be used to purchase low-band  
 16 radio equipment only in emergency situations and also may be  
 17 used to purchase high-band radio equipment in pilot project  
 18 areas determined by the department of administration.

19 DEPARTMENT OF REVENUE

20 1. General Operations

21 12,340,311 1,325,313 12,490,050 1,359,671

22 2. Audit Costs

23 16,500 8,500 49,500 25,500

24 3. Legal Fees:

25 Director's Office

1		25,000		25,000	
2	4. Recovery Services Division				
3		197,718	593,153	199,603	598,807
4	5. SB 50				
5		<u>-40,000</u>	-----	<u>-10,000</u>	-----
6	Total Department of Revenue				
7		12,619,529	1,926,966	12,774,153	1,983,978

8           Should the recovery services division return \$1.05 in  
9 collections per \$1.00 expended in 1982, the appropriation in  
10 item 4 may be increased a maximum of \$16,000 from the  
11 general fund and \$48,000 in federal funds for fiscal 1983.

12           Cash within the central supply revolving account at  
13 1981 fiscal year end must be deposited to the general fund.  
14 Collections from liquidation of inventory during the 1983  
15 biennium must also be deposited to the general fund.

16           In addition to those amounts appropriated above, there  
17 are appropriated to the liquor division funds necessary to  
18 maintain adequate inventories of liquor and wine and to  
19 operate the state liquor monopoly. The division shall  
20 deposit not less than \$13 million of liquor profits to the  
21 general fund during the 1981 biennium. During the 1983  
22 biennium, profits may not be less than 15% of net liquor  
23 sales and not less than \$13 million. Net liquor sales are  
24 gross liquor sales less discounts and all taxes collected.

25           The operational expenses of the liquor merchandising

1 system may not exceed 15% of net liquor sales. Operational  
2 expenses may not include product or freight costs. The  
3 liquor division has full authority to determine store  
4 operating hours and the number and location of stores and  
5 employees and may raise or lower the liquor pricing formula  
6 to achieve the deposit requirement.

7 Nonprofitable state stores should be closed or  
8 converted to agency stores in an orderly manner. A  
9 nonprofitable store is one that shows a net loss or is less  
10 profitable than if run at agency store status after reducing  
11 gross revenues by all state excise and license taxes and by  
12 deducting therefrom all normal operating expenses, which  
13 include a pro rata share, based on gross sales, of central  
14 administrative office expenses.

15 The county commissioners of the various counties and  
16 the governing bodies of local government units shall provide  
17 office space in county courthouses or government office  
18 buildings to the department of revenue of the state for its  
19 use at no cost to the state. The department is not liable  
20 for any expenses in connection with the use of such space,  
21 including but not limited to rent, utilities, or janitorial  
22 services. The department shall use such space as offices for  
23 its agents: the county assessor, appraiser, and their  
24 respective staffs.

25 Item 5 is contingent upon passage of SB 50.

1 DEPARTMENT OF ADMINISTRATION

2 1. General Operations

3 4,231,557 ~~4,120,573~~ 4,260,356 ~~4,354,970~~

4 13,795,950 13,992,768

5 2. Communication Expense - Communications Division

6 2,938,440 2,862,239

7 3. Insurance Expenses - Insurance Division

8 175,000 1,769,195 192,500 1,898,888

9 4. Audit Fees

10 31,500 104,000 16,000 55,500

11 5. Equipment - Duplicating Services

12 152,799 61,500

13 ~~6. Systems Development - Merit System~~

14 ~~25,000 27,100~~

15 7. Systems Development - Purchasing Division

16 120,000 55,500

17 8. Systems Development - Teachers' Retirement System

18 140,000

19 9. Emergency District Court Funding

20 375,000 375,000

21 10. Disability Benefit Review - Public Employees'

22 Retirement System

23 5,625 3,750

24 11. Unified Firefighters - Public Employees'

25 Retirement System

1		25,770		25,270
2	<del>211.</del> General Services - Additional Buildings			
3		200,845		205,500
4	<del>312.</del> Rent - Transferred Divisions			
5		26,458	26,707	28,712
6	<del>13.</del> Public Transportation Funds			
7		75,000		75,000
8	<del>14.</del> Merit System Council			
9		111,430		3,042
10	<del>15.</del> Workers' Compensation Judge			
11		----- 39,051 -----		-----
12	Total Department of Administration			
13		4,959,515	<del>19,508,954</del>	4,928,068
14		19,384,812		<del>19,524,029</del>

15 The agency shall charge those divisions not supported  
 16 by general fund for legal services provided by the attorney  
 17 in the central office, and such income shall be deposited in  
 18 the general fund.

19 An additional accountant is provided in the  
 20 architecture and engineering division for the 1983 biennium  
 21 only.

22 The architecture and engineering program is funded  
 23 solely from the long-range building account. Any fund  
 24 balance at the end of a fiscal year shall be reverted to the  
 25 long-range building account. This program shall assess a 1%

1 charge on the cost of construction funded from accounts  
2 other than the long-range building account at the time a  
3 contract is let and this revenue shall be deposited to the  
4 long-range building account.

5 The intent of the legislature is that all office space  
6 rentals in Helena be based on competitive bid.

7 The maximum length of a purchasing contract is extended  
8 to 5 years for the purchase of a new computer by the  
9 computer services division.

10 The state may continue to use its own printing  
11 facilities.

12 The graphic arts bureau of the publications and  
13 graphics division shall establish a separate revolving fund  
14 and shall become a self-supporting operation.

15 The office of budget and program planning shall assure  
16 reimbursement to the general fund for all management studies  
17 or systems support needs assessments provided by the  
18 consulting services bureau to nongeneral funded agencies if  
19 those agencies have sufficient funding available.

20 The board of investments shall operate under an  
21 earmarked fund.

22 As of July 1, 1981, interest generated on the \$2.5  
23 million loan to the self-insurance fund shall be deposited  
24 to the sinking fund that loaned the funds. Repayment of the  
25 loan shall occur at such time as the invested funds reach

1 par.

2 All employees working under the direction of the  
3 workers' compensation judge shall be classified.

4 In the local government services division, general fund  
5 money is provided only for administrative support, which  
6 includes 6.7 full-time employees, and related support costs.  
7 Auditing services are expected to be self-supporting.

8 The budgeting, accounting, and reporting system (BARS),  
9 which is being implemented statewide into local governmental  
10 entities, is expected to be completed no later than June 30,  
11 1984.

12 Item 9 provides for emergency funding of the district  
13 courts in those instances when a court incurs extraordinary  
14 expenses due to an extended criminal case or state  
15 government-related suits in Lewis and Clark County. These  
16 funds shall not be used for usual court operations or  
17 additional social service programs.

18 Emergency funds to Lewis and Clark County for state  
19 government-related suits will not exceed 10% above the  
20 revenue collected through the 6-mill levy.

21 No more than \$9,000 may be spent during the biennium on  
22 a consumer health education program. All funds expended must  
23 be matched by a like amount from the health insurance  
24 carrier.

25 Item 10 is contingent upon passage of HB 372.

1           Item 11 is contingent upon passage of HB 674.

2           Item 12 is contingent upon the purchase of additional  
 3 buildings, as referred to in HB 666, and the assumption of  
 4 related maintenance duties by the department. The amount of  
 5 funds spent shall be prorated based on the remaining portion  
 6 of the fiscal year.

7           Item 13 contains the spending authority necessary to  
 8 fund the lease agreement and other related costs for those  
 9 divisions located in the building at 1424 Ninth Avenue. When  
 10 this building is purchased by the state and maintenance  
 11 responsibilities are assumed, all of the remaining funds in  
 12 item 13, except for the prorated remaining portion of the  
 13 annual charge of \$3.02 per square foot in fiscal 1982 and  
 14 \$3.09 per square foot in fiscal 1983 that the department of  
 15 administration shall charge for rent and repair expenses,  
 16 shall revert.

17           The accountant added in item 11 is for this biennium  
 18 only.

19 DEPARTMENT OF MILITARY AFFAIRS

20       1. Adjutant General

	828,740	688,435	902,865	753,687
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22       2. Disaster and Emergency Services

	174,075	290,992	175,747	297,008
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24       3. Audit

	<u>6,150</u>	<u>3,850</u>	-----	-----
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1           **Total Military Affairs**

2                           1,008,965       983,277   1,078,612   1,050,695

3           All departments within section A may purchase low-band  
4 radio equipment on an emergency basis only. The department  
5 director shall certify on the purchase order the nature of  
6 the emergency.

7           **TOTAL LEGISLATIVE, JUDICIAL, AND ADMINISTRATIVE**

8                           ~~40,125,692~~ ~~237,529,923~~ ~~38,729,282~~ ~~243,887,383~~

9                           40,108,857 236,174,231 38,669,282 240,489,850

GOVERNOR'S OFFICE

<u>Appropriation</u>	---Fiscal 1982---		---Fiscal 1983---	
	<u>General Fund</u>	<u>Other Funds</u>	<u>General Fund</u>	<u>Other Funds</u>
HB 500	\$3,650,664	\$ 150,000	\$2,005,503	\$ 100,000
Subcommittee				
Recommendation	<u>3,620,664</u>	<u>18,450</u>	<u>1,945,503</u>	<u>(6,193)</u>
Change	<u>\$ (30,000)</u>	<u>\$(131,550)</u>	<u>\$ (60,000)</u>	<u>\$(106,193)</u>

CHANGES

1. Old West Regional Commission	\$ -0-	\$(131,550)	\$ -0-	\$(106,193)
2. Old West Regional Commission Dues	<u>(30,000)</u>	<u>-0-</u>	<u>(60,000)</u>	<u>-0-</u>
Total Changes	<u>\$ (30,000)</u>	<u>\$(131,550)</u>	<u>\$ (60,000)</u>	<u>\$(106,193)</u>

Change 1: Old West Regional Commission

Funding for the old west regional commission terminated the end of September. The subcommittee recommends reducing the remaining federal spending authority and one FTE as requested by the governor's office.

Change 2: Old West Regional Commission Dues

The governor was authorized a line-item, general fund appropriation of \$45,000 in fiscal 1982 and \$60,000 in fiscal 1983 for old west regional dues. Fifteen thousand dollars was spent for this purpose in fiscal 1982 for the last quarter of the 1981 federal fiscal year. The subcommittee recommends reducing the remaining authority in fiscal 1982 and all of the authority in fiscal 1983, as requested by the governor's office.

DEPARTMENT OF JUSTICE

<u>Appropriation</u>	<u>---Fiscal 1982---</u>		<u>---Fiscal 1983---</u>	
	<u>General Fund</u>	<u>Other Funds</u>	<u>General Fund</u>	<u>Other Funds</u>
HB 500 Subcommittee Recommendation	\$8,643,149	\$8,249,184	\$8,245,180	\$8,401,837
	<u>8,644,737</u>	<u>8,249,184</u>	<u>8,245,180</u>	<u>8,401,837</u>
Change	\$ 1,588	\$ -0-	\$ -0-	\$ -0-
	=====	=====	=====	=====

CHANGES

1. Transp. of Prisoners	\$ 1,588	\$ -0-	\$ -0-	\$ -0-
2. Coal Tax Defense - Language Change	-0-	-0-	-0-	-0-
3. Gas Allocation	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total Changes	\$ 1,588	\$ -0-	\$ -0-	\$ -0-
	=====	=====	=====	=====

Change 1: Transportation of Prisoners

The 1981 general fund appropriation was not sufficient to meet expenditure claims submitted by the county sheriffs. Claims exceeded the appropriation by \$1,588. The subcommittee recommends this amount be reimbursed to the counties.

Change 2: Coal Tax Defense

The 1979 legislature appropriated \$500,000 for litigation costs in defense of Montana's coal severance tax to the department of justice. During the 1981 session, a pending supreme court case and resulting actions indicated a need to continue the remaining funds. Recently, a supreme court decision upheld the constitutionality of Montana's coal tax. Of the \$388,642 remaining for defense costs, the subcommittee recommends the department be allowed to keep a \$50,000 contingency fund should additional litigation expenses occur. Language in the bill will limit the \$50,000 to litigation costs only and will require any remaining balance to revert at the end of the biennium.

Change 3: Gas Allocation

House bill 500 provided increased general fund to the highway patrol as gas prices were projected to average \$1.65 per gallon in fiscal 1982 and \$1.95 per gallon in fiscal 1983. Rather than reduce the appropriation to reflect current gasoline projections, the committee chose to line-item the appropriation and restrict gallon useage to 509,850 gallons in fiscal 1982 and 491,480 gallons in fiscal 1983.

BOARD OF CRIME CONTROL

<u>Appropriation</u>	---Fiscal 1982---		---Fiscal 1983---	
	<u>General Fund</u>	<u>Other Funds</u>	<u>General Fund</u>	<u>Other Funds</u>
HB 500 Subcommittee Recommendation	\$219,400	\$ 1,504,100	\$217,900	\$ 2,504,400
	<u>230,977</u>	<u>404,100</u>	<u>217,900</u>	<u>404,400</u>
Change	\$ 11,577 =====	\$(1,100,000) =====	\$ -0- =====	\$(2,100,000) =====
 CHANGES				
1. Action Grants	\$ -0-	\$(1,100,000)	\$ -0-	\$(2,100,000)
2. Matching Funds	<u>11,577</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total Changes	\$ 11,577 =====	\$(1,100,000) =====	\$ -0- =====	\$(2,100,000) =====

The subcommittee recommends deleting federal spending authority for "pass-through" grants of \$1,100,000 in 1982 and \$2,100,000 in 1983 and adding \$11,577 in general fund for matching requirements of action grants received prior to fiscal 1982.

Change 1: Action Grants

Action grants are disbursed to local communities and state agencies to improve or enhance services related to the criminal justice system. Since no federal funds for this purpose are anticipated at this time, the subcommittee recommends deleting the appropriation by \$1,100,000 in fiscal 1982 and \$2,100,000 in fiscal 1983.

Any subsequent awards can be administratively appropriated and do not require a budget amendment since these funds are "pass-through" grants. Therefore, this adjustment does not have any significant affect on the agency's operation but simply reflects a more realistic level of funding as identified at this time.

The subcommittee also recommends language specifying that any federal funds received for action grants to local communities or state agencies may be administratively appropriated.

Change 2: Matching Funds

The agency has \$208,380 in federal action grant funds that were awarded prior to fiscal 1982 but have not been disbursed. These pass-through funds require a five percent state general fund match, which was appropriated last biennium. These matching funds reverted when they were not used. The subcommittee recommends providing \$11,577 for the required match so that the funds can now be disbursed.

The subcommittee also recommends that language be included that will: 1. make this a biennial appropriation so that the matching funds can carry-over with any unawarded grant balance; and 2. restrict the use of these funds to matching purposes only.

## DEPARTMENT OF HIGHWAYS

### Change 1: Language to Clarify Radio Purchases

Language was added to clarify the use of funds line-itemed for low-band radio equipment. These funds (\$74,000 per year) may be spent only to purchase low-band equipment if an emergency situation exists. The funds may also be used to buy high-band radio equipment for pilot project areas designated by the department of administration.

DEPARTMENT OF ADMINISTRATION

<u>Appropriation</u>	---Fiscal 1982---		---Fiscal 1983---	
	<u>General Fund</u>	<u>Other Funds</u>	<u>General Fund</u>	<u>Other Funds</u>
HB 500 Subcommittee Recommendation	\$4,959,515	\$19,508,954	\$4,928,068	\$19,524,029
	<u>4,959,515</u>	<u>19,384,812</u>	<u>4,928,068</u>	<u>19,212,769</u>
Change	\$ -0-	\$ (124,142)	\$ -0-	\$ (311,260)
	=====	=====	=====	=====

CHANGES

1. Personnel Division	\$ -0-	\$ (70,507)	\$ -0-	\$ (76,432)
2. Building Standards	-0-	(10,000)	-0-	(25,000)
3. State Treasurer	-0-	75,000	-0-	75,000
4. Workers' Comp. Judge	-0-	39,051	-0-	-0-
5. Merit System Council	-0-	(157,686)	\$ -0-	(284,828)
	-----	-----	-----	-----
Total Changes	\$ -0-	\$ (124,142)	\$ -0-	\$ (311,260)
	=====	=====	=====	=====

The subcommittee recommends five changes to the agency's appropriation. These changes would reduce the total appropriation by \$124,142 in other funds in fiscal 1982 and \$311,260 in other funds in fiscal 1983. Twelve FTE are deleted by these changes.

Change 1: Personnel Division

The subcommittee recommends deleting remaining federal fund spending authority for state and county employee training programs since federal funds have been terminated. This action would delete one full-time training officer.

Change 2: Building Standards

The subcommittee recommends deleting the remaining federal fund spending authority for an annual energy conservation grant. These

funds terminate the end of December, 1981. The funds subsidized two current level building inspectors that collected the energy-related information during their regular inspections. No reduction in FTE is recommended since their workload will not be significantly affected.

The subcommittee does not recommend replacing the federal fund spending authority with revolving fund spending authority since the agency indicated that the reduced authority will not significantly effect the division's current operation.

#### Change 3: State Treasurer

The subcommittee recommends adding \$75,000 each year from the highway earmarked funds to fulfill statutory requirements in section 7-14-102(2), MCA. This section provides pass-through disbursements to counties under the public transportation law. This recommendation maintains the disbursements at the same level as the last two bienniums. No legislative appropriation was made last session due to an oversight.

#### Change 4: Workers' Compensation Judge

The subcommittee recommends an additional \$39,051 in earmarked fund spending authority from the workers' compensation fund for fiscal 1982. This recommendation will provide funds for termination pay to the previous judge (\$15,051) and additional expenses related to a workload increase (\$24,000).

Fifty cases were heard by the previous judge but not decided. Funds to allow the disbursement of these cases include \$15,000 for hearings officers and court reporters that would be required for 20 of these pending cases. Additional typing expenses of \$3,000 are also requested to obtain complete transcripts of the remaining 30 pending cases.

The remaining \$9,000 is provided for a hearings officer to assist with the court's current fall caseload.

It is the subcommittee's recommendation that these additional expenses be considered one-time expenses only and not be included in the court's base for future budgetary purposes.

Change 5: Merit System Council

The subcommittee recommends reducing the merit system council's remaining earmarked spending authority due to the pending decentralization of the operation at the end of December, 1981. Sufficient funds have been provided to maintain the operation until the end of December and also pay all required termination pay.

This decentralization deletes 11 full-time FTE and shifts recruiting, testing, and selection responsibilities to the agencies involved. The council will continue administering and monitoring the merit system and hear appeals as requested. The personnel division will provide staff support as needed.

## DISASTER AND EMERGENCY SERVICES

The special session long-range building committee recommends an additional \$75,000 in federal spending authority for major capitol improvements to the emergency operations center. A separate appropriations bill is proposed for this long-range building project. Proposed improvements include renovation of the emergency generator, installation of an underground fuel tank, and installation of emergency access areas. No additional state funds will be required since past state-funded improvements will qualify for the state match.

## **B. HUMAN SERVICES**





1		122,355	75,657	128,502	72,509
2	6. Employment Security				
3			<del>15,056,962</del>		<del>15,435,596</del>
4			<u>13,304,514</u>		<u>13,593,106</u>
5	7. Workers' Compensation				
6		906,149	4,650,371	861,886	5,369,986
7	8. Audit				
8		-----	<u>35,000</u>	<u>4,287</u>	<u>39,713</u>
9	Total Department of Labor and Industry				
10		1,716,584	<del>21,474,900</del>	1,699,734	<del>22,575,772</del>
11			<u>19,648,888</u>		<u>20,635,185</u>

12 In item 2, upon receipt of the federal veterans'  
 13 administration contract general fund of \$7,254 in fiscal  
 14 1982 and \$2,762 in fiscal 1983 shall be reverted.

15 In item 5, general funds shall revert in the amount  
 16 that other appropriated funds exceed the amounts shown for  
 17 each fiscal year.

18 No funds may be used for a women's bureau.

19 The division of workers' compensation shall study  
 20 performance factors that measure the division's operational  
 21 effectiveness. The intent is to determine if the workers'  
 22 compensation division budget should be based on performance  
 23 measurements rather than expenditure limitations. This study  
 24 shall be presented to the governor and the legislative  
 25 finance committee by August 1, 1982.

1 DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES

2 1. General Operations

3 21,251,903 23,263,217 23,659,030 24,172,714

4 23,050,557 22,711,675 22,881,755 24,169,166

5 2. Medicaid State Institutional Reimbursements

6 3,134,021 3,369,523

7 3,277,327 3,612,174

8 3. Medicaid

9 53,530,911

10 27,738,475 29,288,976

11 4. Medicaid-Accrual

12 4,350,000 4,785,000

13 5. Department of Community Affairs -- Community Services

14 1,126,474 1,206,004

15 365,471 437,537

16 6. Audit

17 23,000 123,000

18 7. HB 258

19 53,865 100,035 53,865 100,035

20 Total Department of Social and Rehabilitation Services

21 82,343,700 24,612,726 31,867,410 25,479,633

22 54,143,224 23,300,181 55,836,770 24,706,738

23 Within other appropriated funds in item 1 is no more  
 24 than \$175,000 for the biennium for the operation of the  
 25 developmental disabilities policy advisory council. Any

1 federal money received above this amount may be spent only  
2 to improve direct client services as recommended by the  
3 council and approved by the SRS director.

4 The department is encouraged to utilize medicaid funds  
5 to support community services for the developmentally  
6 disabled where the use of such funds is cost-effective in  
7 providing services in the least restrictive environment.  
8 The department may use any savings generated from the budget  
9 for the developmentally disabled to develop additional  
10 community services.

11 The department of social and rehabilitation services  
12 shall assure that the community developmental disabilities  
13 group homes are reporting all financial transactions through  
14 a uniform accounting system including a single chart of  
15 accounts and accounting manual.

16 No money may be disbursed to the homes after July 1,  
17 1982, unless the director of the department of social and  
18 rehabilitation services certifies to the legislative finance  
19 committee that the group homes are recording and reporting  
20 financial information uniformly.

21 The director shall reorganize the vocational  
22 rehabilitation and visual service programs to effect  
23 administrative economies and maintain direct benefits to  
24 clients within the appropriations herein provided. At least  
25 15% of federal funds available for vocational rehabilitation

1 shall be expended for the blind.

2 The governing body of any area agency on aging that  
3 contracts with SRS shall conduct its business in open  
4 meetings as required by Title 2, chapter 3, MCA.

5 The department shall monitor and assess the activities  
6 of the area agencies on aging for implementation of the  
7 department-approved area plans for aging services and shall  
8 report to the legislative finance committee, no later than  
9 60 days prior to the beginning of the 48th legislative  
10 session, the extent to which the area agencies have complied  
11 with the area plans and the extent to which the area  
12 agencies have cooperated with the local government funding  
13 sources.

14 When federal funds for health underserved rural areas,  
15 Indian health services or certification surveys by the  
16 department of health and environmental sciences decrease or  
17 end, there is to be no state funding of these services  
18 during the biennium.

19 The department may use general fund money appropriated  
20 in item 3 together with matching federal funds to augment  
21 item 2. The department shall fully match the appropriation  
22 in item 2 at the maximum allowable federal rate with federal  
23 medicaid funds.

24 ~~item 3 is a biennial appropriation for cash~~  
25 ~~expenditures made from July 1 to June 30 of each fiscal~~

1 years--There--may--not--be--an--accrual--made--at--fiscal--year--end  
2 under--item--3.

3 item--4--is--only--for--medicaid--accruals--There--may--not--be  
4 any--cash--expenditures--made--against--this--appropriation--during  
5 fiscal--1982--1983--or--1984--A--unique--responsibility--center  
6 and--appropriation--number--shall--be--established--in--the  
7 statewide--budgeting--and--accounting--system--to--account--for  
8 this--appropriation.

9 By August 1, 1982, the department shall identify all  
10 optional services by specific type provided under the  
11 medicaid program. The identification must include the number  
12 of recipients, cost per optional service, and the impact of  
13 not funding each option.

14 If appropriated funds are not sufficient to provide  
15 medical care for all eligible persons, the department shall  
16 use the following priorities in keeping expenditures within  
17 appropriations:

18 (1) limit the increases in reimbursement paid per  
19 service for medical care to no more than 10% for each fiscal  
20 year of the 1983 biennium to the maximum extent feasible;  
21 and

22 (2) limit eligibility and amount, scope, and duration  
23 of medical services provided.

24 The payment standard for families under the aid to  
25 families with dependent children program (AFDC) shall be an

1 equal percentage of the poverty index according to family  
2 size. The payment standard for a family of two may not  
3 exceed \$258 in fiscal 1982 and \$280 in fiscal 1983.

4 Item 5 may be merged into the department of social and  
5 rehabilitation services' organizational structure or  
6 transferred to another state agency by approval of the  
7 governor's office. The legislative finance committee must be  
8 informed of any interagency transfers. The appropriation  
9 authority must be accounted for by a unique appropriation  
10 number in the statewide budgeting and accounting system.

11 The funding of item 7 is contingent upon passage and  
12 approval of HB 258.

13 The day-care rate per day for homes is not to exceed  
14 \$6.00 in fiscal 1982 and \$6.50 in fiscal 1983. The rate per  
15 day is not to exceed \$7.00 in fiscal 1982 and \$7.50 in  
16 fiscal 1983 for day-care centers.

17 All medicaid expenses shall be accrued in the  
18 appropriate fiscal year as required by the state modified  
19 accrual system of accounting. The legislative auditor shall  
20 audit the medicaid accrual by October 1 of each year to test  
21 for compliance with this requirement.

22 The legislature has determined that the requirements  
23 set forth in section 5, House Bill 94, Laws of 1981,  
24 restricting the use of appropriations to the department of  
25 social and rehabilitation services in regards to medicaid

1 accruals are no longer necessary, therefore, except as  
 2 expressly provided within this act, there are not  
 3 restrictions relating to accrual procedures for any  
 4 appropriation denominated "medicaid accrual" in any  
 5 appropriations measure passed by the 47th legislature; thus  
 6 the department may have cash outlays against medicaid  
 7 accrual appropriations.

8 In the amount the social services block grant funds  
 9 exceed \$6,206,500 in fiscal 1982, SRS shall revert a like  
 10 amount of general fund.

11 For the 1983 biennium SRS shall transfer 10% of the  
 12 amount received from the low income home energy assistance  
 13 block grant not to exceed \$1,668,724 to the social services  
 14 block grant.

15 Because of the uncertainty in federal funding, the  
 16 department should anticipate receiving the level of federal  
 17 funding for AFDC, Medicaid, and Title XX calculated in the  
 18 appropriations until funds at the federal level are  
 19 allocated.

20 TOTAL HUMAN SERVICES

21 87,167,283 63,509,639 36,692,156 66,229,985

22 58,973,264 60,664,204 60,684,558 62,882,031

DEPARTMENT OF HEALTH

<u>Appropriation</u>	---Fiscal 1982---		---Fiscal 1983---	
	<u>General Fund</u>	<u>Other Funds</u>	<u>General Fund</u>	<u>Other Funds</u>
HB 500	\$3,106,919	\$17,422,013	\$3,125,004	\$18,174,500
Subcommittee				
Recommendation	<u>3,114,156</u>	<u>17,715,835</u>	<u>3,148,054</u>	<u>17,540,108</u>
Change	\$ 7,237	\$ 293,822	\$ 23,050	\$ (634,392)
	=====	=====	=====	=====

CHANGES

1. Maternal and Child Health				
Block Grant	\$ -0-	\$ (156,000)	\$ -0-	\$ (391,493)
2. Preventive Health Services				
Block Grant	-0-	-0-	-0-	-0-
a. Emergency Medical				
Services	-0-	327,750	-0-	(253,937)
b. Director's Office	-0-	190,150	-0-	167,000
3. Early Periodic Screening				
Diagnosis & Treatment	-0-	(50,841)	-0-	(84,021)
4. Medicaid Certification	-0-	-0-	-0-	(13,941)
5. Title XX General Fund Match	-0-	-0-	(22,950)	-0-
6. Emergency Medical Services	(20,000)	-0-	(20,000)	-0-
7. Solid Waste	17,237	(17,237)	20,000	(20,000)
8. Air Quality	-0-	-0-	30,000	-0-
9. Food & Consumer Safety	-0-	-0-	-0-	(38,000)
10. Laboratory				
a. Use of Block Grant				
Funds	-0-	-0-	-0-	-0-
b. General Fund				
Increase	<u>10,000</u>	<u>-0-</u>	<u>16,000</u>	<u>-0-</u>
Total Changes	\$ 7,237	\$ 293,822	\$ 23,050	\$ (634,392)
	=====	=====	=====	=====

Committee recommendations resulted in an increase of general fund by \$7,237 in fiscal 1982 and \$23,050 in fiscal 1983. "Other" authority increases \$293,822 in fiscal 1982 and decreases by \$634,392 in fiscal 1983. FTE are reduced by 7.5 in fiscal 1982 and 9.5 in fiscal 1983.

Change 1: Maternal and Child Health (MCH) Block Grant

The committee recommends the acceptance of the MCH block grant. There is a reduction in federal authority of \$156,000 and \$391,493 as the block grant amount was reduced at the federal level from the previous categorical amounts. FTE are reduced 4.5 in fiscal 1982 and 6.5 in fiscal 1983.

Within the reconciliation bill Montana would receive \$1,489,900 per federal fiscal 1982 and 1983.

The department of health's proposal for expenditures of these funds is:

Maternal and Child Health	\$1,042,930
Crippled Children Services	<u>446,970</u>
Total	\$1,489,900 =====

Within the crippled children services allocation, \$175,186 was proposed for evaluation services. The committee recommends the department make available an additional \$30,000 for these services, specifically identifying the evaluation centers at Missoula and Billings.

Change 2: Preventive Health Block Grant

The committee recommends the acceptance of the preventive health block grant. Montana would receive \$992,000 in federal fiscal 1982 and 1983 according to the reconciliation bill. The committee's proposal for expenditure of these monies follows:

	State Fiscal <u>1982</u>	State Fiscal <u>1983</u>
Hypertension	\$ 93,000	\$124,000
Risk Reduction	-0-	61,000
Diabetes	56,250	75,000
Emergency Med. Services (EMS)	327,750	431,000
Grants to Local Health Agencies	190,150	167,000
Administrative Costs	74,400	99,200
Dental Bureau	2,450	28,800
Laboratory	<u>-0-</u>	<u>34,000</u>
Total	\$744,000* =====	\$992,000 =====

\*Only 75 percent of the block grant or \$744,000 may be spent in state fiscal 1982 because of the difference in state and federal fiscal years.

The committee recommends that the 1983 emergency medical service (EMS) allocation be reduced by \$34,000 in order to fund the microbiology lab by a similar amount. This \$34,000 would offset the loss of federal funds within the lab.

Change 2a: Emergency Medical Services (EMS)

Federal authority is increased in fiscal 1982 by \$327,750 due to the availability of carry-over funds, a categorical grant and block grant funds. Therefore, additional authority is needed to allow expenditure of these funds. In fiscal 1983 appropriated authority exceeded available funds which results in a decrease of \$219,937. EMS is further reduced by \$34,000 in block grant funds which will be used within the laboratory.

Change 2b: Director's Office

The department proposes to make grants to local health agencies from the block grant. Spending authority needs to be increased by \$190,150 in fiscal 1982 and \$167,000 in fiscal 1983 to allow for these grants.

Change 3: Early Periodic Screening Diagnosis and Treatment (EPSDT)

The EPSDT project was terminated October 1, 1981 due to the repeal of a federal mandate. Health screening services offered to children through EPSDT will be covered by other programs. Federal funds are reduced by \$50,841 in fiscal 1982 and \$84,021 in fiscal 1983. Three FTE will be reduced in each year.

Change 4: Medicaid Certification

The federal grant for medicaid certification is anticipated to be at a reduced level in fiscal 1983. Excess federal authority is therefore reduced by \$13,941.

Change 5: Title XX General Fund Match

Family planning receives Title XX federal funds. The federal government is no longer requiring a state match for these funds. The committee recommends that the fiscal 1982 general fund match of \$22,950 be left as statewide contracts have already been established utilizing 100 percent of appropriated state and federal funds. In fiscal 1983 a general fund reversion of \$22,950 is recommended.

Change 6: Emergency Medical Services (EMS)

The committee recommends \$20,000 per year in general fund be removed from the EMS program due to excess federal funds received. Of these amounts, \$10,000 in fiscal 1982 and \$16,000 in fiscal 1983 will be transferred to the laboratory division to allow additional operating expenses. The remaining general fund, \$10,000 and \$4,000 will revert.

Change 7: Solid Waste Management

The department has lost federal funding for solid waste management totalling \$17,237 in fiscal 1982 and \$20,000 in fiscal 1983. The committee recommends that this program be kept at current level, and that the lost federal funds be totally replaced with general fund. This program is now totally funded with general fund.

Change 8: Air Quality

The air quality division is currently monitoring the air quality in the Scobey area to establish baseline data prior to the operation of the Canadian power plant across the border. The purpose of this monitoring is to determine the effects of the power plant on the air quality of the Scobey area. The last legislature provided \$35,512 general fund to allow the monitoring to continue during fiscal 1982 as the power plant operation was delayed.

The power plant operation has been further delayed, and the committee recommends \$30,000 general fund be appropriated to continue the monitoring of air quality in Scobey for fiscal 1983.

Change 9: Food and Consumer Safety

The department requested that lost federal funds totalling \$38,000 in fiscal 1983 be replaced with general fund. These funds were used to inspect grain elevators and public food warehouses. These specific inspections are not required by law. The committee did not approve this request.

Change 10a: Laboratory - Bock Grant Funds

The committee recommended that the microbiology lab replace the lost funding family planning funds with part of the preventive health block grant funds for personal services totalling \$34,000 in fiscal 1983.

Change 10b: Laboratory - General Fund Increase

The committee recommends additional funding for the lab's operating expenses. It is recommended that general fund totalling \$10,000 in fiscal 1982 and \$16,000 in fiscal 1983 be transferred from the emergency medical services program to the lab. It is the committee's intent that these additional operating expenses be used as follows:

	--FY 1982--		--FY 1983--	
	Micro <u>Lab</u>	Chem. <u>Lab</u>	Micro <u>Lab</u>	Chem. <u>Lab</u>
Contracted Services	\$ -0-	\$-0-	\$ 2,000	\$ -0-
Supplies	9,000	-0-	9,000	2,000
Utilities	1,000	-0-	-0-	1,000
Repair	<u>-0-</u>	<u>-0-</u>	<u>1,000</u>	<u>1,000</u>
Total	\$10,000	\$-0-	\$12,000	\$4,000
	=====	=====	=====	=====

## PRIMARY CARE BLOCK GRANT

The committee recommends that the state not accept the administration of the primary care block grant. This block grant, which would become available in fiscal 1983 will continue to be administered by the federal government if the state does not accept the block grant.

At the maximum, Montana would be eligible for \$144,900 in fiscal 1983. None of these funds would be allowed for administration purposes.

DEPARTMENT OF LABOR AND INDUSTRY

<u>Appropriation</u>	---Fiscal 1982---		---Fiscal 1983---	
	<u>General Fund</u>	<u>Other Funds</u>	<u>General Fund</u>	<u>Other Funds</u>
HB 500 Subcommittee Recommendation	\$1,716,584	\$21,474,900	\$1,699,734	\$23,575,772
	<u>1,716,584</u>	<u>19,648,888</u>	<u>1,699,734</u>	<u>20,635,185</u>
Change	\$ -0- =====	\$(1,826,012) =====	\$ -0- =====	\$(1,940,587) =====

CHANGES

1. Labor Standards	\$-0-	\$ 37,955	\$-0-	\$ 13,382
2. Employment & Training	-0-	(238,588)	-0-	(243,448)
3. Migrant & Youth Training	-0-	127,069	-0-	131,969
4. Employment Security	<u>-0-</u>	<u>(1,752,448)</u>	<u>-0-</u>	<u>(1,842,490)</u>
Total Changes	\$-0- =====	\$(1,826,012) =====	\$-0- =====	\$(1,940,587) =====

The department of labor and industry had four changes to their budget. The net effect is a reduction in federal authority of \$1,826,012 in fiscal 1982 and \$1,940,587 in fiscal 1983. There is also an overall reduction in authorized FTE's of 115.62 in fiscal 1982 and an additional 6.30 FTE's in fiscal 1983. Each change is discussed below.

Change 1: Labor Standards

The additional authority is for 1.5 FTE in the apprenticeship's bureau. The funding comes from the veterans' administration and the positions are used for service to veterans. This was submitted as a budget amendment by the department. The following language was also approved.

"In Item 2, upon receipt of the federal veterans' administration contract, general fund of \$7,254 in fiscal 1982 and \$2,762 in fiscal 1983 shall be reverted."

Change 2: Employment and Training

The reductions are a direct result of reduced federal authority due to the loss in CETA funding. The FTE reduction is 9.62 in fiscal 1982 and 10.00 in fiscal 1983.

Change 3: Migrant and Youth Training

The additional funds for migrant and youth training were transferred from the department of social and rehabilitation services. The program was previously part of the now defunct department of community affairs.

Change 4: Employment Security

Reduction in federal funding from three sources (employment security, unemployment insurance, and CETA) result in the reduction shown. FTE are reduced in fiscal 1982 by 107.5 with a resulting savings of \$1,717,152 in personal services and \$35,296 in operating expenses. An additional 6.0 FTE are reduced in fiscal 1983. The total savings for personal services in fiscal 1983 are \$1,807,194. Operating expenses are reduced by \$35,296.

DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES

<u>Appropriation</u>	---Fiscal 1982---		---Fiscal 1983---	
	<u>General Fund</u>	<u>Other Funds</u>	<u>General Fund</u>	<u>Other Funds</u>
HB 500 Subcommittee Recommendation	\$50,062,637	\$24,612,726	\$55,013,481	\$25,479,633
Change	<u>\$ 4,080,587</u>	<u>\$(1,312,545)</u>	<u>\$ 823,289</u>	<u>\$ (772,895)</u>

CHANGES

1. AFDC	\$ (837,469)	\$ -0-	\$ (914,531)	\$ -0-
2. Medicaid	1,486,996	-0-	557,190	-0-
a. Medicaid Language	-0-	-0-	-0-	-0-
3. Social Services	4,720,604	(677,610)	2,656,304	217,000
4. DCA	-0-	(761,003)	-0-	(896,416)
5. Low Income Energy Assistance Program	(834,362)	834,362	(834,362)	834,362
6. Admin. Savings	(234,182)	(487,294)	(274,912)	(561,441)
7. Developmentally Disabled	<u>(221,000)</u>	<u>(221,000)</u>	<u>(366,400)</u>	<u>(366,400)</u>
Total Changes	<u>\$ 4,080,587</u>	<u>\$(1,312,545)</u>	<u>\$ 823,289</u>	<u>\$ (772,895)</u>

Committee recommendations resulted in an increase of general fund by \$4,080,587 in fiscal 1982 and \$823,289 in fiscal 1983. "Other" authority decreases \$1,312,545 in fiscal 1982 and \$772,895 in fiscal 1983. FTE are reduced by 20.62 in fiscal 1982 and 23.75 in fiscal 1983.

Change 1: Aid to Families with Dependent Children (AFDC)

The subcommittee recommends reductions in the AFDC program for a savings of \$6,145,917 of which \$1,752,000 is general fund.

The 1981 legislature based the AFDC appropriation on 7,230 cases. The average case load is now projected by SRS to be 7,141 before making any program changes. After both state and federal program changes SRS projects the case load at 5,491 or 1,739 less. This is a 32 percent reduction. Table 1 shows this reduction.

Table 1  
AFDC Cases No Longer Eligible Because  
of Federal and Subcommittee Actions

	<u>Cases</u>	<u>Total Biennium Savings</u>	<u>General Fund Savings</u>
<u>Federal Changes</u>			
Changes in Payment Calculation	240	\$ (840,000)	\$(239,465)
Step-Parent Eliminated	780	(1,398,000)	(398,454)
Pregnant Women Covered only in Third Trimester	<u>140</u>	<u>(842,000)</u>	<u>(240,034)</u>
Total Federal Savings	1,160	\$(3,080,000)	\$(877,953)
<u>SUBCOMMITTEE ACTION</u>			
Unemployed Parent	490	(3,372,000)	(961,280)
Lower Case Load	89	(572,448)	(163,148)
Reduced Payment Standard		(1,000,804)	(285,229)
<u>Budget Adjustments</u>			
SSI Court Case	673,313		191,894
Day Care	499,063		142,233
Average Payment Increase	<u>706,959</u>		<u>201,483</u>
Total Budget Adjustments	-----	<u>1,879,335</u>	<u>535,610</u>
TOTAL SUBCOMMITTEE ACTION	579	<u>(3,065,917)</u>	<u>(874,047)</u>
TOTAL SAVINGS FROM FEDERAL AND SUBCOMMITTEE ACTION	<u>1,739</u> =====	\$(6,145,917) =====	\$(1,752,000) =====

Subcommittee Action

The subcommittee approved several changes in the AFDC program. The changes as reflected in Table 1 above were a change in the payment calculation, elimination of step-parent, pregnant women covered only in the third trimester, elimination of unemployed parents, a lower estimated case load, a reduced payment standard for six months, and budget adjustments for additional funding for the cases.

1. Change in Payment Calculation. The change in the payment calculation eliminates cases which do have an income and decreases payments of continued AFDC recipients. This will result in a total savings of \$840,000 of which \$239,465 is general fund.

2. Step-Parent Eliminated. This elimination applies only to those families in which the step-parent has sufficient income to support the entire family unit. A step-parent will be financially responsible for their spouses children. This saved \$1,398,000 in total and \$398,454 of general fund.

3. Pregnant Women Covered Only in Third Trimester. A pregnant woman with no other children is no longer eligible for AFDC until the last trimester of pregnancy and the unborn child will not be included in the AFDC payment. She will still be eligible for medicaid benefits the entire pregnancy. This results in a total savings of \$842,000 of which \$240,034 is general fund.

4. Unemployed Parents. The subcommittee proposes discontinuing the unemployed parent program which is currently part of the AFDC program. An estimated 490 cases will be dropped at a saving of \$3,372,000 for the biennium. This would be a general fund savings of \$961,280.

5. Lower Case Load. SRS projects the average case load with no program changes to be 7,141 in fiscal 1982 and 1983. This is 89 fewer cases than anticipated when the 1981 legislature established the appropriation. This reduced case load should save \$572,448 in the biennium. The general fund savings is \$163,148.

6. Poverty Index. The 1981 legislature intended to raise the AFDC payment standard from 50 percent to 55 percent of the poverty index. SRS has maintained the payment standard at 50 percent of the poverty

index and plans to raise it to 55 percent January 1, 1982. The subcommittee approved this action which will save \$1,000,804 total funds of which \$285,229 is general fund.

7. Budget Adjustments. SRS is asking for an additional \$1,879,335 of which \$535,610 is general fund to cover an SSI court settlement, additional funds for training day care, and a higher average payment than appropriated.

#### Change 2: Medicaid

The subcommittee recommends general fund of \$2,044,186 to offset federal medicaid cuts. This is a result of the following factors.

The subcommittee approved \$1,402,473 of general fund to replace federal funds that were withheld because of a federal sanction taken against the state. From 1968 through 1976 hospitals were reimbursed for medicaid patients under a contract that essentially allowed billed charges. In some cases the billed charges exceeded audited medicaid costs and the differences between the two costs were disallowed. The one-time disallowance is \$1,402,413.

The federal government reduced their percentage participation in the medicaid program. The federal match will decrease from 65.15 percent to 63.20 percent in fiscal 1982 and from 65.34 percent to 62.73 percent in fiscal 1983. This is a three and a four percent drop, respectively. This will result in a biennium reduction of \$3,456,783 of federal fund matching dollars.

Due to reductions in the AFDC case load, the medicaid case load will also decrease. Therefore, some of this federal funds loss will be offset by reductions in the medicaid program. Changes in the medicaid program are discussed in the following sections.

Reduced AFDC Case Load

The 1,160 AFDC cases no longer eligible for AFDC due to federal regulation changes will also no longer be eligible for medicaid. The subcommittee has recommended discontinuing unemployed parents as part of the AFDC program. These 490 cases will also lose medicaid coverage. Table 2 shows the projected medicaid savings from the decreased AFDC case load.

Table 2  
AFDC Cases No Longer Eligible Because  
of Federal Regulations and Subcommittee Action

	-----1983 Biennium-----		
	<u>Cases</u>	<u>Total Savings</u>	<u>General Fund Savings</u>
<u>Federal Action</u>			
Changes in Payment Calculation	240	\$ 896,000	\$ 310,553
Step-Parent Eliminated	780	1,172,000	406,215
Pregnant Women Covered only in Third Trimester	<u>140</u>	<u>326,000</u>	<u>-0-</u>
Federal Savings	1,160	\$2,394,000	\$ 716,768
<u>Subcommittee Action</u>			
Reduced Caseload	89	362,510	125,646
Unemployed Parent Eliminated	490	3,139,000	1,087,978
Total Subcommittee Action	<u>579</u>	<u>3,501,510</u>	<u>1,213,624</u>
Total Savings	<u>1,739</u>	<u>\$5,895,570</u>	<u>\$1,930,362</u>

Other Action

Other reductions by the subcommittee in the medicaid program for additional dollar savings. Elimination on October 1, 1981 of the early periodic screening detection and treatment outreach services for a general fund savings of \$130,650.

Certain medicaid recipients are eligible for both medicare and medicaid programs. Medicaid has been paying the portion of the bill not paid by medicare under medicare rates rather than the lower medicaid rates. These payments will be based on the medicaid rate schedule which would result in \$454,913 general fund savings.

During last session the legislature intended that medical providers receive a ten percent increase for payment rates each year of the biennium. SRS has delayed making this first ten percent increase until January 1, 1982 which was approved by the subcommittee. This six-month delay results in a general fund savings of \$299,115 in fiscal 1982.

Table 3 shows the total savings from these reductions.

Table 3  
Other Reductions in the Medicaid Program

<u>Service</u>	-----1983 Total <u>Savings</u>	Biennium----- General Fund <u>Savings</u>
EPSDT Eliminated	\$ 452,603	\$130,650
Coordinating Medicare and Medicaid Payments	1,312,500	454,913
Delay in 10% Provider Rate Increase	<u>850,000</u>	<u>299,115</u>
Total Other Savings	\$2,615,103 =====	\$884,678 =====

Fiscal Impact on Medicaid

The following table summarizes the general fund required to keep medicaid services at current level after federal and subcommittee actions.

Table 4  
General Fund Required to Maintain  
Current Level Medicaid Services

	<u>1983 Biennium</u>	
<b>FEDERAL CUTS AND SANCTION</b>		
Federal Matching Rate Change	\$3,456,783	
Federal Sanction (one-time)	<u>1,402,473</u>	
Total Reduced Federal Funding		\$4,859,256
<b>PROPOSED SAVINGS</b>		
Federal Action		
Change in Payment Standard	(310,553)	
Step-parent Eliminated	(406,215)	
Total Federal Action		(716,768)
Subcommittee Action		
Reduced Case Load (89)	(125,646)	
Unemployed Parent Eliminated	(1,087,978)	
EPSDT Outreach Eliminated	(130,650)	
Coordinating Medicare & Medicaid Payments	(454,913)	
Delay in 10% Provider Rate Increase	<u>(299,115)</u>	
Total Subcommittee Action		<u>(2,098,302)</u>
<b>GENERAL FUND FOR MEDICAID</b>		<b>\$2,044,186</b> =====

Change 2a: Alternative Accounting for Medicaid Accrual

Since April, SRS has examined the budget control problems with the Medicaid program. They have done two things. First, they have implemented a program to determine the date of service for bills being paid. This will enable them to properly record expenditures for services in the year the services were rendered.

Second, separate responsibility centers are established in SBAS which will allow a better track to compare cash outlays to the Dikewood Report. The Dikewood Report identifies the number of services, the type of services, and the cost per service related to cash outlays for each fiscal year.

With the above two changes and the requirement for the legislative auditor to check the medicaid accrual each year, the subcommittee recommends the accrual appropriation and the related language be changed to avoid the potential of SRS spending more general fund than appropriated for cash outlays. The subcommittee line itemed the two medicaid appropriations. The one for noninstitutional medicaid is no longer split between cash outlays and accruals. Instead, the cash appropriation is line itemed at \$27,738,475 for fiscal 1982 and \$29,288,976 for fiscal 1983. The appropriation for institutional reimbursements is changed to \$3,277,327 general fund for fiscal 1982 and \$3,612,174 general fund for fiscal 1983. These revisions are detailed in table 5.

Table 5  
Determination of Amounts for Revised Institutional  
and Noninstitutional Medicaid Appropriations

-----NonInstitutional Medicaid-----		
	<u>Fiscal 1982</u>	<u>Fiscal 1983</u>
Appropriated		
- Cash (Noninstitution)	\$21,787,054	\$23,925,540
- Accrual	<u>4,350,000</u>	<u>4,785,000</u>
Total Appropriated Expenditures (Noninstitution)	\$26,137,054	\$28,710,540
Additional General Fund Required for Medicaid (Noninstitution)	1,388,148	2,204,306
Plus Federal Sanction	1,402,473	
Less General Fund Program Savings	<u>(1,189,200)</u>	<u>(1,625,870)</u>
Revised Noninstitutional Medicaid Appropriation	\$27,738,475 =====	\$29,288,976 =====
-----Institutional Medicaid Reimbursements-----		
	<u>Fiscal 1982</u>	<u>Fiscal 1983</u>
Appropriated		
- Cash (Institutions)	\$ 3,134,021	\$ 3,369,523
Additional General Fund Due to Federal Cutbacks	<u>143,306</u>	<u>242,651</u>
Revised Institution Medicaid Appropriation	\$3,277,327 =====	\$3,612,174 =====

<sup>1</sup>These amounts will be line itemed in the appropriation bill.

The subcommittee included the following language in the appropriations bill to clarify the legislature's position on the medicaid accrual.

All medicaid expenses shall be accrued in the appropriate fiscal year as required by the state modified accrual system of accounting. The legislative auditor shall audit the medicaid accrual by October 1 of each year to test for compliance with this requirement.

The legislature has determined that the requirements set forth in section 5, house bill 94, laws of 1981, restricting the use of appropriations to the department of social and rehabilitation services in regards to medicaid accruals are no longer necessary, therefore, except as expressly provided within this act, there are not restrictions relating to accrual procedures for any appropriation denominated "medicaid accrual" in any appropriations measure passed by the 47th Legislature: thus the department may have cash outlays against medicaid accrual appropriations.

### Change 3: Social Services Block Grant

This block grant is a combination of Title XX social services funds and Title XX training funds. The state will determine the types of social services to be provided by these funds. The services may include expenditures for administration personnel, training, workshops and conferences for training.

### Matching Requirement

There is no matching requirement for these funds. A state may also carry-over all or any portion of its allotment from one fiscal year to the next.

### Transfer Authority

Each state is authorized to transfer up to ten percent per fiscal year of its Title XX allotment for use in the health and/or low income energy assistance programs. This has not been proposed by SRS.

### Title XX Funds Distribution

The amount of funds estimated by the subcommittee to be received for the 1983 biennium is \$14,496,500. During last session Title XX funds were estimated to be \$21,873,408 for the biennium. This is a difference of \$7,376,908. Included in this \$7,376,908 reduction of social services grants funds is a \$2,072,550 reduction resulting from a timing difference between the state and federal fiscal years for fiscal 1982.

The state fiscal year and federal fiscal year are a quarter different. The federal department of health and human services has distributed the Title XX funds on a quarterly basis, and it appears now that Montana may on a one-time basis have to make up one quarter of Title XX funds. The subcommittee made up this quarter difference with \$2,072,500 general fund in fiscal 1982. However, the following language was included in case the timing difference did not occur.

"In the amount the social services block grant funds exceed \$6,206,500 in fiscal 1982, SRS shall revert a like amount of general fund."

Table 6 shows which programs Title XX funds support. Included are appropriated and nonappropriated funds. The nonappropriated funds being those funds which flow through from the state to local entities such as to developmental disability (DD) providers. It also indicates the total social services block grant federal reduction.

Table 6  
Title XX Funds in SRS

<u>Social Services</u>	Fiscal Year <u>1982</u>	Fiscal Year <u>1983</u>	<u>Biennium</u>
Title XX Social Services	\$ 5,162,047	\$ 5,242,000	\$10,404,047
Title XX Training	304,156	308,962	613,118
Administrative Support			
Title XX Social Services	736,538	715,437	1,451,975
Title XX Training	20,440	20,579	41,019
Audit & Program Compliance			
Title XX Social Services	21,597	21,812	43,409
Developmental Disabilities			
Title XX Social Services	4,242,218	4,155,436	8,397,654
Title XX Training	162,960	177,215	340,175
Reimbursement to Counties	<u>277,148</u>	<u>304,863</u>	<u>582,011</u>
Total Title XX Funds Estimated by Legislature	\$10,927,104	\$10,946,304	\$21,873,408
Total Title XX Funds Estimated by the Subcommittee	<u>(6,206,500)</u>	<u>(8,290,000)</u>	<u>(14,496,500)</u>
Total Social Services Block Grant Reduction	\$ 4,720,604 =====	\$ 2,656,304 =====	\$ 7,376,908 =====

Change 4: Reduced Administrative Costs to Administer the Community Services and Low Income Energy Assistance Block Grants

The subcommittee reduced SRS's federal appropriation authority by \$761,003 in fiscal 1982 and \$896,416 in fiscal 1983.

The department of community affairs (DCA) was dismantled by the 1981 legislature. SRS received the administrative responsibilities for the community services and low income energy assistance programs. These grants are decreasing and SRS required only a portion of the DCA staff and funding to carryout the functions of these programs. The subcommittee eliminated the excess federal appropriation authority.

Change 5: Low Income Energy Assistance Block Grant

The subcommittee recommends transferring \$1,668,724 from this block grant to offset social service block grant cuts. The following language was also included.

"For the 1983 biennium SRS shall transfer ten percent of the amount received from the low income home energy assistance block grant not to exceed \$1,668,724 to the social services block grant."

1981 Reconciliation Act

The Reconciliation Act of 1981 has authorized a national level of funds for this block grant at \$1.85 billion. However, President Reagan has targeted this program to be reduced by 25 percent or to \$1.4 billion. The maximum and minimum Montana could receive are illustrated on table 7. The table also shows the Indian tribe allocation.

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Table 7  
Montana's Maximum and Minimum Allocation  
of the LIEA Block Grant

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<u>Recipient</u>	<u>----Maximum----</u>		<u>----Minimum----</u>	
	<u>Fiscal 1982</u>	<u>Fiscal 1983</u>	<u>Fiscal 1982</u>	<u>Fiscal 1983</u>
State	\$11,124,830	\$11,124,830	\$ 8,343,623	\$ 8,343,623
Indian Tribe	<u>2,657,170</u>	<u>2,657,170</u>	<u>1,992,877</u>	<u>1,992,877</u>
Total	<u>\$13,782,000</u>	<u>\$13,782,000</u>	<u>\$10,336,500</u>	<u>\$10,336,500</u>

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If Montana received the maximum amount this would be a 6.82 percent increase over the fiscal 1981 grant. If Montana received the minimum amount this would be a 19.9 percent decrease from fiscal 1982. Table 8 illustrates this.

Table 8  
FY '82 and '83 Increase over FY '81

<u>Recipient</u>	<u>FY '81</u>	<u>Percent Increase</u>	<u>Maximum FY '82</u>	<u>Percent Decrease</u>	<u>Minimum FY '82</u>
State	\$10,838,285	2.64	\$11,124,830	(23.0)	\$ 8,343,623
Indian	<u>2,064,345</u>	<u>28.72</u>	<u>2,657,170</u>	<u>(3.5)</u>	<u>1,992,877</u>
Total	<u>\$12,902,630</u>	<u>6.82</u>	<u>\$13,782,000</u>	<u>(19.9)</u>	<u>\$10,336,500</u>

Transfer of Funds

The state is allowed to transfer up to ten percent of this block grant allotment to the social services, community services, health services, health promotion and disease prevention program or any combination of these programs. The ten percent transfer can only be from the state portion and not the Indian tribe allocation. Table 9 shows the maximum of \$2.2 million and the minimum of \$1.7 million which could be transferred to other programs.

Table 9  
Maximum and Minimum Amount of Transfer  
Allowed from the LIEA Funds

	<u>Maximum 1983 Biennium</u>	<u>Minimum 1983 Biennium</u>
State Allocations	\$22,249,660	\$16,687,246
Percent of Transfer	<u>X 10%</u>	<u>X 10%</u>
Transfer Amount	<u>\$ 2,224,966</u>	<u>\$ 1,668,724</u>

Change 6: Administrative Savings From Reorganization

The subcommittee accepted the administrative cuts detailed below for a total savings of \$1,557,829 of which \$509,094 was general fund.

After the 1981 legislative session the department of SRS was reorganized. Administrative savings resulted from this action. The economic assistance and medical assistance programs were able to save \$25,000 a year by consolidating a position. Federal funds for training eligibility technicians were decreased by \$11,000 per year because the federal matching rate was reduced from 75 percent to 50 percent.

The community services program saved \$313,470 by reducing six FTE. The aging services program was incorporated into the community services program. A savings of \$70,000 resulted from this action and is in the amount of savings cited for the community services program. There is not only these savings at the state level in the aging program but also an administrative savings in the seven area agencies. SRS proposes their budgets be reduced by 25 percent and the resulting funds go toward direct services. These actions have been taken at the initiative of SRS management and are not a consequence of federal fund cutbacks.

The administrative and support programs saved \$236,396 by reducing 7.00 FTE in fiscal 1982 and 6.5 FTE in fiscal 1983. An additional savings of \$113,599 results from foregoing equipment purchases, reducing the number of telephones and changing mail procedures.

There will be a savings of \$109,109 by decentralizing the merit system. This comes from saving \$145,019 for one and one-half years on the user charges for the merit system minus \$36,000 SRS will need to perform the merit system functions. The \$36,000 includes a personnel clerk, supplies, equipment and communications.

Change 7: Developmental Disabilities Division (DDD)

The subcommittee recommends a savings of \$587,400 for the biennium by consolidation and reducing DD services in the DD program.

DDD is combining the duties of regional clinical trainers and community organization workers with a resulting decrease of 3.62 FTE in fiscal 1982 and 7.25 in fiscal 1983. An operational cost savings of \$262,400 will result from personnel changes and additional reductions in consultants, travel and rent.

The department of SRS recommended reductions of current level of DD services of \$625,000. The subcommittee approved reductions of \$325,000.

**C. NATURAL RESOURCES AND  
BUSINESS REGULATION**

C. NATURAL RESOURCES AND BUSINESS REGULATION

	Fiscal Year 1982		Fiscal Year 1983	
	Other	Other	Other	Other
	General	Appropriated	General	Appropriated
	Fund	Funds	Fund	Funds
DEPARTMENT OF AGRICULTURE				
1. Centralized Services	106,606	598,149	107,220	602,190
		<u>412,183</u>	<u>121,025</u>	<u>587,620</u>
2. Legislative Audit Fee	10,102	4,898		
3. Rural Development Program		33,553		35,714
4. Hail Insurance Unit	1,650	934,112	1,660	937,585
		<u>930,744</u>		
5. Crop and Livestock Unit	47,500	13,900	56,069	13,900
6. Transportation Unit	73,916	50,000	73,383	50,000
7. Wheat Research and Marketing		550,259		578,457
8. Environmental Management Division	246,103	670,921	251,016	604,360
	<u>268,825</u>	<u>605,369</u>	<u>388,196</u>	<u>440,346</u>

1	9. Plant Industry Division			
2	420,577	456,886	362,681	466,843
3		496,886		506,043
4	Total Department of Agriculture			
5	986,454	3,312,678	852,829	3,368,257
6	929,176	3,097,792	1,003,014	3,149,665
7	All indirect cost assessments received from Old West			
8	Regional Commission grants must be deposited in the general			
9	fund.			
10	DEPARTMENT OF COMMERCE			
11	1. Director's Office			
12		121,432		126,249
13	2. Centralized Services			
14		270,105		274,427
15	a. Legislative Audit			
16				50,000
17	b. Moving Expenses			
18		39,900		
19	3. Aeronautics Division			
20		798,363		861,883
21	4. Administrative Support - Economic Development			
22	27,399	86,808	19,194	104,558
23	5. Business Assistance Bureau			
24	85,579	130,800	89,504	130,800
25	99,622	184,193	134,461	127,273

1	<b>67-Economic-Development-Grants</b>			
2		597,000	2357,000	
3	<b>76. Board of Housing</b>			
4			470,496	490,281
5	<b>81. Travel Promotion Program</b>			
6		600,000	100,000	700,000 200,000
7	<b>98. Coal Board</b>			
8			9,314,904	11,306,975
9	<b><u>9. Hard Rock Mining Board</u></b>			
10		125,000		
11	<b>10. Rail Planning Program</b>			
12		60,119	577947329	39,056 375487582
13			3,941,736	1,969,875
14	<b>11. Community Development Program</b>			
15		229,415	378937881	236,180 478437553
16			595,524	546,049
17	<b>12. Indian Affairs Program</b>			
18		81,505		82,950
19	<b>13. Business Regulation and Licensing Administration</b>			
20		132,598	254,775	141,220 269,329
21	<b>14. Weights and Measures Program</b>			
22		361,229		344,183
23	<b>15. Financial Program</b>			
24		537,070		554,076
25	<b>16. Milk Control Program</b>			

1		224,856	234,127
2	17. Consumer Protection Program		
3		83,684	84,879
4	18. Board of Architects		
5		23,796	24,870
6	19. Board of Barbers		
7		21,979	23,420
8	20. Board of Chiropractors		
9		13,220	13,895
10	21. Board of Cosmetologists		
11		97,550	101,536
12	22. Board of Dentistry		
13		31,231	33,284
14	23. Electrical Board		
15		59,623	62,942
16	24. Board of Hearing Aid Dispensers		
17		5,238	5,524
18	25. Board of Horseracing		
19		212,848	224,455
20	26. Board of Massage Therapists		
21		5,321	5,633
22	27. Board of Medical Examiners		
23		72,367	77,488
24	28. Board of Morticians		
25		13,886	14,975

1	29. Board of Nursing		
2		141,249	145,922
3	30. Board of Nursing Home Administrators		
4		18,375	19,171
5	31. Board of Optometrists		
6		12,245	13,006
7	32. Board of Osteopathic Physicians		
8		801	869
9	33. Board of Pharmacists		
10		83,173	86,659
11	34. Board of Plumbers		
12		62,565	64,501
13	35. Board of Professional Engineers and		
14	Land Surveyors		
15		98,548	103,682
16	36. Board of Public Accountants		
17		121,861	114,538
18	37. Board of Realty Regulation		
19		259,542	269,579
20	38. Board of Veterinarians		
21		18,667	19,837
22	39. Board of Water Well Contractors		
23		18,333	19,381
24	40. Board of Psychologists		
25		11,301	12,677

1	41. Board of Sanitarians		
2		4,646	5,004
3	42. Private Investigators Program		
4		3,897	4,022
5	43. Board of Landscape Architects		
6		6,791	7,304
7	44. Board of Speech Pathologists and Audiologists		
8		7,342	7,881
9	45. Board of Radiologic Technologists		
10		8,901	9,385
11	46. Board of Podiatry Examiners		
12		1,098	1,161
13	47. Board of Physical Therapy Examiners		
14		<u>4,973</u>	<u>5,278</u>
15	Total Department of Commerce		
16		<u>2,257,598</u>	<u>2,371,762</u>
17		<u>17,844,459</u>	<u>18,058,905</u>

18 The director's office and centralized services shall be  
 19 operated from a revolving account, with all earmarked and  
 20 federal accounts assessed a pro rata share of the total  
 21 expenses. The revolving account shall be initiated with a  
 22 loan from one of the accounts under the department's  
 23 supervision and operated on a full accrual basis and in  
 24 accordance with generally accepted accounting principles.

25 The department is authorized to reorganize its current

1 organizational structure only after receiving approval from  
 2 the office of budget and program planning and review by the  
 3 legislative finance committee.

4 Included in the weights and measures program  
 5 appropriation for fiscal 1982 is \$5,000 to be available for  
 6 expenditure only if the cost of a new truck and trailer  
 7 exceeds \$30,000.

8 Coal impact grants may be granted to local government  
 9 units only to remedy a situation resulting from coal  
 10 development. The local government unit must be making a bona  
 11 fide local effort to provide for its own needs through  
 12 normal financing channels (taxes, service fees, or bonds).

13 Those divisions and bureaus of the department of  
 14 commerce that are moved from private to state-owned office  
 15 space shall revert the resulting savings in rent, utilities,  
 16 taxes, and other expenses.

17 Item 9 is a biennial appropriation.

18 The department of commerce is authorized to administer  
 19 the community development block grant.

20 DEPARTMENT OF FISH, WILDLIFE, AND PARKS

21 1. Centralized Services Division

22 3,345,294 3,469,096

23 2. Legislative Audit

24 45,000

25 3. Purchase of Cessna 180

1		54,210		
2	4. Ecological Services Division			
3		744,740		759,203
4	5. Fisheries Division			
5		<del>2,292,260</del>		<del>2,227,383</del>
6		<u>2,273,417</u>		<u>2,202,377</u>
7	6. Enforcement Division			
8		2,924,202		2,935,004
9	7. Game Damage			
10		65,000		65,000
11	8. Wildlife Division			
12		3,018,696		3,107,075
13	9. Recreation and Parks Division			
14		587,349	1,417,279	627,177
15	10. Conservation Education Division			1,492,042
16		968,677		989,140
17	11. Administration			
18		<u>463,167</u>		<u>467,167</u>
19	Total Department of Fish, Wildlife, and Parks			
20		587,349	<del>15,338,533</del>	627,177
21		<u>15,319,682</u>		<u>15,486,104</u>

22 None of the funds appropriated to the department may be  
 23 used for the purchase or study of the purchase of any type  
 24 of abandoned right-of-way.

25 Included in the centralized services appropriation is

1 revolving account authority of \$1,075,833 in fiscal 1982 and  
2 \$1,183,417 in fiscal 1983. The revolving accounts must be  
3 operated on a full accrual basis and in accordance with  
4 generally accepted accounting principles.

5 An additional \$500,000 a year is authorized in  
6 centralized services for the purpose of providing  
7 expenditure authority for federal and private funds that  
8 previously required budget amendments. Funds spent under  
9 this authorization must be accounted for separately from  
10 regular operations.

11 The Helena-based pilots shall be delegated enforcement  
12 responsibilities whenever they are not required for air  
13 transportation purposes.

14 The administration division appropriation includes:

15 (a) \$80,000 a year for transfer to the department of  
16 livestock for predator control;

17 (b) \$25,000 a year for the department to begin  
18 training to initiate the conservation officer concept within  
19 the department. A progress report on this effort must be  
20 made to the 1983 legislature.

21 (c) \$24,000 a year for uniforms or distinctive  
22 clothing for all field personnel outside of the enforcement  
23 division.

24 Items 1, 4, 5, 6, 8, 9, 10, and 11 contain a total of  
25 \$456,298 in fiscal 1982 and \$511,607 in fiscal 1983 to be

1 spent only for gasoline.

2 DEPARTMENT OF STATE LANDS

3 1. Central Management Program

4 722,169 250,464 717,917 246,317

5 2. Legislative Audit

6 15,000

7 3. Reclamation Program

8 7,368,739 7,894,841

9 4. Land Administration Program

10 176,000 60,259 175,000 47,991

11 5. Resource Development Program

12 ----- 574,934 ----- 468,043

13 Total Department of State Lands

14 913,169 8,254,396 892,917 8,657,192

15 The other funds appropriations for the central  
 16 management program provide for salary and expenses of the  
 17 Northern Powder River Environmental Impact Statement Team.  
 18 The eight FTE approved for the team may continue only as  
 19 long as federal funds are available to provide support.

20 DEPARTMENT OF LIVESTOCK

21 1. Centralized Services

22 73,320 219,962 75,820 227,460

23 249,962 257,460

24 2. Legislative Audit

25 3,250 9,750

1	3. Diagnostic Laboratory Program				
2		294,894	306,839	304,754	316,700
3	4. Disease Control Program				
4			636,605		635,757
5	5. Milk and Egg Program				
6		176,096	11,500	183,023	12,000
7	6. Inspection and Control Program				
8			1,576,968		1,611,730
9	7. Predator Control Program				
10			278,863		295,881
11	8. Rabies and Rodent Control Program				
12		<u>-70,489</u>	<u>-15,000</u>	<u>-71,018</u>	<u>-15,000</u>
13	Total Department of Livestock				
14		618,049	<del>3,055,487</del>	634,615	<del>3,114,528</del>
15			<u>3,085,487</u>		<u>3,144,528</u>
16	DEPARTMENT OF NATURAL RESOURCES				
17	1. Centralized Services Division				
18		1,059,202	<del>758,243</del>	1,051,051	<del>801,551</del>
19			<del>636,138</del>		<del>468,663</del>
20	2. Legislative Audit				
21		18,400	21,600		
22	3. Oil and Gas Regulation Division				
23			689,798		693,932
24	4. Conservation District Supervision Division				
25			441,953		477,377

1	5. Water Resources Division			
2	1,632,061	<del>2,767,124</del>	1,782,524	<del>2,840,433</del>
3		<u>2,347,098</u>		<u>2,114,307</u>
4	6. Forestry Division			
5	3,149,988	2,767,281	2,943,379	2,817,674
6	7. Energy Division			
7	329,975	3,242,757	350,105	3,502,341
8	8. Facility Siting Division			
9	<u>208,705</u>	<u>1,500,000</u>	<u>213,189</u>	<u>1,000,000</u>
10	Total Department of Natural Resources			
11	6,398,331	<del>12,180,756</del>	6,340,248	<del>12,133,300</del>
12		<u>11,646,625</u>		<u>11,074,294</u>

13 Included in the facility siting division appropriation  
 14 of other funds for fiscal 1982 is \$500,000 resource  
 15 indemnity trust fund interest to continue the appropriation  
 16 of HB 908 of the 1979 legislature. The appropriation allows  
 17 continuation of studies for the possible construction of a  
 18 MHD engineering test facility in Montana. Expenditure of  
 19 these funds is limited to the original appropriation.

20 The forestry division general fund appropriation for  
 21 fiscal 1982 includes a \$180,000 biennial appropriation to  
 22 acquire and upgrade firefighting vehicles and equipment for  
 23 distribution to nine county cooperative fire districts. The  
 24 districts shall operate and maintain the equipment.

25 Included in the general fund appropriation in item 5

1 for fiscal year 1983 is \$186,000 for either a grant to an  
 2 irrigation district formed to operate the Daly ditch water  
 3 project for the purpose of operating and maintaining the  
 4 project for 1 year or, if an irrigation district is not  
 5 formed, for use by the department in administering the  
 6 abandonment of the project, including the removal of  
 7 structures.

8 Included in the oil and gas regulation division  
 9 appropriation each year is \$65,000 of resource indemnity  
 10 trust fund interest for the purpose of repairing and  
 11 plugging abandoned oil and gas wells.

12 All federal Clark-McNary (CM-2) funds received by the  
 13 department in excess of \$250,000 per year will be deposited  
 14 in the general fund.

15 Any federal funds received for the HIPLEX project may  
 16 be added through the budget amendment process.

17 PUBLIC SERVICE COMMISSION

18 1. General Operations

19 1,184,442 19,310 1,195,975 19,310

20 2. Legislative Audit

21 7,000

22 3. Special Audit

23 50,000 -----

24 Total Public Service Commission

25 1,241,442 19,310 1,195,975 19,310

1           The appropriation in item 3 will continue the audit and  
 2 any litigation related to commission docket no. 80.8.55. The  
 3 appropriation may be spent only for determining the original  
 4 cost of Montana Power Company's hydroelectric properties or  
 5 litigation related thereto.

6           TOTAL NATURAL RESOURCES AND BUSINESS REGULATION

7		<del>12,922,392</del>	<del>65,345,376</del>	<del>12,835,003</del>	<del>65,941,548</del>
8		<u>13,025,157</u>	<u>59,267,751</u>	<u>13,030,145</u>	<u>59,589,928</u>

DEPARTMENT OF AGRICULTURE

<u>Appropriation</u>	---Fiscal 1982---		---Fiscal 1983---	
	<u>General Fund</u>	<u>Other Funds</u>	<u>General Fund</u>	<u>Other Funds</u>
HB 500 Subcommittee Recommendation	\$906,454	\$3,312,678	\$ 852,829	\$3,368,257
	<u>929,176</u>	<u>3,097,792</u>	<u>1,003,014</u>	<u>3,149,665</u>
Change	\$ 22,722 =====	\$ (214,886) =====	\$ 150,185 =====	\$ (218,592) =====

CHANGES

1. Replacement of Federal Pesticide Funds	\$ 22,722	\$ (72,886)	\$ 150,185	\$ (258,592)
2. Reduction of Old West Spending Authority	-0-	(182,000)	-0-	-0-
3. Spending Authority	<u>-0-</u>	<u>40,000</u>	<u>-0-</u>	<u>40,000</u>
Total Changes	\$ 22,722 =====	\$ (214,886) =====	\$ 150,185 =====	\$ (218,592) =====

The department of agriculture had three changes to its budget. These changes added general fund totalling \$22,722 in fiscal 1982 and \$150,185 in fiscal 1983. Other spending authority was reduced \$214,886 in fiscal 1982 and \$218,592 in fiscal 1983. These changes resulted in an FTE reduction of 2.25 in fiscal 1982 and 2.76 in fiscal 1983.

Change 1: Replacement of Federal Pesticide Funds

General funds were recommended to replace a portion of lost federal funds used for licensing and certification of pesticide applicators and licensing of all pesticides used in the state. Federal spending authority was reduced \$72,886 in fiscal 1982 and \$258,592 in fiscal 1983 due to the loss of the federal funds, while general funds increase \$22,722 and \$150,185. This change resulted in a net reduction of 2.58 FTE in fiscal 1982 and 2.76 FTE in fiscal 1983, as the department requested. The general fund added is for the purposes shown in table 1 following:

Table 1  
Summary of Uses of Recommended General Fund Addition

	Enviromental Management Division		Central Services Division	
	<u>FY '82</u>	<u>FY '83</u>	<u>FY '82</u>	<u>FY '83</u>
Current Level FTE	32.85	32.85	8.75	8.75
Reduced Level FTE	<u>30.60</u>	<u>30.26</u>	<u>8.42</u>	<u>8.58</u>
Net FTE Change	(2.25)	(2.59)	(.33)	(0.17)
<u>Positions Funded</u>				
Pesticide Specialist	0.50	1.00	no positions requested	
Office Clerk	0.25	0.50		
Environmental Specialist	0.00	0.75		
Lab Technician	0.00	0.75		
Administrative Assistant				0.50
Lawyer	—	—	—	<u>0.08</u>
Total Positions Funded with General fund	<u>0.75</u> =====	<u>3.00</u> =====	<u>0.00</u> =====	<u>0.58</u> =====
Salaries	\$13,371	\$ 64,543		\$13,805
Operating Expenses	<u>9,351</u>	<u>71,837</u>		<u>-0-</u>
Total	<u>\$22,722</u> =====	<u>\$136,380</u> =====		<u>\$13,805</u> =====

Change 2: Reduction of Old West Spending Authority

The old west regional commission programs ended on September 30, 1981. The department did not receive what was anticipated last session, and therefore had additional federal spending authority. This authority was reduced by \$182,000 in fiscal 1982.

Change 3: Spending Authority for SB 363

Last session, SB 363 (regulation of alfalfa leafcutter bees) was passed. This bill provided for assessment and collection of fees. The additional responsibility included in this bill is the inspection of alfalfa leafcutter bee

Department of Agriculture - 3

larvae for disease. However, no spending authority was included to allow the department to spend the funds collected. Other spending authority totalling \$40,000 in each year was added to allow the expenditure of these revenues.

DEPARTMENT OF COMMERCE

<u>Appropriation</u>	---Fiscal 1982---		---Fiscal 1983---	
	<u>General Fund</u>	<u>Other Funds</u>	<u>General Fund</u>	<u>Other Funds</u>
HB 500 Subcommittee Recommendation	\$2,257,598	\$23,176,216	\$2,291,242	\$23,137,843
	<u>2,337,641</u>	<u>17,844,459</u>	<u>2,336,199</u>	<u>18,058,905</u>
Change	<u>\$ 80,043</u>	<u>\$(5,331,757)</u>	<u>\$ 44,957</u>	<u>\$(5,078,938)</u>

CHANGES

1. Community Development Block Grant	\$ -0-	\$(3,298,357)	\$ -0-	\$(3,497,504)
2. Business Assistance	(44,957)	(180,807)	44,957	(2,727)
3. Rail Planning Const.	-0-	(1,852,593)	-0-	(1,578,707)
4. Hard Rock Mining Board (Biennium Approp.)	<u>125,000</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total Changes	<u>\$ 80,043</u>	<u>\$(5,331,757)</u>	<u>\$ 44,957</u>	<u>\$(5,078,938)</u>

The department of commerce has four changes to its budget. The changes include additional general fund totalling \$80,043 in fiscal 1982 and \$44,957 in fiscal 1983. Federal spending authority was reduced \$5,331,757 in fiscal 1982 and \$5,078,938 in fiscal 1983. The FTE level was increased 1.5 FTE in each year. These changes are detailed below.

Change 1: Community Development Block Grant

The committee authorizes the department to accept the community development block grant.

During the last session, spending authority had been included in HB 500 for both administrative costs and pass through funds for the HUD 701 program. The HUD 701 program has been terminated and replaced by the block grant. The change necessary in HB 500 is a decrease in "other" spending authority because the department needs only authority to spend the administrative allocation which totals \$144,500 in fiscal 1982 and \$126,000

in fiscal 1983. All other funds contained in the block grant will pass through to the counties, which actually increase over the 1981 level as is shown below in table 1.

Table 1  
Funding for Nonentitlement Cities

<u>Federal Funding Source</u>	<u>FY '81</u>	<u>FY '82</u>	<u>FY '83</u>
<u>HUD "701"</u>			
Administration	\$ 243,743	\$ -0-	\$ -0-
Pass-Through to Locals	5,595,000	-0-	-0-
<u>Community Development Block</u>			
Administration	-0-	144,500*	126,000
Pass-Through to Locals	-0-	4,630,500	6,174,000
Total	<u>\$5,838,743</u>	<u>\$4,775,000**</u>	<u>\$6,300,000</u>

\*Includes \$50,000 for a one-time start-up grant.  
\*\*Reflects three quarters of total award.

Change 2: Business Assistance Bureau

The business assistance bureau's federal authority is reduced \$180,807 in fiscal 1982 and \$2,727 in fiscal 1983. This reduction results from a loss of federal funding for operating costs of economic development administration programs and a redistribution of federal grant funds between the fiscal years. The committee recommends that the department be allowed to transfer the general and federal funds originally line-itemed for economic development grants into operating expenses for the business assistance bureau. The general fund and federal funds will be distributed between fiscal 1982 and fiscal 1983 as is shown below. The result will be termination of the grant program and a reduction of 0.5 FTE per year.

Table 1  
Summary of Business Assistance Bureau Funding  
Original Appropriation Versus Revised Appropriation

	-----FY 1982-----			-----FY 1982-----		
	Original Approp.	Revised Approp.	Difference	Original Approp.	Revised Approp.	Difference
<u>General Fund:**</u>						
Operations	\$ 85,579	\$ 99,622	\$ 14,043	\$ 89,504	\$134,461	\$ 44,957
Grants	59,000	-0-	(59,000)	-0-	-0-	-0-
Total	<u>\$144,579</u>	<u>\$ 99,622</u>	<u>\$ (44,957)*</u>	<u>\$ 89,504</u>	<u>\$134,461</u>	<u>\$44,957</u>
<u>Federal Funds:**</u>						
Operations	\$130,000	\$184,193	\$ 54,193	\$130,000	\$127,273	\$ (2,727)
Grants	235,000	-0-	(235,000)	-0-	-0-	-0-
Total	<u>\$365,000</u>	<u>\$184,193</u>	<u>\$ (180,807)</u>	<u>\$130,000</u>	<u>\$127,273</u>	<u>\$ (2,727)</u>
Grand Total	<u>\$509,579</u>	<u>\$283,815</u>	<u>\$ (225,764)</u>	<u>\$219,504</u>	<u>\$261,734</u>	<u>\$ 42,230</u>

\*This general fund balance will be carried over in fiscal 1983.

\*\*The funding levels shown do not include HB 832 and HB 578.

Change 3: Rail Planning Construction Funds

The department will lose federal rail planning construction funds totalling \$1,852,593 in fiscal 1982 and \$1,578,707 in fiscal 1983. These funds were to pass through to Burlington Northern for rehabilitation of lines designated in the state rail plan. There was no state match for these funds.

Change 4: Hard Rock Mining Board

Last session, the legislature approved HB 718 which created the hard rock mining board. The law stipulates that the board's operating expenses be paid from the metal mines tax. The metal mines tax is deposited directly into the general fund. The bill did not include an appropriation to spend general fund.

The committee recommends that a biennial appropriation of general fund totalling \$125,000 be allowed and the board have the authority to hire 2.0 FTE. It was the committee's intent that the board have the flexibility to move the funds between personal services and operating expenses and between fiscal years as is necessary to meet the workload.

DEPARTMENT OF FISH, WILDLIFE, AND PARKS

<u>Appropriation</u>	---Fiscal 1982---		---Fiscal 1983---	
	<u>General Fund</u>	<u>Other Funds</u>	<u>General Fund</u>	<u>Other Funds</u>
HB 500 Subcommittee Recommendation	\$587,349	\$15,338,533	\$627,177	\$15,511,110
	<u>587,349</u>	<u>15,319,682</u>	<u>627,177</u>	<u>15,486,104</u>
Change	\$ -0- =====	\$ (18,851) =====	\$ -0- =====	\$ (25,006) =====

CHANGES

1. Fort Peck Fisheries Grant	\$ -0-	\$ (18,851)	\$ -0-	\$ (25,006)
2. Language for Gas Expenditures	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total Changes	\$ -0- =====	\$ (18,851) =====	\$ -0- =====	\$ (25,006) =====

Change 1: Loss of Fort Peck Fisheries Grant

The department has lost federal funds which were used to monitor the commercial fish population in the Fort Peck reservoir. Federal spending authority totalling \$18,851 in fiscal 1982 and \$25,006 in fiscal 1983 was deleted. In addition, 1.0 FTE was deleted from the fisheries division in each fiscal year.

Change 2: Gas Allocation

The subcommittee examined the extra spending authority approved for gasoline purchase during the 1981 session. Because gas prices have not materialized as projected, it appears the department will have funds available for expenditure that were originally intended for gasoline. Language was added which allows the department to keep the additional spending authority but restricts the use to the purchase of gasoline, thus allowing increased travel.

DEPARTMENT OF LIVESTOCK

<u>Appropriation</u>	---Fiscal 1982---		---Fiscal 1983---	
	<u>General Fund</u>	<u>Other Funds</u>	<u>General Fund</u>	<u>Other Funds</u>
HB 500 Subcommittee Recommendation	\$618,049	\$3,055,487	\$634,615	\$3,114,528
	<u>618,049</u>	<u>3,085,487</u>	<u>634,615</u>	<u>3,144,528</u>
Change	\$ -0- =====	\$ 30,000 =====	\$ -0- =====	\$ 30,000 =====

CHANGES

1. Additional Spending Authority for SB 161	\$ -0- =====	\$ 30,000 =====	\$ -0- =====	\$ 30,000 =====
Total Changes	\$ -0- =====	\$ 30,000 =====	\$ -0- =====	\$ 30,000 =====

Change 1: Additional Spending Authority for SB 161

Last session, SB 161 was passed which designated the department of livestock to assess an additional ten cents per head on all swine sold. Fifty percent of this revenue was then to be paid to the national pork producer council. However, when this bill was passed, it did not contain any spending authority. The additional spending authority (\$30,000 in each fiscal year) will allow these revenues to be paid out by the department to the national council.

DEPARTMENT OF NATURAL RESOURCES

<u>Appropriation</u>	---Fiscal 1982---		---Fiscal 1983---	
	<u>General Fund</u>	<u>Other Funds</u>	<u>General Fund</u>	<u>Other Funds</u>
HB 500 Subcommittee Recommendation	\$6,398,331	\$12,188,756	\$6,340,248	\$12,133,308
	<u>6,398,331</u>	<u>11,646,625</u>	<u>6,340,248</u>	<u>11,074,294</u>
Change	\$ -0- =====	\$ (542,131) =====	\$ -0- =====	\$(1,059,014) =====

CHANGES

1. Water Resource Planning Funds	\$ -0-	\$ (84,026)	\$ -0-	\$ (181,026)
2. HIPLEX Funding	-0-	(336,000)	-0-	(545,100)
3. Youth Conservation Corp	-0-	(122,105)	-0-	(332,888)
4. Cooney Dam Priority	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total Changes	\$ -0- =====	\$ (542,131) =====	\$ -0- =====	\$(1,059,014) =====

The department of natural resources had three changes made to its budget. The changes totalled a reduction in federal spending authority of \$542,131 in fiscal 1982 and \$1,059,014 in fiscal 1983. The FTE level was reduced by 12.04 FTE in fiscal 1982 and 19.59 FTE in fiscal 1983. The changes are described in detail below.

Change 1: Water Resource Planning Funds

The department has lost federal water resource planning funds as they have been terminated at the federal level. These amounts total \$180,000 in fiscal 1982 and \$181,026 in fiscal 1983. However, due to carry-over of federal funds from fiscal 1981, the federal spending authority was reduced \$84,026 in fiscal 1982 and reduced the total amount of the loss in fiscal 1983. This loss included a reduction of 3.0 FTE in fiscal 1983 only.

It should be noted that these 3.0 FTE were paid in fiscal 1982 by federal funds, which freed up general fund for other operating expenses. These 3.0 FTE will be paid with general fund in fiscal 1983 which the department intends to absorb by reducing operating expenses to cover the salaries.

Change 2: HIPLEX Funding

The federal government has terminated the high plains weather modification project (HIPLEX) near Miles City. Federal carry-over funds will be used to wind up the research efforts. The committee recommends this excess federal spending authority totalling \$336,000 in fiscal 1982 and \$545,100 in fiscal 1983 be deleted. Language was added to allow federal funds for HIPLEX to be budget amended if they should become available.

The personnel employed by this project were on the state payroll but were paid with federal funds. Because the project is ending, the committee recommends FTE be reduced accordingly, by 11.04 in fiscal 1982 and 18.59 in fiscal 1983 within the water resources division.

Change 3: Youth Conservation Corp

The department has lost federal funds for the youth conservation corp program. The committee recommends that excess federal authority totalling \$122,105 in fiscal 1982 and \$332,888 in fiscal 1983 be deleted. They also recommend a reduction of 1.0 FTE per year that was supported with these funds.

Change 4: Cooney Dam Priority

Last session, it was originally anticipated that approximately \$2.3 million would be available from the federal land and water conservation fund. Last session, the long-range building committee established a priority

list which included 11 projects. This list was to be followed in the expenditure of these funds. Due to federal cuts, it is now anticipated that \$1.2 million will be received from the federal land and water conservation fund, a reduction of \$1 million.

The department of natural resources felt that the repair of Cooney Dam spillway, which was ninth in priority, would not receive the \$261,000 originally anticipated from this federal funding source. The department has stated that the department project will fund the Cooney Dam project from its state water project maintenance fund if federal funds are not received. This would preclude maintenance of other state water projects.

The department of natural resources requested that the committee reexamine the priority list established by the long-range building committee last session for the expenditure of federal land and water conservation fund. This request was passed on to the long-range building committee.

The long-range building committee (committee 1) reconvened and reestablished the priority list for the expenditure of the federal land and water conservation funds. Cooney Dam was listed as the first priority.

## **D. DEPARTMENT OF INSTITUTIONS**

## D. DEPARTMENT OF INSTITUTIONS

	Fiscal Year 1982		Fiscal Year 1983	
	Other		Other	
	General	Appropriated	General	Appropriated
	Fund	Funds	Fund	Funds
6	CENTRAL OFFICE			
7	1. Director's Office			
8	237,041	28,994	235,510	32,616
9	2. Alcohol & Drug Abuse Division			
10	194,239	<del>1,348,521</del>	203,871	<del>1,294,514</del>
11		<u>1,481,312</u>		<u>1,551,787</u>
12	3. Corrections Division			
13	3,297,327		3,423,996	
14	4. Management Services Division			
15	797,596	64,328	886,690	64,328
16	<u>732,502</u>	<u>129,422</u>	<u>791,981</u>	<u>73,037</u>
17	5. Mental Health Division			
18	3,957,049	535,536	4,352,354	540,629
19		<u>464,315</u>		<u>369,234</u>
20	6. Audit			
21			16,145	8,855
22	7. Building Space			
23	76,713	21,754	77,318	21,926
24	8. Women's Correctional Facility			
25	840,000			

1	<u>675,582</u>	-----	-----	-----
2	Total Central Office			
3	9,399,965	1,999,133	9,109,884	1,962,868
4	<u>2,170,453</u>	<u>2,125,804</u>	<u>2,101,175</u>	<u>2,057,455</u>

5 The Montana drug program shall be funded at 32 percent  
6 general fund and 68 percent federal funds.

7 General fund distribution by the mental health division  
8 to community mental health programs may not exceed  
9 \$3,756,453 in fiscal 1982 and \$4,147,272 in fiscal 1983.

10 These amounts include pay raises. Sixty thousand dollars of  
11 funds appropriated for community mental health programs may  
12 be used to support programs provided by the current friends  
13 to youth program for emotionally disturbed children.

14 No general fund money may be used to support the  
15 manpower or community support programs.

16 Funds authorized in item 8 may not be used to establish  
17 a women's unit at Mountain View School.

18 Item 7 contains spending authority necessary to fund  
19 the lease agreement and other related costs for the central  
20 offices of the department of institutions. When this  
21 building is purchased by the state, all appropriated funds  
22 in item 7 except \$3.02 per square foot in fiscal 1982 and  
23 \$3.09 per square foot in fiscal 1983 in proportion to the  
24 time period remaining each fiscal year shall revert.

25 Item 8 and the amount appropriated in HB 666 for Spruce

1 cottage is for the purpose of obtaining, through use of a  
2 state facility, or lease or purchase of a private facility,  
3 and the necessary renovation of such facility to house 20  
4 female offenders. This appropriation also includes the  
5 operating budget for such facility.

6 The director of the department of institutions shall  
7 attempt to find a suitable facility for the housing of  
8 female offenders prior to the special session of the  
9 legislature or February 1982, whichever comes first. If such  
10 facility is found, the office of budget and program planning  
11 and the legislative finance committee shall approve of the  
12 site and the facility.

13 The department shall give an estimate of the biennium  
14 cost for the operation of such facility to the legislative  
15 finance committee and the office of budget and program  
16 planning. If the operational costs will exceed the  
17 appropriation in item 8 plus any pay plan funds allocated  
18 for the biennium, the department, with concurrence of the  
19 legislative finance committee, shall request an  
20 appropriation to cover the excess cost from the special  
21 session of the legislature or the 1983 legislative session  
22 in the event there is no special session.

23 If a facility cannot be secured by the beginning of the  
24 special session, the department of institutions shall  
25 present to the special session of the legislature for its

1 consideration a complete detailed proposal for the site,  
 2 facility, and total cost of housing 20 female offenders for  
 3 the remainder of the 1983 biennium.

4 It is the intent of the legislature that the department  
 5 of institutions apply for the full amount of federal funds  
 6 available through the Omnibus Reconciliation Act of 1981 for  
 7 mental health programs during federal fiscal years 1982 and  
 8 1983. Any funds received by the department of institutions  
 9 may be budget amended under the provisions of House Bill  
 10 500, section 3, to maintain current level community mental  
 11 health programs. It is also the intent of the legislature  
 12 that expenditures for community mental health programs not  
 13 exceed available revenues.

14 Item 8 is a biennial appropriation.

15 Excess alcohol and drug abuse block grant funds not  
 16 appropriated by the special session of the legislature  
 17 cannot be budget amended into current level alcohol or drug  
 18 abuse programs. Any excess funds shall be available for  
 19 appropriation by the 48th legislature.

20 BOULDER RIVER SCHOOL AND HOSPITAL

21 1. General Operations

22	9,308,901	<del>1067100</del>	9,364,280	<del>1017501</del>
23		20,724		22,059

24 2. Audit

25	<u>15,000</u>	-----	-----	-----
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1	<b>Total Boulder River School and Hospital</b>			
2	9,323,901	<del>106,180</del>	9,364,280	<del>101,581</del>
3		<u>20,724</u>		<u>59,059</u>

4 **CENTER FOR THE AGED**

5	<b>1. General Operations</b>			
6	1,939,921	9,458	1,965,887	9,729
7	<b>2. Audit</b>			
8	-----	-----	<u>7,000</u>	-----

9	<b>Total Center for the Aged</b>			
10	1,939,921	9,458	1,972,887	9,729

11 The amounts of \$18,964 in fiscal 1982 and \$21,771 in  
 12 fiscal 1983 of the general fund appropriations must be used  
 13 for a fire alarm system maintenance contract or be reverted  
 14 to the general fund.

15 **EASTMONT TRAINING CENTER**

16	<b>1. General Operations</b>			
17	1,530,951	<del>48,728</del>	1,542,725	<del>49,799</del>
18		<u>36,502</u>		<u>38,923</u>
19	<b>2. Audit</b>			
20	-----	-----	<u>6,500</u>	-----

21	<b>Total Eastmont Training Center</b>			
22	1,530,951	<del>48,728</del>	1,549,225	<del>49,799</del>
23		<u>36,502</u>		<u>38,923</u>

24 **GALEN STATE HOSPITAL**

25 **1. General Operations**

1		4,405,192	1,306,988	4,366,991	1,366,719
2	2. Audit				
3		<u>12,000</u>	-----	-----	-----
4	Total Galen State Hospital				
5		4,417,192	1,306,988	4,366,991	1,366,719
6	WARM SPRINGS STATE HOSPITAL				
7	1. General Operations				
8		11,182,794	<del>180,466</del>	11,374,319	<del>190,066</del>
9			<u>166,431</u>		<u>169,659</u>
10	2. Audit				
11		-----	-----	<u>16,000</u>	-----
12	Total Warm Springs State Hospital				
13		11,182,794	<del>180,466</del>	11,390,319	<del>190,066</del>
14			<u>166,431</u>		<u>169,659</u>
15	Funds may be transferred between Warm Springs state				
16	hospital and Galen state hospital by the budget amendment				
17	process. If applicable and warranted, further consolidation				
18	may take place between the two facilities.				
19	MOUNTAIN VIEW SCHOOL				
20	1. General Operations				
21		1,310,400	<del>89,307</del>	1,316,744	<del>93,927</del>
22			<u>73,612</u>		<u>60,702</u>
23	2. Audit				
24		-----	-----	<u>8,000</u>	-----
25	Total Mountain View School				

1		1,310,400	89,387	1,324,744	93,927
2			<u>73,612</u>		<u>60,702</u>
3	<b>PINE HILLS SCHOOL</b>				
4	1. General Operations				
5		1,986,558	525,454	1,972,777	536,519
6			<u>479,940</u>		<u>460,466</u>
7	2. Audit				
8		-----	-----	<u>-11,000</u>	-----
9	Total Pine Hills School				
10		1,986,558	525,454	1,983,777	536,519
11			<u>479,940</u>		<u>460,466</u>
12	<b>MONTANA STATE PRISON</b>				
13	1. General Operations				
14		6,854,480	73,041	7,015,342	73,980
15	2. Ranch				
16			1,384,106		1,398,723
17	3. Industries				
18		143,500	193,342	78,000	295,671
19	4. Canteen				
20			250,469		250,521
21	5. License Plate Factory				
22			491,242		529,593
23	6. Audit				
24		-----	-----	<u>-11,967</u>	<u>-3,033</u>
25	Total Montana State Prison				

1		6,997,980	2,392,200	7,105,309	2,551,521
2	<b>SWAN RIVER YOUTH FOREST CAMP</b>				
3	<b>1. General Operations</b>				
4		639,110	95,773	642,792	96,080
5		<u>637,902</u>	<u>96,981</u>		
6	<b>2. Audit</b>				
7		-----	-----	<u>6,000</u>	-----
8	<b>Total Swan River Youth Forest Camp</b>				
9		639,110	95,773	648,792	96,080
10		<u>637,902</u>	<u>96,981</u>		
11	<b>VETERANS' HOME</b>				
12	<b>1. General Operations</b>				
13		486,575	714,000	470,033	727,500
14	<b>2. Audit</b>				
15		-----	-----	<u>6,000</u>	-----
16	<b>Total Veterans' Home</b>				
17		486,575	714,000	476,033	727,500
18	<b>BOARD OF PARDONS</b>				
19	<b>1. General Operations</b>				
20		100,242		102,106	
21	<b>2. Audit</b>				
22		<u>2,000</u>		-----	
23	<b>Total Board of Pardons</b>				
24		102,242		102,106	
25	<b>Personal services expenditures may not exceed the</b>				

1 following level plus pay plan appropriations or budget  
 2 amendments from unanticipated funds for each institution or  
 3 program listed.

	<u>Fiscal_1982</u>	<u>Fiscal_1983</u>
4		
5	Director's Office	226,892 226,892
6	Alcohol and Drug Abuse Division	530,438 530,438
7	Corrections Division	1,653,652 1,653,996
8	Management Services Division	697,809 686,221
9	Mental Health and Residential	
10	Services	344,378 344,378
11	Boulder River School and Hospital	7,666,835 7,666,835
12	Center for the Aged	1,491,662 1,491,662
13	Eastmont Training Center	1,311,589 1,311,589
14	Galen State Hospital	4,694,991 4,694,991
15	Mountain View School	1,155,261 1,155,498
16	Pine Hills School	2,019,866 1,975,381
17	Montana State Prison	5,062,818 5,076,689
18	Swan River Youth Forest Camp	479,892 479,989
19	Veterans' Home	882,356 882,538
20	Warm Springs State Hospital	9,266,217 9,266,217
21	Board of Pardons	80,004 80,004

22 If utilities expenditures exceed the amounts listed  
 23 below, the institution may ask for a supplemental  
 24 appropriation. If utilities do not exceed the anticipated  
 25 amounts, the difference will be reverted to the general

1	fund.	Fiscal_1982	Fiscal_1983
2			
3	Boulder River School and Hospital	484,045	542,130
4	Center for the Aged	85,125	95,340
5	Eastmont Training Center	47,989	53,748
6	Galen State Hospital	326,794	366,010
7	Mountain View School	47,911	53,660
8	Pine Hills School	114,992	126,422
9	Montana State Prison	239,486	267,766
10	Swan River Youth Forest Camp	45,253	50,683
11	Veterans' Home	91,286	102,241
12	Warm Springs State Hospital	724,971	811,968
13	Corrections Division	22,401	25,090
14	TOTAL DEPARTMENT OF INSTITUTIONS		
15		49,317,589	7,467,687
16		49,086,862	7,597,813

DEPARTMENT OF INSTITUTIONS

CENTRAL OFFICE - ALCOHOL AND DRUG ABUSE DIVISION

<u>Appropriation</u>	---Fiscal 1982---		---Fiscal 1983---	
	<u>General Fund</u>	<u>Other Funds</u>	<u>General Fund</u>	<u>Other Funds</u>
HB 500	\$194,239	\$1,348,521	\$203,871	\$1,294,514
Subcommittee				
Recommendation	<u>194,239</u>	<u>1,481,319</u>	<u>203,871</u>	<u>1,551,787</u>
Change	\$ -0-	\$ 132,798	\$ -0-	\$ 257,273
	=====	=====	=====	=====

CHANGES

1. Alcohol Grants	\$ -0-	\$ 132,798	\$ -0-	\$ 140,707
2. Block Grants	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>116,566</u>
Total Changes	\$ -0-	\$ 132,798	\$ -0-	\$ 257,273
	=====	=====	=====	=====

Change 1: Alcohol Grants

In the 1983 biennium the alcohol and drug abuse division will receive federal categorical grants in excess of those appropriated by the 47th legislature. The committee recommended that federal authority be increased by \$132,798 in fiscal 1982. The increased funding will be used to fund community alcohol programs that will experience a shortfall in service fees.

Change 2: Block Grants

Due to an anticipated shortfall in service fees of \$257,273 in fiscal 1983 the committee recommended that \$116,566 of federal block grant funds and \$140,707 of federal categorical grants be approved to maintain current level alcohol programs.

Language

In the 1983 biennium the alcohol and drug abuse division will receive approximately \$987,202 of excess federal block grant funds. It is the intent of the committee that these funds not be budget amended into current level alcohol programs but must be available for appropriation by the 48th legislative assembly.

DEPARTMENT OF INSTITUTIONS  
CENTRAL OFFICE - MANAGEMENT SERVICES DIVISION

<u>Appropriation</u>	---Fiscal 1982---		---Fiscal 1983---	
	<u>General Fund</u>	<u>Other Funds</u>	<u>General Fund</u>	<u>Other Funds</u>
HB 500 Subcommittee Recommendation	\$797,596	\$ 64,328	\$800,690	\$64,328
	<u>732,502</u>	<u>129,422</u>	<u>791,981</u>	<u>73,037</u>
Change	<u>\$(65,094)</u>	<u>\$ 65,094</u>	<u>\$ (8,709)</u>	<u>\$ 8,709</u>

CHANGES

1. Indirect Costs	<u>\$(65,094)</u>	<u>\$ 65,094</u>	<u>\$ (8,709)</u>	<u>\$ 8,709</u>
Total Changes	<u>\$(65,094)</u>	<u>\$ 65,094</u>	<u>\$ (8,709)</u>	<u>\$ 8,709</u>

Change 1: Indirect Costs

The committee recommended a general fund reduction of \$65,094 in fiscal 1982 and \$8,709 in fiscal 1983 and a proportionate increase in federal funds for the corresponding fiscal years. Indirect costs from federal categorical grants will exceed the amounts appropriated for the 1983 biennium allowing a proportionate decrease in general fund.

DEPARTMENT OF INSTITUTIONS  
CENTRAL OFFICE - MENTAL HEALTH

<u>Appropriation</u>	---Fiscal 1982---		---Fiscal 1983---	
	<u>General Fund</u>	<u>Other Funds</u>	<u>General Fund</u>	<u>Other Funds</u>
HB 500 Subcommittee Recommendation	\$3,957,049	\$535,536	\$4,352,354	\$ 540,629
	<u>3,957,049</u>	<u>464,315</u>	<u>4,352,354</u>	<u>369,234</u>
Change	\$ -0-	\$(71,221)	\$ -0-	\$(171,395)
	=====	=====	=====	=====

CHANGES

1. Community Support Project	\$ -0-	\$(154,968)	\$ -0-	\$(372,584)
2. Planning Evaluation	<u>-0-</u>	<u>83,747</u>	<u>-0-</u>	<u>201,189</u>
Total Changes	\$ -0-	\$(71,221)	\$ -0-	\$(171,395)
	=====	=====	=====	=====

Change 1: Community Support Project

The committee recommends reducing federal authority of \$154,968 in fiscal 1982 and \$372,584 in fiscal 1983 due to the termination of the community support program in fiscal 1982.

Change 2: Planning Evaluation

The department of institutions requested and the committee approved \$83,747 in fiscal 1982 and \$201,189 in fiscal 1983 of federal block grant funds to be used for a program planning and evaluation section which will perform fiscal and program compliance audits on the community mental health centers. The section will consist of two FTE and associated operating costs of \$23,747 in fiscal 1982 and \$79,370 in fiscal 1983. The remaining authority of \$60,000 in fiscal 1982 and \$121,819 in fiscal 1983 will be used for subgrants to community mental health centers to replace the loss of community support funds. Table 1 shows the expenditure breakdown.

Table 1  
Planning and Evaluation Section

	(3/1/81-6/30/81)	
	<u>Fiscal 1982</u>	<u>Fiscal 1983</u>
FTE	2.00	2.00
Personal Services	\$20,146	\$ 65,994
Supplies	380	948
Communications	1,075	4,011
Travel	1,874	6,476
Rent	239	1,826
Repairs	33	115
Subgrants	<u>60,000</u>	<u>121,819</u>
Total	\$83,747 =====	\$201,189 =====

Language

The committee recommends placing language in HB 500 to allow the department of institutions flexibility in allocation of the mental health portion of the mental health and alcohol and drug abuse block grant.

"It is the intent of the legislature that the department of institutions apply for the full amount of federal funds available through the Omnibus Reconciliation Act of 1981 for mental health programs during federal fiscal years 1982 and 1983. Any funds received by the department of institutions may be budget amended under the provisions of HB 500, section 3 to maintain current level community mental health programs. It is also the intent of the legislature that expenditure for community mental health programs not exceed available revenues."

Due to the unknown level of federal funding in the 1983 biennium the committee did not feel that expenditure levels should be established that may exceed available revenues.

DEPARTMENT OF INSTITUTIONS  
CENTRAL OFFICE - WOMEN'S CORRECTIONAL FACILITY

<u>Appropriation</u>	---Fiscal 1982---		---Fiscal 1983---	
	<u>General Fund</u>	<u>Other Funds</u>	<u>General Fund</u>	<u>Other Funds</u>
HB 500	\$ 840,000	\$-0-	\$-0-	\$-0-
Subcommittee				
Recommendation	<u>675,582</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Change	<u>\$(164,418)</u>	<u>\$-0-</u>	<u>\$-0-</u>	<u>\$-0-</u>

CHANGES

1. Women's Correctional Facility	<u>\$(164,418)</u>	<u>\$-0-</u>	<u>\$-0-</u>	<u>\$-0-</u>
Total Changes	<u>\$(164,418)</u>	<u>\$-0-</u>	<u>\$-0-</u>	<u>\$-0-</u>

Change 1: Women's Correctional Facility

In the 1981 legislative session \$840,000 of general fund was appropriated to the department of institutions for a women's correctional facility. Language in HB 500, the general appropriation act of 1981, required the director of the department of institutions to find a suitable facility for the housing of female offenders prior to the special session of the legislature or February 1982. If such a facility was found, the office of budget and program planning and the legislative finance committee must approve the site location and an estimated budget to operate the facility.

On September 25, 1981, the department of institutions submitted a proposal for a women's correctional facility to be located at Warm Springs state hospital to the legislative finance committee. The legislative finance committee approved the site selection.

On November 11, 1981, the senate finance and claims and house appropriations subcommittee was told by the department of institutions that

the proposed budget would have to be modified due to an anticipated occupancy date of April 1, 1982, instead of January 1, 1982. The department recommended a biennial budget of \$569,577 as shown in table 1.

Table 1  
Recommended Budget for Women's Correctional Facility  
at Warm Springs Fiscal Years 1982 and 1983

	FY '82 41/1/82 through 6/30/82	FY '83
FTE	13.10	13.10
Personal Services	\$ 80,087	\$251,796
Contracted Services	13,246	48,158
Supplies and Materials	14,992	41,631
Communications	2,233	3,786
Travel	2,627	10,750
Rent	222	1,191
Utilities	1,914	8,581
Repairs	7,423	1,633
Other Expenses	9,186	32,523
Equipment	<u>37,598</u>	<u>-0-</u>
Total	\$169,528 =====	\$400,049 =====

Excluding the Billings' life skills center the department of institutions requested \$871,824 compared to an authorized budget of \$1,036,242 leaving excess general fund authority of \$164,418 as shown in table 2.

Table 2  
Comparison of Requested Funding to  
Authorized Funding for Women Offenders

	<u>Requested</u>	<u>Authorized</u>	<u>Difference</u>
Women's Correctional Facility			
4/1/82-6/30/83	\$569,577	\$ 840,000	\$270,423
Capital Construction	161,364	67,800	(93,564)
West Virginia (FY83)	17,849	17,849	-0-
California (FY83)	20,440	-0-	(20,440)
County Jails (FY83)	8,592	17,184	8,592
Nevada (FY83)	-0-	76,650	76,650
Miscellaneous	2,022	16,809	14,787
Contingency Fund			
In-State	46,948	-0-	(46,948)
Contingency Fund			
Out-of-State	<u>45,082</u>	<u>-0-</u>	<u>(45,082)</u>
Total	<u>\$871,874</u>	<u>\$1,036,292</u>	<u>\$164,418</u>

The in-state contingency fund of \$46,948 would be used if the population of the correctional facility exceed 20 inmates.

The out-of-state contingency fund could be used if more than two female offenders were required, due to security reasons, to be placed outside the state of Montana.

The subcommittee approved the request of the department of institutions and recommended that the excess general fund of \$164,418 be reduced from the women's correctional facility budget.

BOULDER RIVER SCHOOL AND HOSPITAL

<u>Appropriation</u>	---Fiscal 1982---		---Fiscal 1983---	
	<u>General Fund</u>	<u>Other Funds</u>	<u>General Fund</u>	<u>Other Funds</u>
HB 500 Subcommittee Recommendation	\$9,323,901	\$106,180	\$9,364,280	\$101,581
	<u>9,323,901</u>	<u>90,724</u>	<u>9,364,280</u>	<u>59,059</u>
Change	\$ -0- =====	\$(15,456) =====	\$ -0- =====	\$(42,522) =====

CHANGES

1. ESEA Title I	\$ -0- =====	\$(15,456) =====	\$ -0- =====	\$(42,522) =====
Total Changes	\$ -0- =====	\$(15,456) =====	\$ -0- =====	\$(42,522) =====

Change 1: ESEA Title 1

Boulder River school was authorized \$69,147 in fiscal 1982 and \$69,606 in fiscal 1983 of ESEA Title I authority. The office of superintendent of public instruction has notified Boulder that the actual amount of the Title I grant will be \$53,691 for fiscal 1982 and approximately \$27,084 in fiscal 1983. The committee reduced federal authority by \$15,456 in fiscal 1982 and \$42,522 in fiscal 1983 due to the reduced funding of the Title I program.

EASTMONT TRAINING CENTER

<u>Appropriation</u>	---Fiscal 1982---		---Fiscal 1983---	
	<u>General Fund</u>	<u>Other Funds</u>	<u>General Fund</u>	<u>Other Funds</u>
HB 500 Subcommittee Recommendation	\$1,530,951	\$ 48,728	\$1,549,225	\$ 49,799
	<u>1,530,951</u>	<u>36,502</u>	<u>1,549,225</u>	<u>38,923</u>
Change	\$ -0- =====	\$(12,226) =====	\$ -0- =====	\$(10,876) =====

CHANGES

1. ESEA Title I	\$ -0- =====	\$(12,226) =====	\$ -0- =====	\$(10,876) =====
Total Changes	\$ -0- =====	\$(12,226) =====	\$ -0- =====	\$(10,876) =====

Change 1: ESEA Title I

Eastmont was authorized \$44,108 in fiscal 1982 and \$45,624 in fiscal 1983 of ESEA Title I authority. The office of superintendent of public instruction has notified Eastmont that the actual amount of the Title I grant will be \$31,882 for fiscal 1982 and approximately \$34,748 in fiscal 1983. The committee reduced federal authority of \$12,226 in fiscal 1982 and \$10,876 in fiscal 1983 due to the reduced funding of the Title I programs.

WARM SPRINGS STATE HOSPITAL

<u>Appropriation</u>	---Fiscal 1982---		---Fiscal 1983---	
	<u>General Fund</u>	<u>Other Funds</u>	<u>General Fund</u>	<u>Other Funds</u>
HB 500	\$11,182,794	\$180,466	\$11,374,319	\$190,066
Subcommittee				
Recommendation	<u>11,182,794</u>	<u>166,431</u>	<u>11,374,319</u>	<u>169,659</u>
Change	\$ <u>-0-</u>	\$ <u>(14,035)</u>	\$ <u>-0-</u>	\$ <u>(20,407)</u>

CHANGES

1. ESEA Title I	\$ <u>-0-</u>	\$ <u>(14,035)</u>	\$ <u>-0-</u>	\$ <u>(20,407)</u>
Total Changes	\$ <u>-0-</u>	\$ <u>(14,035)</u>	\$ <u>-0-</u>	\$ <u>(20,407)</u>

Change 1: ESEA Title 1

Warm Springs was authorized \$32,016 in fiscal 1982 and \$32,016 in fiscal 1983 of ESEA Title I authority. The office of superintendent of public instruction has notified Warm Springs that the actual amount of the Title I grant will be \$17,981 for fiscal 1982 and approximately \$11,609 in fiscal 1983. The committee reduced federal authority of \$14,035 in fiscal 1982 and \$20,407 in fiscal 1983 due to the reduced funding of the Title I programs.

MOUNTAIN VIEW SCHOOL

<u>Appropriation</u>	---Fiscal 1982---		---Fiscal 1983---	
	<u>General Fund</u>	<u>Other Funds</u>	<u>General Fund</u>	<u>Other Funds</u>
HB 500	\$1,310,400	\$ 89,307	\$1,324,744	\$ 93,927
Subcommittee				
Recommendation	<u>1,310,400</u>	<u>73,612</u>	<u>1,324,744</u>	<u>60,702</u>
Change	\$ -0- =====	\$(15,695) =====	\$ -0- =====	\$(33,225) =====

CHANGES

1. ESEA Title I	\$ -0- =====	\$(15,695) =====	\$ -0- =====	\$(33,225) =====
Total Changes	\$ -0- =====	\$(15,695) =====	\$ -0- =====	\$(33,225) =====

Change 1: ESEA Title I

Mountain View was authorized \$51,307 in fiscal 1982 and \$55,927 in fiscal 1983 of ESEA Title I authority. The office of superintendent of public instruction has notified Mountain View that the actual amount of the Title I grant will be \$35,612 for fiscal 1982 and approximately \$22,702 in fiscal 1983. The committee reduced federal authority of \$15,695 in fiscal 1982 and \$33,225 in fiscal 1983 due to the reduced funding of the Title I programs.

SWAN RIVER YOUTH FOREST CAMP

<u>Appropriation</u>	---Fiscal 1982---		---Fiscal 1983---	
	<u>General Fund</u>	<u>Other Funds</u>	<u>General Fund</u>	<u>Other Funds</u>
HB 500 Subcommittee Recommendation	\$639,110	\$95,773	\$642,792	\$96,080
	<u>637,902</u>	<u>96,981</u>	<u>642,792</u>	<u>96,080</u>
Change	<u>\$ (1,208)</u>	<u>\$ 1,208</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

CHANGES

1. ESEA Title I	<u>\$ (1,208)</u>	<u>\$ 1,208</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
Total Changes	<u>\$ (1,208)</u>	<u>\$ 1,208</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

Change 1: ESEA Title I

In fiscal 1982 Swan River was authorized \$9,271 of ESEA Title I funding for supplementary educational services. The office of superintendent of public instruction notified Swan River that the Title I grant will be awarded in the amount of \$10,479 or an increase of \$1,208 for fiscal 1982. Swan River requested, and the committee approved a reduction of general fund authority by \$1,208 and an increase in other appropriated funds of \$1,208.

PINE HILLS SCHOOL

<u>Appropriation</u>	---Fiscal 1982---		---Fiscal 1983---	
	<u>General Fund</u>	<u>Other Funds</u>	<u>General Fund</u>	<u>Other Funds</u>
HB 500 Subcommittee Recommendation	\$1,986,558	\$525,454	\$1,983,777	\$536,519
	<u>1,986,558</u>	<u>479,940</u>	<u>1,983,777</u>	<u>460,466</u>
Change	\$ -0- =====	\$(45,514) =====	\$ -0- =====	\$(76,053) =====

CHANGES

1. ESEA Title I	\$ -0- =====	\$(45,514) =====	\$ -0- =====	\$(76,053) =====
Total Changes	\$ -0- =====	\$(45,514) =====	\$ -0- =====	\$(76,053) =====

Change 1: ESEA Title I

Pine Hills school was authorized \$120,087 in fiscal 1982 and \$131,152 in fiscal 1983 of ESEA Title I authority. The office of superintendent of public instruction has notified Pine Hills that the actual amount of the Title I grant will be \$74,573 for fiscal 1982 and approximately \$55,099 in fiscal 1983. The committee reduced federal authority of \$45,514 in fiscal 1982 and \$76,053 in fiscal 1983 due to the reduced funding of the Title I programs.

## **E. OTHER EDUCATION**



1	<u>688,614</u>	<u>750,589</u>
2	Total Public School Support	
3	24,443,535	26,598,453

4           Item 1 is for foundation and permissive support of the  
5 maximum-budget-without-a-vote for special education.

6           Item 2 is for emergencies that may arise in special  
7 education programs at local districts. A district's board of  
8 trustees may apply for an allocation from these funds by  
9 presenting to the superintendent of public instruction a  
10 child-study team report and an individual educational plan  
11 for each child relating to this unforeseen expense and a  
12 current listing of programs, case loads, and related costs.  
13 The appropriation in item 2 is for the biennium and the  
14 specific amounts may be transferred between fiscal years.

15           Item 3 is for purchase of audiological services by the  
16 office of public instruction. These amounts may not be  
17 transferred between fiscal years. Any unused amounts revert  
18 at the end of the fiscal year.

19           Notwithstanding other provisions of law, the  
20 superintendent may not approve a  
21 maximum-budget-without-a-vote for special education which,  
22 in the aggregate, exceeds \$51,041,988 in the 1983 biennium.

23           Federal funds to support special education programs in  
24 excess of \$5,110,000 during the 1983 biennium shall be  
25 placed in a reserve fund and not spent until appropriated by

1 the 1983 legislature.

2 SUPERINTENDENT OF PUBLIC INSTRUCTION,

3 VOCATIONAL-TECHNICAL CENTERS

4 1. Billings Center

5 a. Personal Services

6 434,969 490,694 487,031 521,942

7 b. Operating Expenses

8 133,475 166,368 194,230 208,152

9 c. Equipment

10 6,288 7,196 6,454 7,030

11 d. Audit Costs

12 14,000

13 2. Butte Center

14 a. Personal Services

15 588,475 304,643 663,762 327,519

16 b. Operating Expenses

17 76,437 46,300 119,901 59,162

18 c. Equipment

19 14,637 7,513 14,833 7,317

20 d. Audit Costs

21 13,000

22 3. Great Falls Center

23 a. Personal Services

24 539,848 360,799 602,669 379,037

25 b. Operating Expenses

1		128,719	86,028	176,418	119,759
2	c. Equipment				
3		23,449	15,751	31,182	18,718
4	d. Audit Costs				
5				14,000	
6	4. Helena Center				
7	a. Personal Services				
8		898,055	429,643	990,168	457,023
9	b. Operating Expenses				
10		254,922	121,958	347,259	167,205
11	c. Equipment				
12		38,958	18,642	44,438	20,412
13	d. Audit Costs				
14				15,000	
15	5. Missoula Center				
16	a. Personal Services				
17		917,631	526,547	997,856	576,298
18	b. Operating Expenses				
19		217,738	133,548	283,644	163,814
20	c. Equipment				
21		56,276	32,194	32,102	18,613
22	d. Audit Costs				
23		15,000			
24	6. Office of Budget and Program Planning				
25	CETA Contingency Funds				

1	<u>44,000</u>	-----	-----	-----
2	Total Vocational-Technical Centers			
3	4,415,877	2,747,824	5,020,947	3,052,001

4 The superintendent of public instruction may transfer  
 5 funds between personal services, operations, and equipment  
 6 within each vocational-education center or between  
 7 vocational-education centers. The intent of the legislature  
 8 is that these appropriated funds not provide for salary  
 9 increases at the vocational-education centers above the  
 10 state pay plan for fiscal years 1982 and 1983.

11 Receipt of state funds appropriated to the five  
 12 technical centers is contingent upon each county in which  
 13 the center resides levying 1.5 mills each fiscal year.  
 14 Millage received by the centers from the 1.5 mill levy over  
 15 \$765,101 in fiscal 1982 and \$804,733 in fiscal 1983 will  
 16 revert a like amount to the general fund each year.

17 Other appropriated funds for the vocational-technical  
 18 centers in fiscal 1983 include \$843,682 of federal  
 19 vocational education funds and \$1,403,586 of student tuition  
 20 funds. Student tuition funds are based on an in-state  
 21 tuition rate of \$180 per quarter for a full-time student. If  
 22 total federal vocational education funds granted to Montana  
 23 for fiscal 1983 exceed \$2,086,590, the office of public  
 24 instruction shall to the maximum extent allowable by federal  
 25 law make the additional funds available to the

1 vocational-technical centers. The centers shall use these  
 2 funds to reduce tuition charged.

3 Item 6 is to be distributed to the Billings center if  
 4 CETA funds are not available to the center in fiscal 1982.

5 OFFICE OF PUBLIC INSTRUCTION

6 1. Office of Public Instruction

7	1,566,750	3,209,704	<del>1,577,885</del>	<del>3,286,848</del>
8			<u>1,689,943</u>	<u>2,687,643</u>

9 2. Audit Costs

10			50,000	
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11 3. School Transportation

12	4,724,445		5,019,250	
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13 4. School Lunch

14	731,494		807,449	
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15 5. Adult Education

16	121,881		132,851	
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17 6. Secondary Vocational Education

18	1,500,000			
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19 7. Building Space

20	116,827	<del>10,740</del>	130,662	<del>7,911</del>
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21 Total Office of Public Instruction

22	8,761,467	3,220,444	<del>7,718,817</del>	<del>3,293,951</del>
23			<u>7,830,155</u>	<u>2,695,554</u>

24 Other appropriated funds in item 1 contain \$369,182 in  
 25 fiscal 1982 and ~~\$374,735~~ \$302,327 in fiscal 1983 for

1 internal transfers of indirect costs. General fund money  
 2 shall revert in the amount indirect costs in excess of these  
 3 amounts are recovered.

4 The office of public instruction shall revert general  
 5 fund to the extent that the education block grant allocation  
 6 for state administration plus available carry-over funds  
 7 exceed \$645,641 in fiscal 1983.

8 Item 6 is for the biennium.

9 Item 7 contains the spending authority necessary to  
 10 fund the lease agreement and other related costs of the  
 11 office of public instruction building at 1300 Eleventh  
 12 Avenue. When this building is purchased by the state, all  
 13 appropriated funds in item 7 except \$3.02 per square foot in  
 14 fiscal 1982 and \$3.09 per square foot in fiscal 1983 in  
 15 proportion to the time period remaining each fiscal year  
 16 shall revert.

17 All revenues received in the state traffic education  
 18 account under provisions of 20-7-504 are appropriated to be  
 19 distributed as provided in 20-7-506.

20 **ADVISORY COUNCIL FOR VOCATIONAL EDUCATION**

21 **1. General Operations**

	92,000	94,000
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23 **2. Audit**

	<u>2,000</u>	-----
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25 **Total Advisory Council for Vocational Education**

1		94,000		94,000
2	STATE LIBRARY			
3	1. General Operations			
4		332,472	759,794	417,771
5	2. Administration Program - Moving Costs			
6		20,000		
7	3. Library Networking Operations			
8		77,300		73,549
9	4. Audit			
10		<u>3,300</u>	<u>2,700</u>	<u>          </u>
11	Total State Library			
12		355,772	839,794	417,771
13	Item 2 is for the biennium ending June 30, 1983.			
14	Item 3 consists of earmarked funds generated under			
15	15-35-108(2)(i). These funds are appropriated for networking			
16	operations at the state library. All other funds generated			
17	pursuant to this section shall be distributed to the library			
18	federations.			
19	MONTANA HISTORICAL SOCIETY			
20	1. Administration, Library, Archives, and Museum Programs			
21		613,113	100,800	619,701
22	2. Historic Sites Program			
23		56,422	56,423	57,630
24	3. Publications Program			
25		35,162	123,944	36,827
				129,812

1	4. Merchandising Program				
2		284,337		287,515	
3	5. Audit				
4		<u>2,899</u>	<u>2,101</u>	<u>8,728</u>	<u>6,272</u>
5	Total Montana Historical Society				
6		707,596	567,605	722,886	582,029
7	Item 4 contains \$20,000 in fiscal year 1982 and \$20,000				
8	in fiscal year 1983 for internal transfers of profits				
9	generated by the merchandising program.				
10	MONTANA ARTS COUNCIL				
11	1. General Operations				
12		76,222	222,270	81,719	230,628
13	2. Local Community Grants				
14		20,275		20,275	
15	3. Audit				
16		<u>3,500</u>	<u>3,500</u>	-----	-----
17	Total Montana Arts Council				
18		99,997	225,770	101,994	230,628
19	SCHOOL FOR THE DEAF AND BLIND				
20	1. General Operations				
21		<del>1,486,843</del>	<del>510,988</del>	<del>1,540,847</del>	<del>514,247</del>
22		<u>1,458,843</u>	<u>497,079</u>	<u>1,549,525</u>	<u>455,569</u>
23	2. Audit				
24		<u>15,000</u>	-----	-----	-----
25	Total School for the Deaf and Blind				

1                    1,501,843        510,988    1,540,847        514,247

2                    1,473,843        497,079    1,549,525        455,569

3                    Expenditures of interest and income revenue may not  
 4                    exceed \$156,571 in fiscal 1982 and \$158,675 in fiscal 1983.

5                    TOTAL OTHER EDUCATION

6                    40,543,669        8,206,425    42,373,341        8,649,650

7                    40,515,669        8,192,516    42,494,157        7,992,575

OFFICE OF PUBLIC INSTRUCTION

<u>Appropriation</u>	---Fiscal 1982---		---Fiscal 1983---	
	<u>General Fund</u>	<u>Other Funds</u>	<u>General Fund</u>	<u>Other Funds</u>
HB 500 Subcommittee Recommendation	\$8,761,467	\$3,220,444	\$7,718,017	\$3,293,951
	<u>8,761,467</u>	<u>3,220,444</u>	<u>7,830,155</u>	<u>2,695,554</u>
Change	\$ -0- =====	\$ -0- =====	\$ 112,138 =====	\$ (598,397) =====
CHANGES				
1. Block Grant Admin.	\$ -0-	\$ -0-	\$ 52,214	\$ (538,473)
2. Vo-Ed. Administration	<u>-0-</u>	<u>-0-</u>	<u>59,924</u>	<u>(59,924)</u>
Total Changes	\$ -0- =====	\$ -0- =====	\$ 112,138 =====	\$ (598,397) =====

The office of public instruction has three changes to its budget. The subcommittee recommendation result in an increase in general fund authority of \$112,138, a reduction of federal spending authority of \$598,387, and a reduction of 9.65 FTE. The third change raises student tuition to replace lost federal funds in the vo-tech centers.

Change 1: Block Grant Administration

The subcommittee recommends \$52,214 to offset reductions in federal funds. The additional general fund will be used along with anticipated block grant funds of \$487,754 and carry-over funds of \$157,887 to finance administrative and support functions in the office of public instruction. The recommended level of funding reflects reductions in federally funded programs. The office of public instruction has said they will eliminate 9.65 FTE.

Change 2: OPI Vocational Education Administration

The subcommittee recommends \$59,924 to replace federal vocational education funds at the office of public instruction. This amount will continue vocational education administration at the level appropriated in the regular session.

Vocational Technical Centers

The subcommittee recommends replacing an anticipated shortfall in federal funds in fiscal 1983 of \$464,318 with increased student tuition charges. In order to raise the needed funds tuition rates for a full-time resident student would rise to \$180 per quarter from the fiscal 1983 scheduled \$120 per quarter. Language inserted requires the office of public instruction to use any federal funds that are received in fiscal 1983 above their current estimate of \$2,086,590 for the tech centers to avoid the increase in tuition.

SCHOOL FOR THE DEAF AND BLIND

<u>Appropriation</u>	---Fiscal 1982---		---Fiscal 1983---	
	<u>General Fund</u>	<u>Other Funds</u>	<u>General Fund</u>	<u>Other Funds</u>
HB 500 Subcommittee Recommendation	\$1,501,843	\$510,988	\$1,540,874	\$514,247
	<u>1,473,843</u>	<u>497,079</u>	<u>1,549,525</u>	<u>455,569</u>
Change	\$ (28,000)	\$(13,909)	\$ 8,678	\$(58,678)
	=====	=====	=====	=====

CHANGES

1. Career Education	\$ 17,000	\$(13,909)	\$ 18,000	\$(18,000)
2. Vocational Education	-0-	-0-	31,766	(31,766)
3. Title I	-0-	-0-	8,912	(8,912)
4. Savings	<u>(45,000)</u>	<u>-0-</u>	<u>(50,000)</u>	<u>-0-</u>
Total Changes	\$ (28,000)	\$(13,909)	\$ 8,678	\$(58,678)
	=====	=====	=====	=====

The school for the deaf and blind has three changes to their budget. The subcommittee recommends funding the changes with savings from an eliminated position and Title 1 carry-over funds. The subcommittee recommendations result in a net general fund reversion of \$19,322 and a reduction in federal spending authority of \$72,587.

Change 1: Career Education

The subcommittee recommends general fund support of \$17,000 in fiscal 1982 and \$18,000 in fiscal 1983 for the career education program at the school for the deaf and blind. The career education program provides counseling and work-study opportunities to approximately 20-30 students at the school. The program is staffed by one FTE and was previously funded with funds available under the comprehensive employment training act (CETA).

Change 2: Vocational Education

The subcommittee recommends general fund support of \$31,766 in fiscal 1983 for the special needs vocational education program. The program provides vocational education opportunities to approximately 11 students who cannot immediately be main-streamed into the schools interpreter-tutor program. The program is staffed by two FTE teachers and has received federal funding for fiscal 1982. The program is funded on a competitive basis and continued support in fiscal 1983 is uncertain.

Change 3: Title I

The school for the deaf and blind has experienced a \$6,313 reduction in Title I funds for fiscal 1982 and anticipated further reductions totalling \$26,217 in fiscal 1983. Title I funds are used to support a variety of direct services and support functions at the school for the deaf and blind.

Eleven positions funded by Title I are:

- |                                    |                        |
|------------------------------------|------------------------|
| (2) Behavior Counselors            | (1) Psychologist       |
| (1) Physical Recreation Specialist | (1) Library Clerk      |
| (1) Braillist                      | (2) Clerk/Typist       |
| (1) Itinerant Resource Consultant  | (1) Physical Therapist |
| (1) Audiologist                    |                        |

The subcommittee recommends that Title I carry-over funds of \$23,618 and \$8,912 of general fund authority be used to offset reductions in Title I funding. The subcommittee recommendations maintain current level services.

Change 4: Savings

The school for the deaf and blind has a general fund savings of approximately \$45,000 in fiscal 1982 and \$50,000 in fiscal 1983. The savings was generated by the elimination of the assistant superintendent

position, and the retirement of the former superintendent. The subcommittee appropriated \$75,678 of the savings to fund programs affected by federal reductions. The remainder of the savings, \$19,322 will revert to the general fund.

## **F. HIGHER EDUCATION**

## 1 F. HIGHER EDUCATION

2 For units of the university system other than the  
3 office of the commissioner of higher education, the  
4 appropriations made under the column heading "Other  
5 Appropriated Funds" are from funds within current  
6 unrestricted funds unless otherwise indicated.

7 All funds, other than plant funds and those  
8 specifically appropriated herein, may be spent and are  
9 appropriated contingent upon approval by the board of  
10 regents by July 1 of each year of a comprehensive program  
11 budget containing a detail of revenues and expenditures and  
12 anticipated fund balances of current funds, loan funds, and  
13 endowment funds. All movement of funds between the current  
14 unrestricted subfund and the designated subfund accounting  
15 entities shall be clearly identified in the state budgeting  
16 and accounting system.

17 Programs for the university budgets include  
18 instruction, organized research, public service, academic  
19 support, student services, institutional support, and  
20 operation and maintenance of plant.

21 Included within other appropriated funds to the six  
22 institutions is the sum of \$12,488,450 in fiscal year 1982  
23 and \$13,579,452 in fiscal year 1983 from revenues generated  
24 under the provisions of House Bill 191, 46th legislature.

25 The amounts shown for critical area faculty salary

1 adjustments are appropriated to the colleges and  
 2 universities contingent upon approval by the board of  
 3 regents of a salary distribution plan or negotiated  
 4 agreement for each campus. It is the legislature's intent  
 5 that the critical area faculty salary adjustment funds be  
 6 expended in those academic disciplines where difficulty is  
 7 experienced recruiting or retaining faculty due to external  
 8 market conditions.

	Fiscal Year 1982		Fiscal Year 1983	
	Other		Other	
	General	Appropriated	General	Appropriated
	Fund	Funds	Fund	Funds
13 BOARD OF REGENTS				
14	23,029		25,104	
15 COMMISSIONER OF HIGHER EDUCATION				
16 1. Office Administration				
17	624,554	267,705	633,221	277,458
18		242,310		0
19 2. WAMI				
20	1,491,997		1,625,272	
21 3. WICHE - Student Assistance				
22	627,100	911,000	500,800	1,143,000
23 4. WICHE - Administrative Dues				
24	46,300		50,000	
25 5. University of Minnesota - Rural Dentistry				

1		153,600		168,000	
2	6. SSIG				
3		175,000	211,592	175,000	211,592
4	7. NDSL				
5		100,000		100,000	
6	8. Audit				
7		<u>6,000</u>	<u>-----</u>	<u>-----</u>	<u>-----</u>
8	Total Commissioner of Higher Education				
9		3,224,551	<del>1,149,297</del>	3,252,293	<del>1,382,050</del>
10			<u>1,146,902</u>		<u>1,354,592</u>
11	COMMUNITY COLLEGES				
12	1. Miles Community College				
13		779,222		819,247	
14	2. Dawson Community College				
15		587,208		639,498	
16	3. Flathead Valley Community College				
17		<u>1,127,029</u>		<u>1,185,178</u>	
18	Total Community Colleges				
19		2,493,459		2,643,923	

20 The above appropriation provides 53 percent of the  
 21 total unrestricted budgets for the community colleges that  
 22 shall be approved by the board of regents.

23 The general fund appropriation for each community  
 24 college includes 53 percent of the total audit cost. The  
 25 remaining audit costs shall be paid from local funds. Audit

1 costs are not to exceed \$17,000 for each unit for the  
 2 biennium.

3 BUREAU OF MINES

4 1,210,783 141,600 1,228,570 155,800

5 AGRICULTURAL EXPERIMENT STATION

6 1. Agricultural Experiment Station

7 4,448,576 2,275,276 4,570,687 2,359,167

8 2. United States Range Station

9 ----- 901,926 ----- 927,288

10 Total Agricultural Experiment Station

11 4,448,576 3,177,202 4,570,687 3,286,455

12 COOPERATIVE EXTENSION SERVICE

13 1,644,433 1,631,270 1,607,040 1,755,623

14 FORESTRY AND CONSERVATION EXPERIMENT STATION

15 500,773 594,407

16 MONTANA STATE UNIVERSITY

17 1. Instruction

18 10,754,709 7,587,801 10,587,516 7,793,104

19 2. Critical Area Faculty Salary Adjustment

20 186,191 128,809 198,595 143,405

21 3. Organized Research

22 412,098 285,092 419,429 302,870

23 4. Public Service

24 5,159 3,569 5,017 3,623

25 5. Academic Support, Student Services, and Institutional

1	Support				
2		5,580,112	3,860,358	6,003,155	4,334,873
3	6. Operation and Maintenance of Plant				
4		2,174,812	1,504,549	2,285,575	1,650,411
5	7. Scholarships and Fellowships				
6		392,782	271,729	431,975	311,929
7	8. Audit Costs				
8		<u>18,840</u>	<u>13,035</u>	<u>6,170</u>	<u>4,455</u>
9	Total Montana State University				
10		19,524,703	13,654,942	19,937,432	14,544,670
11	Total audit costs are estimated to be \$85,000 for the				
12	biennium. Fifty percent of those costs are to be paid from				
13	funds other than those appropriated by the legislature.				
14	UNIVERSITY OF MONTANA				
15	1. Instruction				
16		8,773,903	5,460,204	8,732,602	5,692,301
17	2. Critical Area Faculty Salary Adjustment				
18		152,343	92,657	162,479	103,521
19	3. Organized Research				
20		220,080	133,856	222,794	141,951
21	4. Public Service				
22		100,589	61,180	102,605	65,373
23	5. Academic Support, Student Services, and Institutional				
24	Support				
25		4,899,936	2,980,227	5,180,245	3,300,525

1	6. Operation and Maintenance of Plant				
2		2,370,108	1,441,542	2,507,881	1,597,864
3	7. Scholarships and Fellowships				
4		394,307	239,825	416,972	265,669
5	8. Audit Costs				
6		<u>19,820</u>	<u>12,055</u>	<u>6,490</u>	<u>4,135</u>
7	Total University of Montana				
8		16,931,086	10,421,546	17,332,068	11,171,339
9	Total audit costs are estimated to be \$85,000 for the				
10	biennium. Fifty percent of those costs are to be paid from				
11	funds other than those appropriated by the legislature.				
12	EASTERN MONTANA COLLEGE				
13	1. Instruction				
14		2,876,473	1,585,378	2,754,541	1,727,227
15	2. Critical Area Faculty Salary Adjustments				
16		43,158	22,842	44,940	27,060
17	3. Public Service				
18		22,797	12,065	22,155	13,340
19	4. Academic Support, Student Services, and Institutional				
20	Support				
21		2,201,727	1,165,294	1,984,834	1,195,140
22	5. Operation and Maintenance of Plant				
23		1,039,378	550,105	1,049,692	632,058
24	6. Scholarships and Fellowships				
25		130,359	68,994	125,640	75,652

1	7. Audit Costs				
2		<u>7,283</u>	<u>3,855</u>	<u>14,114</u>	<u>8,498</u>
3	Total Eastern Montana College				
4		6,321,175	3,408,533	5,995,916	3,678,975
5	Total audit costs are estimated to be \$45,000 for the				
6	biennium. Twenty-five percent of those costs are to be paid				
7	from funds other than those appropriated by the legislature.				
8	NORTHERN MONTANA COLLEGE				
9	1. Instruction				
10		1,784,498	757,333	1,767,099	816,710
11	2. Critical Area Faculty Salary Adjustment				
12		11,359	4,641	12,107	5,393
13	3. Public Service				
14		6,376	2,605	6,388	2,845
15	4. Academic Support, Student Services, and Institutional				
16	Support				
17		877,010	358,345	943,010	420,070
18	5. Operation and Maintenance of Plant				
19		440,490	179,984	451,192	200,986
20	6. Scholarships and Fellowships				
21		86,263	35,247	82,950	36,950
22	7. Audit Costs				
23		<u>13,977</u>	<u>5,711</u>	<u>4,539</u>	<u>2,023</u>
24	Total Northern Montana College				
25		3,219,973	1,343,866	3,267,285	1,484,977

1 Total audit costs are estimated to be \$35,000 for the  
 2 biennium. Twenty-five percent of those costs are to be paid  
 3 from funds other than those appropriated by the legislature.

4 WESTERN MONTANA COLLEGE

5 1. Instruction

6 730,977 369,544 720,410 388,313

7 2. Critical Area Faculty Salary Adjustment

8 5,413 2,587 5,960 3,040

9 3. Academic Support, Student Services, and Institutional  
 10 Support

11 645,051 308,224 676,244 344,918

12 4. Operation and Maintenance of Plant

13 343,219 164,000 354,136 180,628

14 5. Scholarships and Fellowships

15 32,118 15,347 33,035 16,850

16 6. Audit Costs

17 4,440 2,122 13,038 6,650

18 Total Western Montana College

19 1,761,218 861,824 1,802,823 940,399

20 Total audit costs are estimated to be \$35,000 for the  
 21 biennium. Twenty-five percent of those costs are to be paid  
 22 from funds other than those appropriated by the legislature.

23 MONTANA COLLEGE OF MINERAL SCIENCE AND TECHNOLOGY

24 1. Instruction

25 1,648,006 1,096,383 1,695,835 1,127,568

1	<b>2. Critical Area Faculty Salary Adjustment</b>			
2	104,903	69,212	112,992	74,514
3	<b>3. Organized Research</b>			
4	23,912	15,776	26,265	17,321
5	<b>4. Academic Support, Student Services, and Institutional</b>			
6	<b>Support</b>			
7	906,491	598,075	1,156,466	762,650
8	<b>5. Operation and Maintenance of Plant</b>			
9	631,925	416,925	673,885	444,405
10	<b>6. Scholarships and Fellowships</b>			
11	100,090	66,037	104,423	68,863
12	<b>7. Audit Costs</b>			
13	<u>10,168</u>	<u>6,707</u>	<u>10,169</u>	<u>6,706</u>
14	<b>Total Montana College of Mineral Science and Technology</b>			
15	3,425,495	2,269,115	3,780,035	2,502,027
16	Total audit costs are estimated to be \$45,000 for the			
17	biennium. Twenty-five percent of those costs are to be paid			
18	from funds other than those appropriated by the legislature.			
19	Funds appropriated to the colleges and universities in			
20	all items except audit costs and critical area faculty			
21	salary adjustments may be transferred between items within a			
22	fiscal year through budget amendment approved by the board			
23	of regents.			
24	<b>TOTAL HIGHER EDUCATION</b>			
25	64,729,254	38,059,195	66,037,583	40,902,315



COMMISSIONER OF HIGHER EDUCATION

<u>Appropriation</u>	<u>---Fiscal 1982---</u>		<u>---Fiscal 1983---</u>	
	<u>General Fund</u>	<u>Other Funds</u>	<u>General Fund</u>	<u>Other Funds</u>
HB 500 Subcommittee Recommendation	\$3,224,551	\$1,149,297	\$3,252,293	\$1,382,050
	<u>3,224,551</u>	<u>1,146,902</u>	<u>3,252,293</u>	<u>1,354,592</u>
Change	\$ -0- =====	\$ (2,395) =====	\$ -0- =====	\$ (27,458) =====

CHANGES

1. Federal Administrative Funds	\$ -0- =====	\$ (2,395) =====	\$ -0- =====	\$ (27,458) =====
Total Changes	\$ -0- =====	\$ (2,395) =====	\$ -0- =====	\$ (27,458) =====

The subcommittee recommendation reduces federal spending authority \$2,395 in fiscal 1982 and \$27,458 in fiscal 1983. These federal funds were used for several special projects relating to long range planning for the university system. The commissioner's office submitted no request for replacement of these funds.

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