

House Appropriations Committee  
Second Special Session of the  
47th Legislature  
June 22, 1982

EXECUTIVE SESSION HB 2:

The meeting of the House Appropriations Committee was called to order by Vice-Chairman Jack Moore at 1:50 p.m. in room 104, June 22, 1982. All members were present except Representative Gene Donaldson who was excused.

Board of Pardons/General Operations

Representative Bardanouve said that there must be some reason that the legislature took away the .5 FTE last session.

Representative Quilici and Moore expressed concern that \$6,800 is not very much money to buy a car. Rep. Quilici said that they should get enough money to buy a bigger car that could have security measures installed.

Representative Bengtson asked Mr. Risley how they would cooperate with the board in the transfer of prisoners.

Mr. Risley said that he had discussed this with the board and they have agreed to transfer prisoners to and from the centers and Swan River Youth Camp.

Mrs. Rippingale said that the fiscal analyst office feels it would be just as economical to fund a new car as it is to reimburse the employee for use of his own car.

Representative Bardanouve made a motion to approve the \$6,800 for equipment (car). A voice vote was taken and carried unanimously.

Representative Quilici made a motion to allow the requested .5 FTE (half-time secretary). Discussion followed.

Representative Stobie said that he could not go along with adding .5 FTE because if we had not met in the special session they would have got along fine with this addition.

Representative Quilici said that they have been getting along ok but they could do much better. There has been an extra work load on everyone in the office and it has been an imposition on them.

Representative Moore pointed out that the \$500 additional per diem is included in the personal services request.

EXECUTIVE SESSION HB 2 Cont.:

Chairman Moore said that the committee would vote on the FTE and the additional per diem seperatly.

A roll call vote was taken on Rep. Quillici's motion and carried with 11 members voting yes and 4 members voting no. See roll call vote sheet.

Representative <sup>Stobie</sup> moved the personnel services budget be approved. A vote was taken and the motion carried with 13 members voting yes, one member voting no and three members excused. See roll call vote sheet.

Representative Hurwitz made a motion to remove the \$1,837 already appropriated for use of staff personal cars from the operating expenses.

Motion carried unanimously.

UTILITIES

Representative Ernst made a motion that the committee approve the appropriation of \$11,880 to pay utilities for the new prison chapel.

A vote was taken and carried unanimously.

DISTURBANCE CONTROL

Representative Bardanouve asked if this is a one time appropriation.

Chairman Moore said that it is for 1983.

Warden Risley explained that the \$23,515 (overtime cost) will be a continuing cost. He said that they do not have enough staff to have people training for these programs on regular time. He also said that there will be some additional equipment cost because some of the items such as tear gas and ammunition will have to be replaced periodically.

Representative Stobie wondered if they would have enough people so they could train on regular time if they receive the additional persome'l requested. Mr. Risley said only at night.

EXECUTIVE SESSION HB 2 Cont.:

Representative Sales made a motion to approve the request for disturbance control equipment. A vote was taken and carried unanimously.

GENERAL OPERATIONS/INDUSTRIES REAPPROPRIATION

Refer to page 38 and 39 of the fiscal analyst report (green book) for information on this issue.

Representative Moore said that the problem he has with this portion is that he does not believe the unexpended balance from the equipment fund should go back into the operating fund. He stated that they have been running at a loss. By 1983 they were to have repaid the first \$17,500 of this money.

Representative Bardanouve said that he was under the impression that the \$56,500 was for the purchase of additional equipment. If it is going to be used for operation costs, he stated, I can not go along with it.

Mrs. Rippingale responded to this issue. She said HB 2 does not line item the difference between the operating losses and the equipment, it is just one sum. If you want to make a distinction between these monies you may want to line item the amount that is reappropriated for equipment. Mrs. Rippingale stated that according to Mr. South's testimony during the hearing, he has no intentions of paying back the operating loss money that was appropriated but he would intend to pay back the equipment money.

Representative Bardanouve made a motion to reappropriate the \$50,000 to be used to buy equipment. (He noted that he would like Judy Rippingale to write up the appropriate amendment.) He said that this money could be used as a stand-by fund in case any new ideas for programs come up they would have some money to start with.

Mr. South said that almost every legislator is saying that they have to put more inmates to work, and I concur we do. However, he stated, you want me to put them all to work in a program that pays for itself. As a practical matter I cannot do that. If we are going to have a self supporting business at Montana State prison, we have to build a product that is a quality product that will sell. It takes time to do this. If you are willing to be patient and give the programs time to become self supporting and you are willing to subsidize these

EXECUTIVE SESSION CONT.

products with general fund money, then eventually we will be able to do this. Otherwise, he stated, you are putting me in a position that I can not function in. All we are asking, he stated, is that the equipment money that we did not spend be reappropriated to buy equipment with, not for operations, and the operational portion of the appropriation that was not spent be reappropriated in fiscal 1983 to give us another year to get our feet on the ground. It is not that easy to find products that you can manufacture in the prison that you can sell on the open market and make a profit. Mr. South said that he would be happy to hear any ideas anyone might have about products that can be manufactured, and sold at a profit, at the prison.

Representative Thoft said that the prison has a possible chicken operation, hog operation, block plant operation, a possible potato operation, etc., but just sitting there doing nothing I don't understand. I wouldn't mind subsidizing these programs but I would want to know that they are going to get going.

Mr. Risley said that there was a turkey and chicken operation at one time but records indicate that some kind of problems occurred and it was not a profitable business. The department decided three or four years ago that they were not going to have a hog operation because it was losing money. We are limited to producing products for the prison only at the ranch. If we want to sell on the open market it would be an encroachment on the private sector.

Rep. Thoft said that in testimony this morning it was indicated that the agriculture market would be willing to accept that as long as labor unions were in agreement. I don't see how you can lose money raising pigs when you can raise your own grain and have inmate labor.

Representative Bardanouve said that they don't raise the grain they buy it, that's the problem.

Representative Thoft said that when they start looking at what they have that is viable and start doing something about it, then we can look at subsidizing those operations.

Representative Conroy said that he has been over to the prison and looked at some of the operations. He said

EXECUTIVE SESSION CONT. HB 2:

you can't afford to farm that land and get 13 or 14 bushels to the acre. You don't even get your cost of production back. Until they get the rest of the ranch set up I think it is a little premature to try and expand the programs.

Representative Hurwitz made a substitute motion that the total amount be reappropriated (not line itemed). He said that he thinks Mr. South should have the authority to exercise his own judgement on where the money is needed.

A roll call vote was taken and the motion carried with 14 members voting yes and 2 voting no. See roll call vote sheet.

Representative Barđanouve made a motion that the restrictions of the manufacturing of three ring binders be removed so that the prison can make binders. Rep. Moore explained that last session the legislature felt there was no market for these but after discussing it with Mr. South we do not feel this restriction should be there. A vote was taken and carried unanimously.

Representative Waldron asked Mr. South how far along they were in developing the incentive pay plan that they talked about in the briefing session.

Mr. South said that the incentive for the inmate in the first system they tried was letting them share in the profits if they performed well and made a quality product that the prison could sell at a profit. This, he explained, was less then successful because some of the segments in the prison industry program have been more profitable than others and this caused problems between the inmates. Our proposal now, he said, is just to develop a pay plan for the industry inmates. This would be based on proficiency and level of experience.

GENERAL OPERATIONS

Representative Moore said that the need for additional counselors for drug and alcohol abuse has been discussed. They have one counselor there now. Rep. Moore asked the committee what they would think about the addition of three more counselors at the prison. Judy Rippingale,

EXECUTIVE SESSION CONT. HB 2:

broke down the cost at a grade 12 step 2 and the total cost in salaries, benefits and insurance is \$59,808 for FY'83.

Representative Thoft said that he thinks Mr. South stated it very well the other day when he said there is no use in counseling these people if they are not ready for it.

Representative Thoft asked how many inmates they have that are requesting this kind of help.

Mr. Pat Warnecke, associate warden of treatment MSP, said that there is a great need for more counselors at the prison but, he stated, unless we meet the needs of the problem of overcrowding additional money for counselors at this time would probably be a waste. The overcrowding has an adverse effect on the treatment.

Representative Waldron said that he did not think we should designate any additional counselors specifically for drug and alcohol because there are many other types of emotional and mental problems that need to be dealt with in the prison.

Mr. South said that the prison will have another half-time counselor at the prison. An agreement was reached with the Powell county alcohol program that we will use earmarked funds to hire a full time position and they will use half of the time for their program which is also badly needed.

Representative Stobie said that having an additional eight beds at Galen should help solve some of this problem.

Representative Waldron said that with 85 to 90% of the prison population having a drug or alcohol problem, eight beds is not going to solve the problem.

Representative Conroy said that in regard to the request for housing at the dairy barn, would the inmates that work at the ranch be segregated from the rest of the inmates so they don't have to put up with the resentment and peer pressure of the other inmates.

Mr. Risley said that the dairy dorm proposal is to house those who work at the dairy. We don't have enough room to house the people who work at the ranch.

Representative Conroy asked if they could be housed in some other area where they would be segregated.

Mr. Risley said that 95% of them are housed in C unit at this time. There is no other place to house them.

Representative Conroy asked if Warden Risley has heard the complaint from the other prisoners concerning the harassment from the other inmates.

Warden Risley said that he has heard both sides of the complaint. Some of the inmates don't want to live at the dairy barn because they will lose some of their other privileges. He said he has also heard the complaint of harassment by other inmates.

Representative Thoft asked if it would be possible to use the bunk house at the ranch for these inmates to live in.

Mr. Risley said that the bunk house had a fire and is now used for storage. It could be renovated, however, he stated, I do not know what the cost would be.

Chairman Moore said that the committee would have to get on with the executive action. He referred to pages 15 through 19 of the fiscal analyst report. (green book)

Representative Moore pointed out that according to the fiscal analyst report as stated on page 18 the Department of Institutions used the wrong relief factor to determine the number of FTE's needed to man a post 24 hours a day. They used 1.62 relief factor but it should be 1.60. With a 1.62 relief factor 2.87 additional FTE will be budgeted for.

Representative Sales made a motion that the relief factor be changed from 1.62 to 1.60.

A voice vote was taken and the motion carried unanimously.

Representative Moore said that Mrs. Rippingale would work up the correct totals.

The executive is requesting one psychologist III to provide additional psychological evaluation of inmates. The additional cost for this position is \$26,642 in FY'83.

Representative Quilici asked what the specific need for this psychologist is.

EXECUTIVE SESSION CONT. HB 2:

Warden Risley said that at this time they do not have a full time psychologist's services. We have six hours a week contracted service plus the help of three student interns. We have, he stated, 35 to 40 people who should be involved in treatment now.

Representative Quilici asked if the current contracted services would be deleted.

Warden Risley said that the contracted services would be continued because he is a PHD psychologist and the prison will not be able to get a full time PHD psychologist. He would be the supervisor in terms of the therapeutic activities. The contract for the services for the student interns is being discussed now. It is possible that it would not continue.

Representative Waldron wondered if they would broaden the range of the mental health services with the addition of the psychologists.

Mr. Risley said that one of the criteria would be to establish group programs. We have converted one position that was in the diagnostic and evaluation unit to a psychologist so we will have two psychologist in the operating budget for the expanded compound. We have also asked for an additional psychologist to set up a treatment unit in the expanded compound.

Representative Hemstad asked why they had not filled the position of the psychologist III if the position is available at this time.

Warden Risley said that the diagnostic and evaluation unit was closed down last year which is why this position is available. Because of the overspending in security and the recent disturbance expenses they did not exercise the authority to fill the position. It all comes out of the same personnel services pocket.

Representative Quilici made a motion to approve the additional psychologist III in the amount of \$26,642 for FY'83.

A voice vote was taken and carried unanimously.

Representative Quilici said that he had an amendment that would add \$260,000 to the general appropriation bill to



upgrade salaries for correctional officers. Representative Quilici said that he has some reservations about this amendment himself, but he told the MPEA that he would bring this before the committee for discussion. A copy of this amendment is attached and is EXHIBIT 1 of these minutes. Representative Quilici said that the low salaries are causing a high turnover in staff and one way or another this problem will have to be addressed. This amendment is the only thing within the scope of the call that we can do at this time to address this problem. Representative Quilici said the problem he has with the amendment is that the prison guards are not the only people within the institutions that are under paid and this could cause a ripple affect.

Representative Quilici moved the adoption of the amendment.

A voice vote was taken and failed. The committee agreed that this should be addressed before the whole committee in the 1983 session.

The department is requesting an increase in contracted services of \$141,263. Refer to page 17 of the fiscal analyst report for a breakdown on the department's requested increases. Also refer to page 21.

Mr. South explained that the medical expenses at the prison have increased dramatically since March and they don't really know why. The Deer Lodge physicians have requested a 25% increase in rates this year.

Mrs. Ripplingale said that when the department presented their request, it was based on a population increase from 672, as appropriated, up to 750. With the community services that move 77 of these inmates out into the community their population stays at 673, or one more than was appropriated for last session.

Representative Lory said that the prison is still responsible for their medical care even if they are in a pre-release center. He asked Mr. South if this was correct and Mr. South replied "that's right".

Mrs. Ripplingale said that if you look at the budget they gave the legislators for the pre-release centers they include medical expenses.

Mr. South said that he believes his staff, in working out the budget, was to take out a commensurate amount to the

amount of medical expenses in the pre-release center budget. The reason why it is a lower medical cost that we subtracted is because the kind of inmates that will go to the centers have fewer medical needs.

Mrs. Rippingale said that as the department increased the population level, you put these 77 people in at a higher cost and as you moved those people out you took them out at a lower cost. Since the only justification for adding this money is that you were going to have additional people, which in fact you are not going to really have, there is no justification for adding the money at all. Mrs. Rippingale said that when you look at the prison budget it takes \$33.60 to add the 77 people that you really never add, but assuming that you did and going up to 750, when you move those people out to the community correction facilities you only subtract \$4.40 per inmate. We feel, she stated, that you should subtract the person at the same rate you add them.

Mr. Risley said that the medical costs have been increasing. The cost is based on the average daily population of 703 in March when the prison was incurring the additional medical expenses. When we reduce this population by sending someone to one of the pre-release centers we do not send someone who has medical problems or who we anticipate might have these expenses. Therefore, the average cost per prisoner is not reduced by very much.

Representative Stobie made a motion to not allow the \$125,922 for contract services.

Mrs. Rippingale said that she would like to check the figures with her staff to make sure there is no possible difference in base.

Representative Thoft asked Mr. South if the total reason for the request for medical cost (\$89,545) was due to the increase of 25% in the physicians fees.

Mr. South said that that is only a part of the medical cost. One of the other factors, he stated, that he is very concerned about is the cost of taking inmates to Missoula, Great Falls or Billings for surgery. This is an expense that he has no control over. One \$20,000 operation can blow the whole medical budget away. Mr. South said that he would rather have the appropriation line itemed than to have it taken away totally.

Representative Bardanouve made a subtitute motion to allow \$89,545 for medical cost and line item the appropriation.

Representative Waldron said that he would make a motion that the other items; data processing, printing, legal services and inmates in other jails, not be approved.

Representative Quilici said that he thinks the inmates in other jails appropriation for \$25,493 should be approved.

Mrs. Rippingale pointed out to the committee that the analysis in the book is correct.

A vote was taken on Representative Bardanouve's motion to approve \$89,545 for medical costs having it line itemed and any remaining funds reverting to the general fund. The motion carried with 13 members voting yes and 3 voting no. Representatives Sales, Stobie and Thoft voted no. See roll call vote sheet.

Discussion on Representative Waldron's motion not to consider the other items under contract services followed.

Mr. Risley explained that the reason they need the \$25,493, under inmates in other jails, is because they have a prisoner they want to transfer to the federal prison.

Representative Quilici made a substitute motion that data processing, printing, legal services and inmates in other jails requests all be approved. A vote was taken on the motion and failed with 4 members voting yes and 12 voting no. See roll call vote sheet.

A vote was taken on the original motion of Representative Waldron to not allow the other contract services. A vote was taken and the motion carried with 13 members voting yes and 3 voting no. See roll call vote sheet.

Representative Bengtson made a motion to approve the request for \$15,341 for contract psychiatriststo increase the visits from one per week to two per week at a cost of \$297 for six hours. A vote was taken and carried with 15 voting yes and 1 no. Representative Conroy voted no.

EXECUTIVE SESSION Cont.

OTHER EXPENSES- page 22 (green book)

Increase in gate pay: Part of the request for other expenses is due to an increase in gate pay of \$4,875. The gate pay will remain at \$85 per inmate but the population has increased.

Representative Quilici said that last session we passed a bill that stated there would be \$100 gate pay per inmate when they leave the prison. There is \$85 gate pay being giving to inmates that leave the Missoula Life Skill Center. This was not the intent that inmates that have money saved up should get this gate pay but that every inmate leaving the prison should have at least \$100 in their pocket to give them a start.

Dan Russell said that the law reads that every prisoner shall be paid gate pay in addition to money earned while in prison. It also states up to \$100.

Representative Quilici said that he understands this but when the prison requested money last session for gate pay it was to assure that every prisoner would have \$100 when he left. Where did this \$85 figure come from?

Mr. Russell said that they took the original appropriation and the money appropriated last session, divided the number of inmates they expected to be released into that figure and came up with \$85.

Mrs. Rippingale said that the law Mr. Russell is referring to is for prison industries so if they are working in the prison industries you cannot deduct any of the money they make from their gate pay. I do not see, she stated, anything in that law that speaks about when they go to a pre-release center. We have been in contact with the center because there has been such inconsistency in the gate pay. The staff there told us that Alpha House people did not get gate pay prior to last session because the prison had told them that they had jobs and they could not get it. After the last special session when there was more gate money appropriated then they started to give gate money to inmates at the center. This policy has been in effect since January of 1982.

EXECUTIVE SESSION Cont.

Mrs. Ripplingale said that there is \$85 of gate pay in the prison budget for every prisoner who will get out plus \$6,120 in the Missoula Life Skill Center budget for gate pay.

Representative Stobie said that he would rather see the guy who goes out and works get the money than someone who is lazy and doesn't do anything.

Representative Stobie made a motion to approve \$27,072 for other expenses. A roll call vote was taken and the motion carried with 9 voting yes and 7 voting no.

Representative Thoft made a motion to approve the operations budget as amended.

Representative Lory said that he was still concerned about the so called philosophical question concerning the vacancy savings.

Representative Bardanouve said that he had talked to Mr. South and been told that they had a solution to this problem but they had not discussed it at that time.

Representative Moore said that what they would approve with this motion is table 12 on page 15 of the fiscal analyst report (green book).

Mrs. Ripplingale said that the figures in this bill are for 1983 and Mr. South is working with 1982 funds.

Representative Sales said that he wanted to address the staffing level before the bill is approved. Refer to page 16, table 14 of fiscal analyst report (green book).

Representative Sales said that the request for 46.65 new people is at least 175% more increase than the consultant said was needed. This is a big jump in staff. I can see, he stated, where there are some needed additions in personnel but I do not think we have to add this many.

Representative Sales made a substitute motion to delete 7 of the requested staff.

A vote was taken on the motion and failed with 15 voting no and 1 voting yes. Representative Sales voted yes.

EXECUTIVE SESSION Cont.

Representative Moore said that they had overlooked one other item. On table 12 page 15 under equipment the department is requesting \$16,000 for a 4-wheel drive vehicle.

Representative Bardamouve made a motion that this request do not pass. A roll call vote was taken and the motion failed with 7 voting yes and 9 voting no. See roll call vote sheet.

Representative Waldron moved to reverse the motion. This was agreeable to the committee. \$16,000 for equipment was approved.

A vote was taken on the motion to approve the budget as amended. The motion carried with 15 voting yes and 1 no. See roll call vote sheet.

CENTRAL OFFICE/DEPT. OF INSTITUTIONS

Representative Bengtson said that she would like to amend the Alpha House supplement figure of \$66,092 to \$83,658. This would give them \$17,000 to pay the existing 20 people in the center \$32.15. She stated that she can see no reason to distinguish between the 5 new ones and the 20 that are already there.

Representative Waldron asked Mr. Russell if they pay the same per diem to all of the residents.

Mr. Russell said that they will pay all of them \$32.15 and they will have to make up the difference somewhere else.

Representative Hurwitz made a substitute motion to leave the \$66,092 in the bill. The motion carried with 11 voting yes and 5 voting no.

COMMUNITY CORRECTIONS

A motion was made that the supplemental for the Missoula Life Skill Center be approved. A voice vote was taken and the motion carried unanimously.

Representative Moore said that he would like to propose that a motion be made to approve the budget as it is and any adjustments can be made when and if the resolution dealing with pre-release centers is passed.

Representative Sales made a motion that the \$500,819 for pre-release centers be not approved.

A vote was taken and the motion failed with 4 members voting yes and 12 voting no.

A motion was made to reverse the motion. A vote was taken and carried with 13 voting yes and 3 voting no. See roll call vote.

Representative Moore said that he would like to propose an amendment that would state that each community pre-release center that contracts with the state shall have one full time chemical dependency counselor. This person would be one of the people that is budgeted for in the department's proposal.

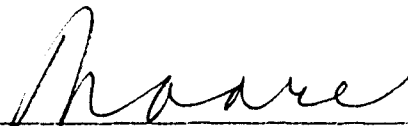
Mr. Armstrong, Billings Alpha House, said that it is admirable that the legislature is giving so much concern to this problem but the pre-release centers are uniquely suited to use community services. We will probably have counselors on staff who have that kind of background but I would not suggest this amendment.


Representative Moore said that they could wait and work this in next session.

Representative Bardanouve made a motion that HB 2 DO PASS AS AMENDED. A roll call vote was taken and the motion carried with 15 voting yes and one voting no. Representative Sales voted no. See roll call vote sheet.

The meeting adjourned at 3:35 p.m.

Respectfully submitted,

  
Rep. JACK MOORE, VICE CHAIRMAN

  
Cathy Martin/Secretary

Amend HB 2 (2nd SS), introduced copy, as follows:

1. Page 4

Following: line 19

Insert: "Section 9. Coordination. If HJR 3 is passed then the following language is substituted for the language on page 3, lines 4 through 12 inclusive, of the introduced copy of this bill:

'1. General Operations	\$1,227,507
2. Utilities Expense -- Supplement	11,880
3. Disturbance Control	<u>43,066</u>
TOTAL MONTANA STATE PRISON	\$1,282,453

Personal services for Montana state prison may not exceed the total of the \$5,076,689 level identified in HB 2, first special session of the 47th legislature, plus the pay plan, and the additional \$1,118,303 appropriated in Item 1 for personal services. Of the \$1,118,303 appropriated in Item 1 for personal services, \$260,000 may only be expended by the department if after conducting the careful review of the position, classifications and grades of correctional personnel at the Montana state prison requested by HJR 3, the department determines that an increase in pay grades is appropriate."

2. Renumber: subsequent sections.



Amend House Bill 2 (2nd SS)

1. Page 3, line 4.

Following: "Operations"

Strike: "967,734"

Insert: "852,734"

2. Page 3, line 11.

Following: "additional"

Strike: "850,303"

Insert: "779,907"

3. Page 3.

Following: Line 18

Insert: "Included in the <sup>1. 1981,</sup> appropriations to the Montana state prison in House Bill 500 and this act are \$493,641 for medical expenses for fiscal year 1983. If medical expenses are less funds shall revert to the general fund."