

MINUTES OF THE MEETING  
FINANCE AND CLAIMS COMMITTEE  
MONTANA STATE SENATE

SPECIAL SESSION II

June 21, 1981

The first meeting of the Special Session II was held on the above date with the first half in the House Chambers and the second half in room 104 of the State Capitol. Roll call was taken with copies attached. The meeting was called to order by Representative Moore in the absence of Chairman Donaldson at 2 p.m. as a joint meeting of House Appropriations and Finance and Claims. Senator Himsel was the Co-chairman. Representative Moore said we would meet until 5 p.m., if not finished would come back at 7 p.m. and continue the following day. He said he would ask Mr. South to break down his presentation and would ask for the prison budget first.

Carroll South, Director of the Department of Institutions, gave members a copy of the Montana State Prison budget for 750 population in 1983 and said most of the changes were in regard to the increase in population in the prison. Mr. South said that most of you know that, from the moment that we get a prisoner in, the state is liable for the medical cost. This is one area in the prison that we have no control over -- the medical budget. We are asking for this to be line itemed, and if the money is not used, it will be reverted. The increase in people is from 672 to 750, plus those inmates coming into and going out of the state. We trade on a per-day basis and no money changes hands, except with the federal system. We do have two inmates in Illinois, one in the federal system for several years and the other more recent one is the one that had a lot to do with the disturbance this spring.

Mr. South referred to page 4, utilities, an attempt to put as many inmates as possible to work, and equipment, which would be a 4-wheel drive Blazer with diesel engine.

Mr. Hank Risley, Warden for the Montana State Prison, will give a report on the staff members, Mr. South said. On each of the three shifts we are to increase to two officers so that there will be two in case of trouble. This will also be true on closed security. In the last session funds were requested and granted for a new tower, but not the money for the staff. Mr. South also discussed the change in shake-downs in the visiting area to try to avoid the passing of contraband. Prisoners with a bad record do not go to the outside yard.

Mr. South said that the relief factor is computed at the number of days an employee used. The post must be covered 365 days. The computation Clark made for the last session was based on 1.55 average sick days. we are asking for 1.62.

Senator Boylan: What is the criteria of putting on new people? Do you take them off the street, how do you interview people who are seeking jobs? How do you deal with the nepotism that goes on at Deer Lodge? Is there no pre-training program? How much do you check into this? Maybe you do have some tests -- physical or whatever.

South: A word on nepotism is in order. It is not having a brother and a sister working at the same institution. By our definition, only an individual in a hiring position who has the authority to hire and hires a brother or sister. That would be our definition of nepotism. If you feel it is merely a brother and sister working in the same institution, I would disagree.

Warden Risley: Having an academic record of high school completion is the minimum. We have enough applicants so that we have not had to advertise. As of June we have run an ad to replenish our pool of applications. Usually the chief of security, another responsible person and someone from the union screen the applicants, and they are then checked on. The employment problem when I came to work here was almost non-existent. Without increasing our budget, we now have 80 hours of training, a couple of days of which is on-job training. Prior to my coming here there was no training.

Representative Waldron: You are asking for an additional 6 hours a week for psychiatric services. What is the justification for additional psychiatric treatment as opposed to counselling:

Answer: We do not have the figures on this. Most of what Dr. Valins does to review. A person asking to see a psychiatrist has to wait 6 months. A psychiatrist can evaluate but cannot write prescriptions.

Rep. Waldron: Would your mental health services be adequate by adding to the psychiatric area? Answer: No. We are proposing a treatment unit in there. Five percent of 750 or 800 people is 40 people who will need it. We don't have in-house treatment at the present time. We have another 35 or 40 people who could benefit from in-patient services.

Rep. Waldron: As far as the mental health services -- we have a real problem getting psychiatrists to locate in out-of-the-way places.

That is also true for psychologists. How do you plan to handle this? Answer: I will continue contracting, but they will be supervised.

Rep. Waldron: PHD psychiatrists? Answer: It gives us a bigger pool to choose from.

Rep. Waldron: The turnover of the staff. We are in depression times and the turnover has gone down. Is there a higher turnover in the higher security? Answer: An officer does not necessarily have only one assignment all the time.

Rep. Waldron: Do you plan on rotating the staff? Answer: Yes, because of the higher turnover and different people, we do rotate a lot.

Rep. Waldron: What is the normal turnover rate? Answer 30% for the last year or two. I consider a lot of this for the lack of training. I think we can help this.

Rep. Waldron: Salaries paid -- how do they compare with other states? Close, low, high?

Senator Smith: I visited with many employees in regard to the turnover. The people I talked to felt it was salary. One gentleman had been there 4 years and was getting \$6 per hour. I understand before the last session they hired a prison consultant. Did they give poor advice in setting up the staff? Answer: The relief factor is different. We have 3 posts -- the institution generated the information.

Sen. Smith: In regard to the visiting hours, how did you arrive at 15 hours of visiting a week? Could these be cut down? Answer: It is often said there are three things you don't mess with: mail, visiting hours, and one other thing.

Sen. Smith: We can look for some changes then when you get activities going? Answer: They will be doing other activities only when not doing something else.

During this part of the hearing, some of the questions were answered by Dan Russell, Administrator of the Corrections Division, Department of Institutions.

Sen. Smith: You give shake downs? Answer: Yes. Visitors will not get to visit if they don't agree to a shake down. Sen. Smith: Do you do this now? Answer: Yes, occasionally, never before. We are imposing a particular rule and increasing the frequency until it is a routine. If we would rapidly impose restrictions, it would cause problems.

Sen. Smith: The new tower is in operation. Who made the final decision as to where it would be? Carroll South: I did.

Sen. Smith: I was hoping you did. I was told that it took a lot of time, ladders were used, etc., and now you have some blind spots.

Mr. South: We even hired a cherry picker last. We placed it where it was believed necessary. I had flags in as far as we could see from the guard tower, and from the 2nd guard tower. Originally 50', it was raised 5'. The roof is 68' off the ground, and from the roof you can see the entire half of the fence.

Sen. Smith: Do you expect the guards to go up on the roof?

Mr. South: If he needs to shoot, they are to go up on the roof. The

new guard tower is designed with a pull-down stair.

Sen. Smith: Are there no blind spots in the closed security section now?

Mr. South: We are interested in the visibility of the fence; I can guarantee you we have 200 yards of seeing on the outside of the fence.

Senator Haffey: You say from 3 to 6 and 3 to 4 on different posts in different sections of the prison. Why wasn't that standard in place when we visited the prison in 1981?

Warden Risley: The anticipated use of the electric door and the monitoring by TV, it was felt, would reduce the staff needs. Where the level of risk is higher and a speaker says that you go in your room, it doesn't mean they work. A guard has to see that they do it.

Sen. Haffey: If electronic equipment is working, you would be inclined to say absolutely 3 on a visit on close security when one is half of what is needed?

Risley: Yes.

Senator Keating: Would you discuss the chemical dependency treatment, just elaborate on it a bit, please.

Mr. South: We are asking for no appropriation. We have an alcoholic treatment center in Powell county. They will provide 20 hours a week at the prison, and it will give recommendations and counselling.

Sen. Keating: Would either involve the family treatment program?

South: We have three other committee hearings at this same time. The director of the alcoholic program is in another committee.

Senator VanValkenburg: I would have some questions in regard to the staff. In respect to tower #2, is that the same staff as the other tower? Answer: Yes, one man 24 hours a day.

Sen. VanValkenburg: In regard to staffing in the visiting room, you are taking from the maximum security unit, and will have visiting for them in the morning. Is this contact visits? Answer: Yes.

Sen. VanValkenburg: How many inmates in at any one time? Answer: 48 inmates, if that is how many people are in that unit.

Sen. VanValkenburg: How many are involved in any regular hour? Answer: Only two guards supervise at any one time. The third is on his days off. It may be as few as 3 dozen.

Sen. VanValkenburg: It seems inconsistent to have two guards in the maximum security unit but take all the people out of maximum cell and put them in the visiting area and just have one guard watching it.

Answer: The officer who brings them up will be there also. We normally have no disturbing behavior in the visiting room.

Sen. VanValkenburg: I would direct this to Carroll South. You said eight inmates are in Galen. You are not asking for more FTE's? Is that correct? Answer: Yes.

Sen. VanValkenburg: How realistic is this? Answer: They have the beds, and they will be treated by the existing staff. Those eight beds will be reserved for inmates.

Sen. VanValkenburg: Do you remember, Mr. Offstead, an individual who is a paraplegic and you initially put him in Galen? There was a lot of upset staff at Galen for having one paraplegic and he was a convict of serious offense. How do you intend to add eight and no more staff?

Carroll South: There was one problem with the staff, not that they thought he was capable physically of harming them, but it was the crime he was convicted of, it was a heinous crime. We made the decision not to tie up one room for maybe 15 years. We have three inmates at Galen now. No, I don't anticipate a major problem. I am the director of the Department of Institutions, and Galen is also in the department, as well as the prison.

Sen. VanValkenburg: I agree. We went through the regular session and the department recommended reduction, now we are in a special session to add. Maybe it is still too low. Finally, you are proposing .5 for alcohol treatment, chemical dependency, I guess. We know some very good work that you have done from inmate profile. Most of them have alcohol and chemical dependency problems. Why are we talking about .5?

Mr. South: I don't recall any FTE reduction at the prison or at Galen. You can have all the treatment programs available, but not accomplish anything until they are willing. They must admit they have a problem and be willing to do something about it. You don't treat anyone for this problem until they want to do something about it.

Sen. VanValkenburg: This .5 FTE will be able to determine this?

Mr. South: 1 1/2 FTE will be available to counsel. All things come to the necessary. If we go back to Rodger Crist, he said that security is first in a prison, then a bed, and then we talk about treatment.

Rep. Sales: Addressed to Risley in re the staff in the security units. You are suggesting three people on duty at any one time. I can see the logic. The other increases for money leave me a little confused.

You are doubling the staff in close unit 1 in two time periods.  
Is this because of maximum security?

Warden Risley: These people are keyed in and out. This is where an officer goes to the door and uses his key.

Rep. Sales: Could they be security. Warden Risley: Yes.

Rep. Sales: You are doubling -- the increase is from 2 to 4. Answer: At the other one, we are adding an officer and sergeant on each visit. The net increase is 3 in order to add a sergeant on the other visit. The way it is you are opening the door to litigation.

Rep. Sales: The difference is in sick leave? Warden Risley: We are experiencing a difference in sick leave.

Rep. Thoft: Would it be appropriate to ask a question about security on the ranch? I visited with landowners and they said that the inmates occasionally cross over private property.

Warden Risley: I can't say whether this happens or not.

Rep. Thoft: Should they have supervision? Warden Risley: We have a number that work without supervision.

Rep. Thoft: I feel people think they are being abused to some extent. Couldn't this be relieved? Warden Risley: If they are sensitive about this and don't know what the ranch worker is doing there.

Rep. Thoft: I would personally appreciate it if you would look into this.

Senator Wolf: You want to increase the FTE by 47.65. In the budget in the green book, page 15 (attached as exhibit 3, Fiscal Analyst report) under Supplies and Materials, the 1981 legislature appropriated \$1,225,123. You have reduced it by \$75,000 and increased the FTE. How are you going to reduce your Supplies and Materials?

Carroll South: I first saw the fiscal analyst book two hours ago. We have had a dramatic shift. What was wrote as Supplies and Material is now being quoted as Maintenance. The Supplies and Materials remain constant. The \$86,000 is a deletion that needs to be explained. We may have to get together with the LFA and find out what was done.

Wolf: On the third page, the request is for \$967,000, how could you come up with \$967,000? I tried adding and subtracting -- Personal Services and different combinations, and cannot come up with the same amount as is in House Bill 2.

Senator

Wolf: With the amount appropriated, the difference with the 47.65 FTE, you would need an increase in Personal Services. How did you arrive at the increase under the same operations?

Carroll South: We devised a budget. The budget office drafted a bill and the LFA did -- whatever, I haven't had a chance to go over it all yet to see what they did.

Judy Ripplingale, Legislative Fiscal Analyst, said the amount in the bill adds up to \$1,022,453. The bill is broken down in three parts. Disturbance Control is line itemed in the bill. Utilities are line itemed. General Operations are line itemed in the bill. The difference is in General Operations. The one handed to you now appears to add up to different figures. I am not sure where the new figures came from.

Rep. Hurwitz: On the ranch manager -- there is a payroll of \$400,000. Is that correct?

Mr. South: There are 15.6 civilian employees. I have nothing on the ranch with me. He is in another hearing.

Rep. Hurwitz: It is my understanding he would use more prisoner help but was unable to get as much as he wanted.

Warden Risley: They use ranch workers in the summer months. In September he had not been employed -- the inmates would be working. In September and March we identified the people. There is a difference in the time the legislature meets.

Rep. Hurwitz: I visited the prison yesterday. There were many things that were different, also the briefing you gave us from the Department of Institutions.

Warden Risley: I would be happy to give you the total differences in new and old staff.

Rep. Hurwitz: I had the feeling the prison was one disorganized place. No uniformity or anything. A feeling of no authority. Were some of the people off duty? I would not be willing to give you the staff I saw yesterday.

Warden Risley: When I came there, a new employee went to work and a few weeks later was put into training. We now have a training program of 80 hours with 30 or 40 people through the weapons training. There is a system for regular employees available. We are now using it. Everybody who worked on the tour was a volunteer.

Rep. Hemstad: You gave us a list of changes made. Answer: That does not include some of the changes in the first level.

Rep. Hemstad: What about the newly hired? Answer: I understand it was to include the new ones.

Rep. Hemstad: Eighty hours of training, but what sort of training? John Johnson, is he in that position now? Warden Risley: Yes, and today he is in Bozeman going through the weapons training program.

Hemstad: Do all new employees take some training?

Warden Risley: All new employees go through 80 hours. My goal is to expand it to 120 days and then to 160 days of training.

Rep. Hemstad: There will not be any training for these people other than this?

Warden Risley: There is a training program with the Department of Justice that they have made available for state agencies. About one-half dozen took it since last August and there are about that many more to go.

Rep. Bardanouve: How many in this area of new employees? How many employees that are new in this area now? How many new employees are in the pool now?

Warden Risley: Five more officers than were authorized.

Rep. Bardanouve: How many employees?

Warden Risley: We are operating at the level requested by utilizing overtime.

Rep. Bardanouve: Before you put on this overtime use, were these positions operating with considerably less manhours than now?

Answer: Yes.

Rep. Bardanouve: I presume that is because of the rumpus you had down there, that you have increased here? Because of the so-called riot?

Answer: Yes.

Rep. Bardanouve: Can you really justify this, since in one area you had trouble, that you need more manpower in all these areas?

Warden Risley: The maximum and close security building were understaffed before.

Rep. Bardanouve: Someday down the road you will have trouble again and we presume that, at that point in time, we will have to double the employees again to secure the prison?



Warden Risley: I don't anticipate that happening while I am here. I explained the reason is to have two officers present when you have prisoner traffic.

Rep. Bardanouve: I think we had added on to the current staff not too far back and I feel this is an over-reaction to the disturbance.

Warden Risley: We didn't have a proper level of supervision in the unit and did not have the staff. Without the prison overcrowded condition, if one goes into the unit and there are 12 instead of 24, it is more likely there will be no trouble.

At this time, Representative Moore asked for a twenty minute break and announced that we would reconvene in room 104.

The Joint Hearing reconvened in room 104 at 3:55 p.m. with the questions from the committee members continuing.

Senator Aklestad: After observing the prison, I have a concern like Rep. Hemstad. I did not like the lack of discipline. Do you feel that, with more discipline, you would not need so many guards if they had more respect for the guards? One group of prisoners took about 25 minutes to get back after being told to do so when the siren blew.

Warden Risley: There was no siren before I got there. There was no procedure for sounding an alarm, not even in case of an accident. The time it takes to respond to an alarm -- 20 or 25 minutes is not unusual. Some work away from the housing units. There was no training before I came there; there was a 45% turnover and, at the present rate, it will still take 2 1/2 years to get through the officers training and make them more accountable. This cannot be done over night.

Sen. Aklestad: I was not referring to just the employees. I think the employee situation there is not the best because of the number of escapes. Many were due to employee errors, I maintain. I was referring to the inmates themselves. There are no regulations that they have to be a certain place at a certain time. Have you a dress code? Something for the prisoners to adhere to in order to give them respect.

Warden Risley: I understand you are talking about the inmates. Until the officers are trained we cannot follow on the inmates. We must start by training the staff. There is a dress code. The inmates in close units wear khaki, the others wear blue outfits.

Sen. Aklestad: When I talk of a dress code, I am not talking about only the outer wear. Maybe a hair cut or whatever.

Warden Risley: Personal grooming was overturned by case law several years ago.

Sen. Aklestad: In Close Unit 1, you had cement furniture in there before the trouble. In Clost Unit 2, is the cement furniture in there?  
Answer: Yes.

Sen. Aklestad: Are you keeping this furniture until another riot to wreck the place?

Warden Risley: We have kept the cement furniture in the anticipation that we will get a new unit. This would be used for a group not as disturbed. We might need it for a group later.

Sen. Aklestad: Close Unit I could be turned into an automatic unit and the guards would not have to be there to open the doors.

Warden Risley: No manufacturers make a door that could not be forcibly stopped. It could crush a person.

Sen. Aklestad: Do you have any requirements within the new training program existing there for new employees? Any health requirements or physical training that will be required? The employees I saw yesterday were out of shape.

Warden Risley: If we get the 160-hour training program, there will be physical fitness training. If we are successful in this in the '83 session, it would follow that.

Sen. Aklestad: I understand the prisoners maintain the prison grounds.  
Answer: Yes.

Sen. Aklestad: Is there a required number of days that they work on that? The grounds yesterday were in poor shape. The grass was high, etc. Why was it so sloppy? Answer: Those working on the grounds have to be with their supervisor. We cannot trust the inmates not to pass contraband and they must be under supervision. We have enough prisoners, but only ones under supervision can be in the area. The area between the housing units and the fence gets less attention since we do not allow prisoners there without very close supervision.

Sen. Aklestad: On the escapes -- 30 some, 20 some from prison, the last from the farm, etc. -- maybe 26 of them. When were the hours those prisoners escaped? Answer: The one yesterday, we believe, escaped during the morning hours. Some left in the early evening. Last fall was in the earlier part of the day. The four from the school was about 8:30, etc. It was at different times.

Sen. Aklestad: Some left in the daylight? Answer: Those in the fall and winter were after dark.

Sen. Aklestad: Of the twenty-four, how many were visibly seen by the guards? Answer: Only one -- the February escape. The others, no.

Sen. Aklestad: On the training program, is this mostly with weapons? Answer: No. That is only one part of it. It is a separate training and not a part of the 80 hours. Warden Risley: There are two squads of officers with weapons trained in emergency training.

Sen. Aklestad: Are all the prisoners searched after visitation? Are they stripped?

Warden Risley: They are skin searched, visibly.

Sen. Aklestad: How do they get the contraband then? Answer: I don't really know. A common way is in body cavities. A search warrant and probably cause is needed to do that type of search.

Senator Himsl: In House Bill 2, I have trouble correlating some of the figures. Is this the same operation figures in the bill, \$697,000? Is that based on the premise that the \$9.6 million plan will be activated?

Carroll South: No. It is based on the assumption that we would get the minimum we are asking for.

Sen. Himsl: The prison as a population of 750?

Mr. South. 750 population. We requested figures on the present operation without the addition. We have already taken out the cost of the community psychiatrist. This is with the ones out at Galen. If not in the expanded program, then this money has to be added back.

Sen. Himsl: The dairy barn is in there? Mr. South: Yes.

Sen. Himsl: On the disturbance control, is this a couple of shot guns or what?

Warden Risley: It is four teams of officers and equipment for them to respond to emergencies. The personal service is for overtime. It is for the officers who would be staying overtime.

Sen. Himsl: Don't you have that now? The fellow that was not in a close security unit said they came in like a hit squad.

Warden Risley: There was no prior training. The squad members were armed with shot guns. One had a rifle and tear gas and a tear gas gun.

Sen. Hims1: You need this much money?

Warden Risley: Yes, for equipment and overtime.

Rep. Conroy: This morning on the discussion on pay raises, you indicated you were funding the additional tower with overtime. On pages 3 and 4 of the LFA report, general fund deficit at the prison, and you will not ask for supplemental. You could also make up the deficit. Could you respond to this?

Carroll South: I think this is a broad philosophical issue. I think it needs to be resolved this session. I could go into it now, spend an hour on it, or respond to it later.

Rep. Conroy: The question must be answered.

Rep. Moore: Mr. Conroy, it is up to you.

Rep. Conroy: If the department is prepared to address it, I would suggest we go into it.

Rep. Bardanouve: Does it have to be addressed within the framework of this bill?

Rep. Moore: I think so. We will add a couple of tables in here and have the committee members come back at 7 this evening. We will have Mr. South go into it then and have him report on the rest of the budget now. We will go back to this tonight.

Rep. Quilici: I would concur in this. Some of the questions I asked this afternoon are being researched now. This would give more time for compiling some answers.

Mr. South: The \$9.6 million appropriation is to be heard in State Administration tonight, and it was done so that I could be there at that time, so it poses a little problem for me.

Sen. Regan: Is there any possibility we could run until 6:30 this evening and not meet this evening?

Discussion was held on this, and the decision was made by vote to meet until 6:30.

Sen. Moore: I would like to announce now that the priority on these bills is with the Appropriation committee. I will check with the other committees so that there is no more conflict.

Senator Smith: One page 4, line 7, in regard to additional inmates in the prison.

(At this point in the testimony the noise reached a point where this particular testimony could not be heard.)

Senator Regan: The way this budget is constructed, you have taken out of the prison. The deduction has already taken place. Is there much difference in the number of inmates?

Mr. South: It is close to the same in each of the units.

Sen. Boylan: In regard to the swat squad, etc., have you checked into the army, navy, etc., used equipment? Answer: We have worked out an arrangement with the highway patrol. Some of the other kind, but gas masks have to be current; tear gas has a date and you cannot go back and use old equipment for some of it. All of our weapons will be used. We decided on a deisel engine since it will be running a lot and the life of the engine is so much greater.

Sen. Aklestad: There was only one prisoner that was visually seen escaping, and 30 some escaped. This vehicle would be used only once? Answer: It would be used in search. Search teams are out for several days.

Sen. Aklestad: But you have four 4-wheel drive vehicles. Answer: These are used on the ranch. They are ranch vehicles, but are also used in the search.

Sen. Aklestad: Have you considered contract services for security?

Mr. South: On contracting this, I would have very serious reservations. The contractor could go bankrupt, or many other things, and the state of Montana is responsible.

Sen. Aklestad: Have you looked into it?

Mr. South: We are still liable under a contract. If we are going to be liable, I would sooner have the state employees doing it.

Sen. Aklestad: In the last session and in the special session we funded more than you asked for. What was the big dramatic change? The prison population has not increased that much. Now you are asking for this dramatic change.

Mr. South: What happened to the budget from the time it was put in until it was appropriated. Rodger Crist asked for \$16.4 million. The department decreased it to \$15.9 million; the Office of Budget and Program Planning brought it down to \$14.1, and \$13.6 when the pay plan was taken out of it. I asked for \$14.1, and House Bill 400

appropriated a little over \$14 million. The difference of \$112,000 is the difference in the inflationary factors. I think you have to put the 1981 budget in prospective. We did not have a warden. Between 1979 and 1981 there were 27 employees added by budget amendment. Some of these we reduced. Sometime in March, the House Appropriations committee reduced our subcommittee recommendation by \$1.3 million. Of that, some was in the prison. Three weeks later we got the \$1.3 million back and put it at \$14 million 28 thousand. The staffing subsequent to the disturbance. Warden Risley has done very well. The disturbance demonstrated that. The special session is an ideal time to talk about this. I am in the position of getting hit from both ends. All we heard from the one side was that we need 100 more guards. It is hard to get more, especially when defending 27 more than authorized. The relief studies were advised by Clark.

Rep. Moore: The corrections bill was heard in State Administration.

Sen. Wolf: I had a discussion with a chap, and now don't laugh, but have you considered putting people on horseback? On horseback, the vision is better, and they don't have to stick to a road.

Mr. South: We would like to do it, but no horse has a cigarette lighter to plug a spotlight in.

Warden Risley: The vehicle serves as a spotlight. We do use horses if they head back into the hills.

Rep. Bengston: \$43,000. I understood you to say the lights were spontaneous, with the elements, etc. How can you utilize them if the lights are spontaneous? Answer: They are used in training so they can use them.

Rep. Bengston: What is the air vac? Answer: The Scott air vac allows the staff to work in a smoke filled room for one-half hour.

Rep. Quilici: I understand prior to the last disturbance only five minutes of briefing was held before the officers were to quell the disturbance. What is being done now in the event of a disturbance? I mean before the money is appropriated. Answer: Nothing but what we were doing all along. Familiarizing the staff with what to do if one should occur. Today we have a plan, and the sheriff and the national guard are prepared. Our own staff is not trained and equipped, but briefed.

Mr. South discussed the Missoula Life Skill Center. The 1981 Legislature advised us, he said, to move the center. It is at the Lennox, and we will be moving as quickly as the renovation is completed. At the present time, it contains parolees and women offenders. We are proposing it become a bona fide pre-release center, the same as the Alpha House in Billings. The budget was based on 16 residents.

Lennox Hotel has room for 24. (Exhibit 2 was passed out and is attached to the minutes). The major factor is the relief factor. Three people fill 3 posts. That means someone else has to fill it for them. Mr. South discussed more on the relief factor, use of the formula, and said they intend to charge room and board to the inmates who live and work in the pre-release houses. He said he felt this was good and started the beginning of the responsibility of paying.

Sen. VanValkenburg asked what page he was referring to and said it was in the third level.

Mr. South explained what they were requesting for the Alpha House for the 20 inmates at \$29.70 and the new ones would be at the higher rate of \$32.15. He said they did not request any additional funds despite the fact that we agree on the \$32.15 as fair and then charge the \$3 for room and board. They have added extra inmates; the medical services and supplies and services are up. He gave the example of an individual at Alpha House that had \$10,000 in medical

costs and the budget was \$4,000. He said they took it from supplies and materials and applied it to medical. We are asking for less for supplies and materials but more for medical. He said when you add the \$3 per day at Alpha House it compares very closely with the Missoula Life Skills Center. He discussed the number of inmates, staffing, etc., at the two places, Missoula being state operated and Alpha House a private non-profit corporation, and said if they did not get into the two new centers; that was essentially what he had to say on the centers.

Senator Hims1 jokingly made some comments that, if it was cheaper to handle 8 at Galen, perhaps they could take 20 or more and take care of the prison situation. Mr. South said that, seriously, they did have commitments at Galen and would be in trouble if it was abused. He felt a careful and slow approach to change there and viewing and analyzing the results was the only way to go.

Sen. Hims1: I understand the screening process is excellent. They tell me there is no problem at all. I would like to see you use more of this facility.

Mr. South: On utilities. The \$11,800 for utilities is for the new chapel. We are not asking for any money for additional utilities, despite the fact that they will run \$133,000 more than we were appropriated for. The \$11.8 is for the chapel for Fiscal Year '83.

Rep. Bardanouve: That is \$1,000 per month. How big an area is that? That seems quite high for 6 months use.

There was discussion on the chapel as to whether it was air-conditioned, the square footage, etc.

The question was asked of Mr. South as to whether the two new pre-release centers are state run or contracted services; also about the meals and where the money goes.

Judy Rippengale: The inmates pay the board and room and it goes back into the general fund. Missoula is state run with some contracted services and Alpha House is contracted, and you used these for comparison?

Mr. South: The \$3 per day will go into food. The new ones, one will be operational for 6 months and one for 9 months and, during that time, the bulk of the population is not employed at all. We do not have any idea what the buildings will be, what the utilities will be, but it has to be derived from something.

Ms. Rippingale: Doesn't Missoula deposit back into the general fund?

Mr. South: \$85 per day gate pay. Alpha House budget comes out of prison's gate pay.

Sen. VanValkenberg: The appropriation is out of the prison budget in the Halfway house.

Board of Pardons was discussed by Carroll South. He said it is attached to the department administratively only. We monitor their budget and try to see that they do not go over it.

Tom Crosser, OBPP, said he would talk on the Board of Pardons if the members were in other committees. Mr. Jack Lynch, the Executive Secretary for the State Board of Pardons, said their primary request is for additional support staff. Our initial and most urgent need is for a clerical one-half time to be increased to a full-time position. Now, with the additional travel and pre-release travel, we need more mileage and per diem to let the board members get to the pre-release camps at Swan and the forest camp and the pre-release centers. The only other expenses are insurance, snow tires and chains. He said he felt he should be provided with a vehicle to drive on these trips since he very often transported prisoners in handcuffs on the trips and thus saved money for the prison transportation budget, since he was making the trip anyway. He did not feel it was right to have to use his personal vehicle, and in some instances where they were going to transport other criminals a cage might need to be installed, and he did not want this in his personal car.



Discussion was held on the pro's and con's of a vehicle for the Board of Pardons Executive Secretary in regard to mileage, damage to a personal vehicle, initial cost outlay for a new personal vehicle, etc. The suggestion was made of leaving a state car at the prison for use there since it would be much further to come to Helena to pick one up just to return to Deer Lodge.

Rep. Lory: What do you think would cut the 40% turnover at the prison? This is quite an additional expense.

Sen. Keating: I would like to hear the answer now.

Mr. South: Any of you they have hired for a job, you start at \$5.60 an hour and that is not an exceptionally high salary. You are not even sure you will come out of the close unit. I wish you could have all been there in March to see what the guards went through when they were locked up in there. They have to go in there every day. The trouble with any prison is there are a lot of correction officers at the bottom, 17 sergeants, 6 lieutenants. This dramatically reduces the chances of going up the ladder. Salaries are not the only answer. Look at the average salaries of policemen in Montana and correction officers in other states. Take an officer in Montana, compare it, and see what the relationship is. I have been told the salary is not high enough, but we have to talk about the entire state classification system. I understand there will be a resolution introduced for the legislature to take a look at the salaries.

Lory: I was not expecting an immediate answer. I thought you could look at the problem and then give us an answer.

Senator Dover: On the education part of the guards, perhaps we should take a real hard look at the pay. If we are going to put education in it, we want them to stay until it pays out. Some of the people I saw yesterday were not the kind of guards I would recommend.

Answer: Highschool education is necessary for a guard. Physical ability to perform the duties is necessary, and we will build into the training whatever else is necessary.

Sen. Keating: How does our 40% turnover compare with the experience in other states? Answer: I don't know, I don't have this information.

Rep. Bengston: The turnover and morale problem -- will that carry over into the pre-release centers? How are they related to one another, the one being state operated and the other not. Are the salaries similar to Alpha House in Billings? Have you talked to the staff there? They are not tied to the state pay plan. Will you have problems with this in the new pre-release centers? If the morale fails there we will be in bad trouble. I am wondering how we are addressing salaries, ladder of work, in-service training, ladder building, etc.

Carroll South: That is the responsibility of the non-profit organizations who handle this. There is a big difference in working in a pre-release center and the close center #1. Try to picture working there for 8 hours a day. If you get an offer of another job you will probably take it. It compares to the lower end pay at Boulder, Warm Springs, etc.

Rep. Quilici: I have a copy of salaries for grades 1 and 2 and up to the lieutenants. I think we should get a xeroxed copy for the committee, also the salaries of the people at Deer Lodge; also at Idaho, Wyoming, Utah and Colorado -- of these Montana is the lowest. If any of you had been there the night of the riot and talked to those locked up in close unit 1, you would understand.

Sen. Keating: On the Missoula Life Skills Center -- with the half-way house non-profit organization, why is the Missoula one a state employee center and the other a private one?

Mr. South: Missoula was established as such. The half-way house in Billings is also state run. The Missoula one has been in place for some time now.

Sen. Keating: But in Missoula we have a different facility that had a different goal. If changed to be comparable to a half-way house, why not change?

Mr. South: We have one of each now. One pre-release center is state run and one private. Before we make a decision, we should be comfortable that we can get it in place, etc. At such a time if no more non-profit centers can be had and they are profitable, then we should look into it.

Sen. Keating: Non-profit will be less expensive because of salaries.

Mr. South: We have a number of mental health centers. When we contract and build their budget we tie their salaries to the state services. If that is the problem, if you look at the average budget, they are nearly the same.

Sen. Keating: Salaries should be commensurate.

Rep. Bengston: I would like to have Dave Armstrong give a comparison.

Dave Armstrong, director of the Alpha House in Billings, said he would have to give a little background. Our budget for the Alpha House is slim. We pay all the bills on a per diem basis. If we don't have 25 in the house, we do not receive the funds for 25. We are changing from \$27.50 per diem to \$32.50. This pays a bid on a minimum basis.

We have 13 full-time staff members, a counsel for assistance. They have a very high responsibility and earn as little as \$4 per hour. \$4.40 to man the facility, the master counsellor receives \$13,000 a year. We have not had a turnover in 6 months but we do need to bring our salaries up to keep our people.

Rep. Hemstad: As a new employee on (say CO2 in the prison), all they have to have is a high school education. To be a CO1 or a sergeant, they have to take a test? What is the test based on? Answer: They take an examination to pass certain qualifications to determine if they can handle a given situation, and it is related to experience.

Rep. Hemstad: You have a 40% turnover rate. Is there a difference in level where we are losing them:

Warden Risley: On 5 levels -- CO 1, CO 2, sergeant and lieutenant, 35% of the corrections officers leave before they have been there a year.

Rep. Winslow: What kind of community involvement do you have?

Mr. South: In Missoula it is primarily involvement of the state. The average person does not trust the state government. If you get local citizens, they say "you work for the state". Likewise, they give minimum support first, maximum later. We believe it can be handled better by local citizens.

Rep. Winslow: Community support is a valuable asset for them. If the people in the community care about the program and it carries over to the employees. If trouble with the inmates, paying \$3 a day as board and room it should be worked out -- it is part of the whole process of trying to get them used to paying their own way.

Sen. VanValkenburg: I don't generally do this but I feel it is important to pursue this philosophy of non-profit organizations as opposed to the state. There are two sides to the question. 1. Mr. Russell, would you explain in terms of the start of the Missoula Life Skills center when it was first put in place and the ground work and, secondly, what community involvement there was when it was moved to Fort Missoula.

Mr. Russell: We had a difficult time establishing the first site. We were unable to locate in any of them. There was not the community assistance. Eventually we got some support and involved many people and \$30,000 a year for lease money then. Members of the law enforcement and law firms, many people concerned as to how it had to run and they acted as advisers. We went over the plans with a lot of people who represented the Home School Association and other

organizations and business people. After a long time we were able to convince them it was a viable operation to move into a new location. Some positive thinking took place since we needed to look at both sides. The pre-release centers have been in for only a short time and a couple of years does not give us the time to know which route is the best to pursue.

Sen. VanValkenburg: In the corrections division, have you had any opportunity to observe some that were not run very successfully?  
Answer: Yes. The one in Helena had some bad problems.

Sen. VanValkenburg: Are you familiar with the program put forth in Missoula a couple of years ago? There are some aspects of the non-profit thing that could cause some real difficulties for the state of Montana. I am not speaking against the present non-profit organization in Billings. We had the one in Missoula and there was no state run center, and they simply came in with the spiraling cost and said we intend to provide a different level of care. We had no choice, we moved the kids out or paid the prevailing rate. Some of the families could not afford other methods of support basis financially.

Rep. Bardonoue: On the Alpha House - one example of what happened at Alpha House is one of them got a job at Coal Strip and came back and hired the other one away. I visited with some of the guards and officers. Some of them are getting more pay and they feel it is unfair pay, etc. I don't feel we can go in there and adjust the whole pay plan. Also there was some bad feeling over when some of the personnel appealed and the decision to raise some of the officers up in pay. Answer: That was a situation revolved through a lab or dispute.

Rep. Moore: The appeals procedures was for the 6 lietenants. They filed certificate forms at the union, but they did not do something for some of them.

Mr. South: We used our policy. Step for step was not in their policy at that time.

Rep. Moore: Some were signed off on and they dropped the case.

Sen. Regan: With your permission, former Senator Drake is here and I think that he could answer the question and we would be done with it.

Glen Drake: I don't think I can answer the question. It is my understanding --- I am not aware of any problem of that nature. Two sergeants were involved and there were a number of reclassification requests put in. One by the corrections center and one by another. Two were granted and one was not.

Rep. Waldron: In regard to Galen, is that eight beds each or a total of eight?

Mr. South: Total.

Rep. Waldron: If you put a lot of people into Galen you have broken faith with other people. We rely on that to put people in who can't afford other treatment. Will you be turning people away?

Mr. South: We will have to do a better job of prioritizing. There are not too many who refer their patients to Galen. We would probably be looking at those who turn themselves into Galen 2 and 3 times a year.

Rep. Waldron: Also, at different times of the year, the beds are used more. In the winter it gets cold, I guess. What is the rate of usage?

Mr. South: The geographic area in that location gets more patients coming for it. It is used a lot from that area.

Rep. Waldron: Eight beds are not much, but it would help.

Rep. Sales: On the pay scale, you are using grade 9, step 2, for a starting wage on average wages? Answer: That is the starting wage after 6 months. It is used to compare to an average wage.

Mr. South: After that they go to step 3. The first of July they go into the next year matrix which goes higher.

Sen. Wolf: Are two hours going to be long enough for this meeting?

Rep. Moore: We can go into tomorrow, too.

Rep. Stobie: On the half-way houses, in some of the DD homes, etc., you lose control of the pay scale and everything else. You say the costs per day are going up to \$32.50. Do you see, in asking for two more half-way houses, that someday it will be \$50 a day or more at Missoula? Now it is \$30 per day.

Mr. South: We do not reimburse them for salaries in excess of the state pay plan.

Rep. Stobie: Do you people in Missoula and Billings get about the same salary?

Mr. South: I suspect that Billings is less.

Sen. VanValkenburg: Missoula is running their program with six FTE's in order to take care of more people there with their money. Missoula is a Life Skill Center now and not a pre-release center.

Rep. Bengston: Life Skill and pre-release. You admit they are just getting by in Missoula. You said you would be willing to contract for services. If Billings brought their people up to the pay plan standards wouldn't you have to give them more money?

Mr. South: It doesn't make any difference to me as long as you would like to give the money.

Rep. Bengston: Do you have any objections to putting the standards up at Missoula with more counsellors?

Mr. South: All we are proposing for Missoula is in this bill.

Rep. Winslow: In Billings they raise money for support. They are going to the community to raise the money.

Rep. Conroy: In the LFA green book, page 34 -- you pay overtime now to man the other guard tower. Will this deficit be made up out of pay plan money?

Mr. South: This department asked to have the authority to transfer money between institutions. In the 1981 session, out of the money that was appropriated, there was some discussion as to how was based. 1. Personal services, operations, capital expenditures and utilities. I said don't tie me into that. The only flexibility is in transferring of funds. Emergencies can be handled only by being allowed to transfer money. This was my understanding when I took the job as director. The only flexibility in personal services was in our allocation between institutions. But that was line itemed and it said you will not exceed that plus the pay plan. The only flexibility was in the internal pay plan. 2. Utilities. The legislature said, if you exceed this amount, you may ask for a supplemental; if in excess, you will revert it. I told my people I had no intention of asking for a supplemental. I was sure we could use salary savings to cover utilities. They are \$131,000 higher than we were appropriated money for. The LFA report I did not get a chance to study or even read. If you do not let me use salary savings you are tying my hands.

Mr. South explained how he had scrimped to save basic salary savings in his office in the brick building, and in other areas. He said that at the beginning of the year he had deleted five positions and saved \$51,000 by doing so. Other institutions have been doing the same thing. These were salary savings that were appropriated in House Bill 2. I have had no instructions that I could not use salary savings for operations. We have a basic philosophy that has to be answered as to whether I have that authority.

Rep. Moore: You mentioned H.B. 500 and H.B.2. What about H.B. 480, the pay plan bill?

Rep. South: What if I could show you that I could save enough money in this department that would pay the deficit at the prison which is \$102,184?

Judy Rippingale: Do you have the legislative authority to move that money from one institution to another and from one line item to another? You would not take the money from one institution for instance, and give it to the prison?

Mr. South: First I am saying, that's probably not. If I transferred money between institutions, it would have to be pay plan money.

Judy Rippingale: In House Bill 840, if you had excess money for the pay plan and put it into the prison, you would be in violation of the intent of the legislature. House Bill 840 restricted money to the pay plan.

Carroll South: Almost all of the money is for salaries.

Judy Rippingale: You expect \$25,000 in salaries, \$50,000 in operational expenses. That raises another question. The pay plan was not given to add new FTE's but to pay the salary increases. How do you cover expanded FTE's?

Mr. South: As an administrator, I have lived within the money I have despite the problems in the prison.

Judy Rippingale: Doesn't this raise the question of money given to the governor for the pay plan? You use it, and other institutions that had any in excess. Should you not revert that since it was for only one thing?

Mr. South: The Finance committee sat here when Dave and I came in relative to the workman's comp. bill, in May of 1981. There was over \$900,000 that came in for additional workman's comp. premiums. I was criticized and the Labor Commission was also criticized for it. I was told to do everything I could to reduce it and save to pay it. We have saved enough to pay it. Now the question is: Do I pay it or do I revert the money and come in again and ask for it?

Judy Rippingale: You have no authority to move it nor any from the pay plan. You have no authority to treat that money any way you want. It is money appropriated for a certain thing and you would use it for another item. This is not what the legislature appropriated it for and what they intended it to be used for.

Carroll South: If the philosophic session is going to say this, then what do I do?

Sen. Himsl: The area of the deficit is in the area of personal services.

Mr. South: \$25,000 is personal services. Some is a surplus of supplies and services.

Sen. Himsl: When we appropriated the pay plan increase we did not break it down. We gave the executive the okay to allocate the money. I assume you had some flexibility in that. If 85% is in personal services, isn't it in personal services that could be used from pay plan increases?

Mr. South: \$25,000 is personal services.

Rep. Conroy: Having sat on the subcommittee, as I interpret it you said you had not filled all the positions. Are you saying you did not fill those positions and did you then reconstruct your budget or what? We gave you what you wanted.

Mr. South: Vacancy savings are of two natures. First I looked at the vacancies that did not work directly with patients. If you don't need to fill those others, don't do so. We need to generate enough savings to pay the workman's comp. bill. Other vacancies are some we have not been able to fill. Nurses in the prison --we have been advertising for nurses. We have two kinds of vacancy savings, forced and those we cannot fill. Combined we have a salary savings. We did this so that we could pay the workman's comp. bill.

Rep. Conroy: How far short?

Carroll South: There were never any post positions left unfilled. For the most part the critical positions that are handling the patients have to be filled. I guess I think that is the good administrative thing to do.

Sen. Boylan: I would go back to the vacancy savings where it comes back to the philosophic pay scale setup where it regards a certain amount of FTE's. The money is there. What if you get into this? What are you going to do next year? Where are you going with next year's budget? You have eliminated these people. You will have less FTE's. I think this has happened with a lot of budgets throughout the years. Where you have less positions there goes the positions and the money that you may need for another year.



Mr. South: No doubt the legislature will look at the personal services. That is why I want to draw the line. If we lose these positions -- fine. We didn't use them anyhow. There are a lot of others we could fill and we couldn't lose the money for them.

Rep. Stobie: I think I have a lot of sympathy for Mr. South's plan. It is semantics, but also a lot of pride in this. A person has to have a lot of pride to try this.

Rep. Bardanouve: On the pay plan monies. In the pay plan itself there are diversions in the pay plan. It could come from any particular area. You would be covered.

Mr. South: \$55,000 was savings in my office alone.

Rep. Bardanouve: Is it from the allocation of that pool from the Department? I tried to give him the authority.

Rep. Moore: You tried and you failed, Rep. Bardanouve.

Rep. Bardanouve: Mr. South has done a job here that in the years I have been here -- a year ago with over \$1 million that was not in his budget. That occurred before he took office. Somehow he has saved enough money to pick up this money and there is a question of whether you will fund the FTE positions.

Rep. Moore: One of the purposes the governor called this was that the new FTE would get our approval.

Rep. Bardanouve: I have a philosophic question. An agency can create new positions without budget amendment when they save the money for it. I think maybe somehow this committee should take some action on this so that we can remove any cloud by arriving at a solution.

Mr. South: Probably we are talking about two different issues here. One of the first mailings I sent out to them said we would request additional salary for the new FTE. We thought it would be better to take care of that in-house. The other is in regard to the workman's comp. thing. Given the fact that we saved enough to pay it, should we pay it?

Rep. Moore: That is an old problem that will rise again.

Rep. South: If the money is there to pay it, do I pay it?

Rep. Moore: This will happen again.

Mr. South: Yes.

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Rep. Moore: Is any of this pay plan money?

Sen. Dover: The bills that you brought to us that need to be paid and we said to go and pick it out of your budget.

Mr. South: That was the retroactive pay?

Sen. Dover: We dropped the bomb on you, did you take care of it?

Mr. South: Yes. I had to pay it or be in contempt of court.

Rep. Hurwitz: I kind of admire Carroll South for what he has done. South is a good administrator and we admire him for it.

Rep. Moore: Mr. South has done something that is not quite kosher, but we admire him for it. I would like to say that we will agree on some figure and the monkey is going back on the Governor's back to administer what is there with the money we gave him.

Sen. Regan: Mr. South has done something very creative. The legislature, in an attempt to bring about responsibility, has line itemed, and Mr. South found out how to get out. He figured out how to get out, and we have to do something to save face. I would hope we will give him the money.

Rep. Moore announced that the time was up, that testimony would be continued later if there was time. After the testimony the committee members will question them. After House Bill 2 is finished, the committee will break, the Senate will leave, and the House Appropriations will hear the bill in executive session and take action on it.

The hearing is to be continued at 10:45 tomorrow morning in room 104.

The meeting was adjourned at 6:35 p.m.

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Senator Himsl, Chairman