

MINUTES OF THE MEETING OF THE HUMAN SERVICES COMMITTEE  
March 18, 1983

The meeting of the Human Services Committee held March 18, 1983, in Room 224A of the Capitol Building at 12:30 p.m. was called to order by Chairman Marjorie Hart. All members were present except Rep. Brand, who was absent.

SENATE JOINT RESOLUTION #3

SEN. HIMSL, sponsor. About two years ago the legislature approved of the construction of a nursing home wing to the Montana Veterans' Home at Columbia Falls. They broke ground on the \$1.5 million project last summer and the completion is scheduled for February 1984. SENATE JOINT RESOLUTION #3 would have the Department of Institutions name the new wing "Bennett Hall" -- a proposal which grew out of Governor Schwinden's suggestion at the ground breaking ceremony (EXHIBIT 1).

PROPONENTS:

CURT CHISHOLM, Deputy Director of the Department of Institutions, said they support this resolution. We agree in testimony to the work Dr. Bennett performed over the years in relation to the Montana Veterans Home, taking care of the medical needs and are supportive of this legislation.

BOB DURKEE, representing the Veterans of Foreign Wars, also supported this legislation.

OPPONENTS: None

SEN. HIMSL closed saying DR. BENNETT served members of the House and members of the Senate. SEN. HIMSL stated he thought it was a proper and fitting gesture.

QUESTIONS: None

CHAIRMAN HART closed the hearing on SENATE JOINT RESOLUTION #3.

SENATE JOINT RESOLUTION #7

SEN. GOODOVER, sponsor. This resolution requests that Montana's Congressional Delegation introduce legislation to establish a national veteran's cemetery in Montana. The requested name of the cemetery is "Arlington West National Cemetery".

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SEN. GOODOVER said this would be good utilization of vacant land in Montana. It would be a tourist attraction and we would have a national shrine.

PROPOSERS:

BOB DURKEE, Veterans of Foreign Wars and the American Legion, said there is no longer any space at Arlington National Cemetery or the Custer Battlefield. The closest national cemetery is Ford Mead, South Dakota or Cheyenne, Wyoming. He urged this Committee to give favorable consideration to this resolution.

OPPOSERS: None

SEN. GOODOVER closed and urged concurrence with SENATE JOINT RESOLUTION 7.

QUESTIONS:

REP. HANSEN: Do you have any idea where it would be put.

SEN. GOODOVER: That would be the responsibility of people designated by Congress in concert with people from Montana.

REP. DARKO: This cemetery would be for the state.

SEN. GOODOVER: This would be for the West.

CHAIRMAN HART closed the hearing on SENATE JOINT RESOLUTION #7.

REP. FABREGA will carry SJR 7 on the House floor.

SENATE JOINT RESOLUTION #10

SEN. VAN VALKENBURG, sponsor. This resolution requests the President of the United States to conduct good faith negotiations with the Soviet Union on reducing nuclear weapons. It also urges a cessation in the development, production and deployment of nuclear weapons by all nations. The resolution also requests an increase in human service and jobs programs funding as agreed to in principle by President Reagan and Speaker O'Neill.

PROPOSERS:

RICHARD BARRETT, associate professor of economics at the University of Montana, said that SENATE JOINT RESOLUTION #10 states that a reduction in arms spending would yield a stronger and more productive economy and a better economic future for all American. He agreed with that conclusion and he was encouraged by the thought that the Montana legislature might take such an enlightened and positive view of the potential of our nation's economy. What we seem to be seeing today are increases in military spending which occur at the expense of civilian programs. There is no doubt that this type of spending shift tends to reduce total employment, especially in a state like Montana. SJR 10 calls upon the Federal government to push ahead with programs to increase jobs and to bring military expenditures under control. He believes the authors of SJR 10 are right in believing that this will make Montana's economy stronger and more productive (EXHIBIT 2).

STEPHANIE SCHMIDT, registered nurse, Hardin, Montana, said the continued arms race is detrimental to the lives of Montanans now. We have been told that our weapons are for defense. We cannot defend ourselves against nuclear attack. We can only retaliate. We must never use the weapons we have built. The people of Montana need jobs and health care. We don't need more weapons. She urged passage of SENATE JOINT RESOLUTION #10.

REP. KADAS, passed out two handouts (EXHIBITS 3 and 4) which depicted military expenditures compared to the annual rate of growth in manufacturing productivity and the fact that military spending costs jobs. He said that one of the things we really need to strive for is a strong national economy. As we pour more money into the defense related areas, we have less to spend on other items. He supported this resolution.

REP. ADDY appeared in support of SJR 10 in its present form. A major contribution SJR 10 makes to the discussions we have had on the whole nuclear issue in the House is that it asks the United States to look at defense spending and to put that aspect in the context of social issues, also. It also asks the United States government to consider the impact of a huge federal deficit.

STACY FLAHERTY, representing the Women's Lobbyist Fund, urged unanimous passage of SJR 10 to send a clear message to the federal government that the current spending priorities in the federal government are unacceptable to Montanans of all political persuasions (EXHIBIT 5).

FRED SWANSON, consulting technical editor and a citizen of Helena, said one of the reasons we are faced with a budget problem is reduced federal outlay. Part of the reason for that reduction is greater increase in military spending. President Reagan plans a 10% increase in military spending with cuts in human services (EXHIBIT 6).

CATHY CAMPBELL, representing the Montana Association of Churches, spoke in support of SJR 10. The Montana Association of Churches opposes the escalating development and deployment of nuclear weapons by the United States and other nations. It is our belief that there is no more important political or moral question facing the world than that of human survival in the face of nuclear armaments and the threat of nuclear holocaust. The continuing escalation of the arms race does not seem to make sense ethically, strategically, politically, or economically. She urged favorable consideration of this resolution (EXHIBIT 7).

CYNRHIA CHASE, representing the Billings Coalition for the Nuclear Freeze, said that military spending does hurt our people. She urged support of SJR 10.

OPPONENTS: None

QUESTIONS:

REP. SWIFT: What percentage of the federal budget in the past three years has been devoted to defense.

FRED SWANSON: I don't know the answer to that.

REP. SWIFT: My understanding is that up until the past three years, the figure of military spending has not exceeded 30%. You show 45%.

FRED SWANSON: There is some divergence on that figure. The primary difference has to do with money spent on interest on the federal debt.

REP. WINSLOW: In this figure of 45%, I see that listed under national defense spending including veterans' benefits and the space program. Is this always included? You consider veterans' benefits as defense.

FRED SWANSON: In a broad sense, yes. These figures are not meant to suggest that all defense spending is inappropriate. I just want to point out--the more money spent on military expenditures, the less is available for human services.

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REP. WINSLOW: Can you tell me what has the percentage of our total expenditures increased militarily in the past twenty years.

FRED SWANSON: I don't believe it has.

REP. WINSLOW: What about our percentage in human services.

FRED SWANSON: I suspect it has.

REP. WINSLOW: I am sure it has. Defense spending has gone down and human services has gone up.

REP. KADAS: Your first question--the different levels--some people say 30% used on defense--some people say 45%. The difference is when you start taking in the other things--like veterans' budget. The question is judgment--where do you include those items. Through the Ford and Carter administrations, social services spending did go up and defense spending went down. Take that in context with the growth of the total federal budget. Also take that in context of how many more weapons to defend the same areas--compare that to the social needs. I can see increase in the social problems. I can't see where there should be that much growth in weapons.

REP. WINSLOW: My concern is--if we are going to address the total budget and start playing games with percentages, we have to be honest and say that the percentages in total expenditures in defense have gone down and human services have gone up.

REP. DOZIER: Expenditures were going up because we were at war.

REP. JONES: Couldn't you say that every bushel of wheat that is grown in the state of Montana is also part of the defense budget. Food on the home front is a defense.

REP. KADAS: It is defense to have a strong economy in America. We have to balance off where we put our money. If we put it all into weapons, we really don't produce anything.

REP. SOLBERG: Would you consider on page 4, line 4, changing the word "stop" to "reduce". It would seem to me to be more of a workable solution.

SEN. VAN VALKENBURG: I believe very strongly in the art of compromise. "Stop" is the essence of what we are asking for. We have got to find a way to reduce. More is of no benefit to the world and that is why "stop" is important.

REP. SOLBERG: Don't you think you would add to unemployment if you stop everything.

SEN. VAN VALKENBURG: No. You produce many more jobs by putting your spending into human services. If you put your money into people, you get more jobs.

REP. KEYSER: You are saying if we spend a billion dollars on education and create 187,299 new jobs--regardless of how many new students there are or a drop in education--if the federal government employs these people, we will have put people back to work. We have then taken care of unemployment. Is that what you are trying to tell us.

REP. KADAS: It is definitely federal spending. If you spend a billion dollars on needed education--I am assuming you are going to need whatever you are going to spend it on. All I am trying to point out--one billion dollars for education versus one billion dollars for military, you are going to produce more than twice as many jobs on the education side than you are on the military side. Military people get paid more. A lot of money that goes into military goes into building machines.

REP. SEIFERT: What sufficient information could you provide the Committee that our military defense is satisfactory for national security as provided in the Constitution at this time.

SEN. VAN VALKENBURG: I am not privy to all top-secret information. I am not a member of Congress. I am just a citizen that sits back and looks at the problems we have. I think things are going pretty well for us. Bringing a halt to the fear of nuclear weaponry that is being generated by the citizens of this country is a greater priority right now.

REP. SWIFT: I think the jobs bill is one of the key things you referred to. That has been passed by the Congress. Would you be adverse to updating this part of the resolution.

SEN. VAN VALKENBURG: Not at all.

REP. FABREGA: Would Dr. Barrett discuss the information REP. KADAS presented in his testimony.

DR. BARRETT: I don't think the analysis of the effect of military spending rests on the idea--if you don't spend it on weapons, you have to spend it on a government program. If we spent less on military, the federal government would borrow less.

REP. FABREGA: Is the purpose to create jobs?

DR. BARRETT: Any other way, other than military, is going to create more jobs. Some people have said we have to have military spending to keep our economy in good shape. That is fallacy. If we were willing to spend money on other things, we could revise our economy.

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REP. JONES: According to your handout, the Army spends \$400 million to recruit, train and discharge 85,000 personnel. According to your handout with one billion dollars, they only create 75,710 jobs. My mathematics says it is 212,500 jobs.

REP. KADAS: If you read that carefully, it says "recruit, train, and discharge". When we talk about military spending, we are talking about all the money that it takes to gather raw material to build ships, tanks, etc. This is just a little part of the spending picture.

REP. JONES: Wouldn't you say, then, that if \$400 million makes 85,000 jobs--a billion dollars spent the same way would create 212,500 jobs?

REP. KADAS: If you spend it the same way. All you are creating there are foot soldiers and that is certainly not the whole military.

REP. KEYSER: When did you introduce SJR 10. Was it before or after the hearing on the other two bills that we had in the House?

SEN. VAN VALKENBURG: It was well before that.

SEN. VAN VALKENBURG closed saying it is so essential to world peace and also legislative peace that we work very hard to see what unites us in our common goals.

CHAIRMAN HART closed the hearing on SENATE JOINT RESOLUTION 10.

EXECUTIVE SESSION  
SENATE JOINT RESOLUTION 10

SEN. VAN VALKENBURG, sponsor.

REP. DOZIER: Moved that SENATE JOINT RESOLUTION 10 BE CONCURRED IN.

REP. SWIFT: The language on page 3 and two other places states the President and Speaker. In view of the fact that bills have been passed in both houses of Congress, it would be more appropriate to say "the President and Congress".

Page 3, line 9  
Page 1, line 11  
Page 4, line 9

This would allow the language to be consistent with the current situation. I would propose this change as an amendment.

REP. HANSEN: I would like to leave the things in the resolution the way they are.

REP. DOZIER: I would oppose the amendment because we would have to send it back to the Senate.

REP. FABREGA: The way the resolution is stated, that was the agreement with President Reagan and Speaker O'Neill. If we are referring to their original agreement, it might not be timely.

REP. SWIFT: The only thing I am alluding to in my question--  
SEN. VAN VALKENBURG stated specifically that Congress agreed to those things that are addressed here and this resolution is out-of-date.

The motion to delete "Speaker O'Neill" and substitute "Congress" was voted on by roll call and six members voted yes (REPS. BROWN, KEYSER, JONES, SEIFERT, SOLBERG and SWIFT) and seven members voted no (REPS. FARRIS, DARKO, DOZIER, DRISCOLL, FABREGA, HANSEN and CHAIRMAN HART). The motion FAILED.

REP. DOZIER: Moved that SENATE JOINT RESOLUTION 10 BE CONCURRED IN. The motion PASSED with REP. JONES and SOLBERG voting no. REPS. MENAHAN and CONNELLY voted yes by proxy.

#### SENATE JOINT RESOLUTION #7

SEN. GOODOVER, sponsor. This bill would establish a national veteran's cemetery in Montana.

REP. SEIFERT: Moved that SENATE JOINT RESOLUTION #7 BE CONCURRED IN.

REP. FABREGA: Arlington is closed and would it make sense to have an Arlington West.

REP. JONES: There are several hundred vacant lots in Arlington.

REP. FABREGA: That is not enough for the demand.

REP. FARRIS: Is this really the best use of Montana land.

The motion was voted and PASSED with REP. FARRIS voting no. REPS. WINSLOW and CONNELLY voted yes by proxy.

#### SENATE JOINT RESOLUTION #3

SEN. HIMSL, sponsor. This resolution would have the Department of Institutions name the new wing of the Montana Veterans' Home at Columbia Falls "Bennett Hall".

REP. KEYSER: Moved that SENATE JOINT RESOLUTION #3 BE CONCURRED IN.



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The motion was voted and PASSED UNANIMOUSLY. REPS. WINSLOW and CONNELLY voted yes by proxy.

SENATE BILL 446

SEN. THOMAS, sponsor. This bill clarifies and defines the services to be provided by personal-care facilities; establishing restrictions on eligibility for residency in such facilities, and providing for licensure of personal-care facilities.

GROUP CONSENSUS AMENDMENTS: (EXHIBIT 7)

DAVE BOHYER: Amendment #2 is not necessary.

REP. KEYSER: Moved that this group of amendments be accepted.

REP. BROWN: Regarding Amendment #5, when "roominghouse" is changed to "boardinghouse", does the title have to be amended?

DAVE BOHYER: We are not changing; we are just adding.

The motion was voted on and PASSED UNANIMOUSLY.

AMENDMENTS PROPOSED BY THE MONTANA TECHNICAL COUNCIL: (EXHIBIT 8)

REP. FARRIS: Moved the amendments be accepted.

The motion was voted and PASSED UNANIMOUSLY.

AMENDMENTS BY DEPARTMENT OF HEALTH AND SOCIAL AND REHABILITATION SERVICES: (EXHIBIT 9 and EXHIBIT 10)

REP. FABREGA: Moved that the amendments be accepted.

REP. FABREGA: It might be in the best interest of the Committee to have JUDY CARLSON and ROSE SKOOGS address the amendments.

JUDY CARLSON: The addition of subsection (1) to section 2--it just wasn't in there before this way. At first, we wanted to strike out that we were consistent with section 2. In talking with the nurses, the interest was in section 2 (1); so by being that more specific, it took away our objection to having it in there. Subsection (1) has to do with people who should not be in a personal-care facility.

REP. FABREGA: How about the last amendment?

JUDY CARLSON: We droppped one whole amendment. This one we want to keep. It has to do with third party providers. We want to make clear that those will include people who have never been involved with a medicaid waiver.

ROSE SKOOGS: The first two amendments that changed "cooperation" to "consultation" improves what was happening there. We wondered what added weight this gives the department in terms of the rulemaking process that will occur. Can't they already consult with the Health Department? We still have a problem about why it is there. The one that limits being consistent with this bill to just section 1 of that new section, we have a problem with. While they are making these placements, it has to be consistent with all that is going on in this bill. We don't want to see it limited to section 2(1). We do want it to be consistent with section 2 because that whole section deals with the standards of what the group came up with in regard to what rules we need to be protected in that facility. Why don't they want to be consistent with this bill. The fourth one, where they specify that it includes certain kinds of recipients under specific statutes--that doesn't hurt anything as long as the part above stays consistent with the provisions of section 2.

REP. FABREGA: In reply to the first one, I would agree with ROSE SKOOGS that everyone agrees and participates in the rule-making but the consultation takes place prior to--we need to control the matter without having to have the hearing process. The Department of Health would be better off consulting with SRS on their proposed rules prior to the first hearing rather than having SRS come as an adversary and try to fix things that could have been handled beforehand. Oddly as it seems, none of these departments do anything in relationship with each other. I see consultation as a necessary step prior to the hearing. In the second one when you limit to (1), then (b) and (c) would not be included. On line 18, it would only cover items (a) through (d).

JUDY CARLSON: Obviously, we have to follow the law and be consistent with the law. Normally, you don't put in every law that everybody will be consistent with every part of the law. This is talking about third party providers and services. The concern was that we not get third party providers mixed up with people not allowed to be in personal care homes. We have to obey the law and be consistent with all the laws of Montana.

REP. DRISCOLL: Can ROSE SKOOGS answer the last item?

ROSE SKOOGS: If they have to comply with all of this, why do they have to amend it and say they only have to comply with section 1. Is there some intent on their part not to comply with subsection (2)? The sponsor of the bill left a statement to be read into the record as to what the intent was. It had to do with all third-party providers, legally authorized to provide their services. If you read that into the record, the fourth amendment that gives a laundry list of all those providers and the subsection would also be unnecessary. I think the big thing with these amendments is limiting it to subsection (1).

REP. SWIFT: This is not taking anything out. The amendment is only adding a subsection to section 2.

ROSE SKOOGS: No. It is limiting it to subsection (1). Section 2 has two subsections and if it just says section 2, then it applies to both of those subsections. When you put subsection (1) after it, you are limiting it to only that.

REP. FABREGA: Limiting what?

ROSE SKOOGS: You are limiting what you are saying you are being consistent with.

REP. FABREGA: It means the Department of Health will develop rules consistent with subsection (1).

ROSE SKOOGS: No.

DAVE BOHYER: By putting that subsection (1) in there, it is referring to lines 13-16 in connection with being a resident. So the consistency is with the resident portion of this. You are excluding both residents that are already excluded. I am not sure how this works but you are making sure that those people on lines a, b, c, d are being taken into account when you are talking about putting them in personal care facilities. The resident doesn't have anything to do with rules in subsection (2).

REP. HANSEN: The criteria set forth in section 2--is that the same criteria set forth for people in personal-care homes.

JUDY CARLSON: Personal-care homes as defined by the Department of Health--that may be the case, I am not sure. Personal care homes that we are familiar with in Missoula that are now licensed as room and board facilities, this is all kind of new language for them.

REP. HANSEN: Will that put some of the people out of the homes?

JUDY CARLSON: Those homes would have to come in and be either room and board homes or personal care homes.

REP. DRISCOLL: Personal care homes are for older people who are not bedridden but can't take care of themselves. Is that what you envision this doing?

ROSE SKOOGS: Personal care homes run anywhere from 7-8 bed facilities to 40 bed facilities. What you describe is closer to adult foster care.

REP. DRISCOLL: What is Sage Tower in Billings?

RICK CHIOTTI: Sage Tower is licensed as a roominghouse.

REP. HANSEN: Personal care homes are not necessarily for older people. We have had many people go through our rehabilitation program and put in the kind of program they can handle.

REP. FABREGA: If I read on page 1, line 21, "The personal-care facility must provide the following services to facility residents." If you jump from there to line 6, page 2, then you read "consistent with the provisions of section 2(1) "a resident of a personal care facility may have medical or nursing related services performed for him at a personal care facility by a third party provider"--to be consistent with (1)--I would agree it to say "personal-care facility may not have a resident as a resident a person who is in need of medical or physical restraints, ambulatory or bedridden, totally incontinent, or less than 18 years of age." Is that what it is saying--so, in other words it says those people--a personal care facility can provide consistent with (2). But since (2) says this type of person is not to be in a personal care facility. Why?

ROSE SKOOGS: Let me try and explain why I think subsection (2) should also be included. The part you are dealing with says "consistent with--a resident may have medical and nursing-related services performed for them by third-party providers." It was the intent of the study group that the Health Department describe by rule under what circumstances third party providers were going to provide this. We have levels of care and that is the whole problem of the waiver. They screen a person (under the waiver) and say this person is intermediate and needs that level of care.

JUDY CARLSON: The reference talks to what patients should be in there. The problem is that it gets into the screening process and it is not clear. Then we get into "who is the screener?" The Health Department will do some screening once they are in the facility; we will do preplacement screening. What we understood--if the individuals are bedridden, they are not going to be in a personal-care facility.

REP. FABREGA: I talked with Dr. Drynan and he said these were satisfactory with him.

DAVE BOHYER: It will be consistent with subsection (2) but subsection (2) is talking about rules. If you insert those lines, 13 - 16, in place of the simple reference, you can see that a person in need of medical restraints, a nonambulatory or bedridden person, a person totally incompetent or a person less than 18 years of age cannot be in that personal-care facility.

REP. DRISCOLL: If it read as the bill was written, wouldn't it say "consistent with condition of section 2". Wouldn't that do the same thing?

DAVE BOHYER: Correct.

REP. DRISCOLL: Moved we strike the third amendment. You have to be consistent with section 2. Putting a (1) means you have to be consistent with a, b, c, and d.

REP. FABREGA: Third party payments have to be consistent with subsection (2). It covers the rest of subsection (2). In other words, there can be no third party payments to anyone covered by subsection (1) in a personal-care facility. The rest of subsection (2) allows the Department of Health to promulgate rules for third party payments.

ROSE SKOOG: No.

REP. KEYSER: Made a substitute motion to accept Amendments 1 and 2 together because they are the same language. He moved to accept Amendments 3 and 4 together.

The motion to accept Amendments 1 and 2 was voted on and PASSED UNANIMOUSLY.

The motion to accept Amendments 3 and 4 was voted on and PASSED with REPS. DRISCOLL, DOZIER and FARRIS voting no. REP. CONNELLY voted yes by proxy on the amendment.

REP. DRISCOLL: Moved that SENATE BILL 446 BE CONCURRED IN AS AMENDED.

DAVE BOHYER: SENATOR THOMAS suggested an item be included in the minutes with regard to this definition of third party providers. If it should be included, it should be in the Statement of Intent.

REP. FARRIS: Moved that this item (EXHIBIT 11) be added to the Statement of Intent.

The motion PASSED UNANIMOUSLY. REPS. WINSLOW, MENAHAN, CONNELLY and SEIFERT, voted yes by proxy.

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The motion that SENATE BILL 446 BE CONCURRED IN AS AMENDED  
PASSED UNANIMOUSLY.

The meeting adjourned at 2:45 p.m.

  
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CHAIRMAN MARJORIE HART

  
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Secretary

SENATE JOINT RESOLUTION No. 3

SENATOR HIMSL

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About two years ago the legislature approved of the construction of a nursing home wing to the Montana Veterans' Home at Columbia Falls. They broke ground on the \$1.5 million project last summer and the completion is scheduled for February 1984.

Senate Joint Resolution # 3 would have the Department of Institutions name the new wing "Bennett Hall" -- a proposal which grew out of Governor Schwinden's suggestion at the ground breaking ceremony.

The resolution speaks for itself-----  
(read the resolution)

Thank you for your consideration.

## VISITOR'S REGISTER

HOUSE HUMAN SERVICES

COMMITTEE

BILL SENATE JOINT RESOLUTION 3

DATE March 18, 1983

SPONSOR SENATOR HIMSL

[illegible]

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR LONGER FORM.

WHEN TESTIFYING PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.



## VISITOR'S REGISTER

HOUSE HUMAN SERVICES COMMITTEE

BILL      SENATE JOINT RESOLUTION 7

DATE March 18, 1983

SPONSOR SENATOR GOODOVER

[illegible]

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR LONGER FORM.

WHEN TESTIFYING PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

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SJR 10

Testimony of Richard Barrett  
to Committee on Human Services,  
Montana House of Representatives,  
March 18, 1983, on SJR 10

My name is Richard Barrett. I am an associate professor of economics at the University of Montana. I am testifying today, however, not as a representative of the University, but as a concerned citizen with some professional knowledge of the effects of military spending.

Senate Joint Resolution 10 states that a reduction in arms spending would yield a stronger and more productive economy and a better economic future for all Americans. I agree with that conclusion and I am encouraged by the thought that the Montana legislature might take such an enlightened and positive view of the potential of our nation's economy.

Because ever since the 19th century, cynics and critics of our economic system have been claiming that war, or at least military spending, is "good" for us; a necessary evil, perhaps, to stave off depression and unemployment. What these critics have in mind, of course, is that spending creates jobs. What they have forgotten is that whenever more is spent on the military, less is spent on other things. Whenever the government decides, say, to purchase a new weapons system, it really has few choices about how to do it. It can raise taxes and households will spend less. It can borrow funds that businesses and families would have otherwise used to build factories and homes. Or government can reduce its civilian spending in favor of more military expenditures. The result will be that employment in weapons production will rise and somewhere else -- in construction, or education, or the health services, or the consumer goods industries -- employment will fall.

What the net effect of all this will be is a little difficult to guess at since it depends on just where the cuts in non-military spending come from. What

we seem to be seeing today, and the issue that SJR 10 in part addresses, however, are increases in military spending which occur at the expense of civilian programs. There is no doubt that this type of spending shift tends to reduce total employment, especially in a state like Montana.

What would happen to employment in Montana if defense spending were raised by 30%, with the money coming from reduced outlays for other non-military government programs? Such an increase would, of course, be very large. But would it provide jobs for Montanans? We can answer this question with some accuracy using the results of a study by Roger Bezdek (Journal of Regional Science, Vol. 15, No. 2).<sup>1</sup> Bezdek computed the impact of such a shift in spending on production and employment in each of 86 industries in 1980. If we apply his findings to Montana's important industries, we find the following:

Industry	Montana Employment in 1980	Percent Change in Industry Employ- ment after Defense Expenditure Increase <sup>2</sup>	Change in Montana Employment
Farming <sup>3</sup>	10,345	-2.7	-279
Mining	8,774	1.9	168
Construction	14,578	-13.2	-1924
Food Products	4,053	-2.4	-97
Lumber Products	9,120	-6.4	-584
Transportation	13,980	1.2	168
Communications	5,199	.6	31
Public Utilities	4,111	* <sup>4</sup>	
Wholesale/Retail Trade	72,322	-.3	-217
Finance/Insurance	13,577	-.2	-27
Hotels/Personal and Repair Services	10,297	-1.2	-124
Business Services	4,199	1.3	55
Household Services	4,488	-.6	-27
Professional Services	38,202	-3.5	-1337
State and Local Government	52,064	-.1	-522
Total	266,309 <sup>5</sup>		-4,716

<sup>1</sup> Bezdek authored this study while serving as Chief, Industry GNP Branch, Bureau of Economic Analysis, U.S. Department of Commerce.

<sup>2</sup> Figures from Bezdek.

<sup>3</sup> Wage and salary employment only. Excludes proprietors.

<sup>4</sup> The effect on utilities is negligible.

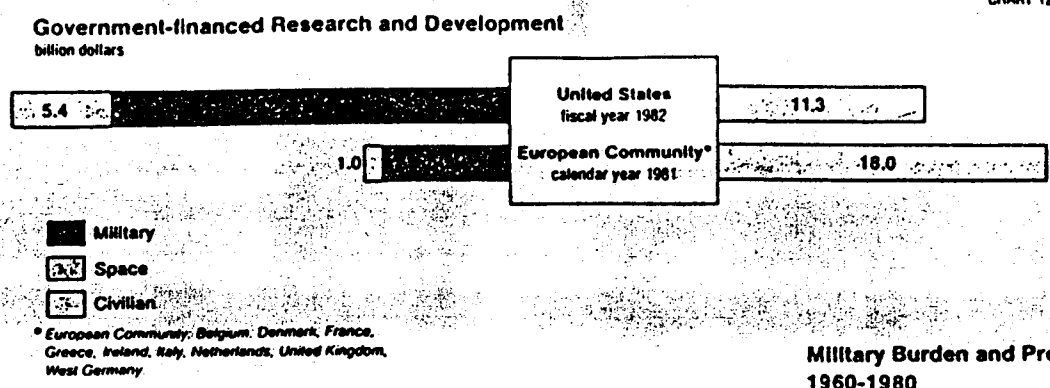
<sup>5</sup> These industries together provided 87% of Montana's wage and salary employment.

Overall, increasing military spending by 30% while reducing spending on schools, housing, medical care, and other social programs by an equal dollar amount would eliminate 4,716 jobs in Montana. Employment would be reduced by 1.8%.

Why does increased military spending eliminate jobs for Montanans? One reason is that the programs we must sacrifice when we spend more on weapons employ more people per dollar of output than the defense industries do. This means that total national employment dropped in Bezdek's experiment. In addition, we in Montana have, despite the silos and bases, few military industries. The strength of the Montana economy is more directly tied to the strength of the nation's civilian economy.

SJR 10 calls upon the Federal government to push ahead with programs to increase jobs and to bring military expenditures under control. I believe the authors of SJR 10 are right in believing that this will make Montana's economy stronger and more productive. I hope you will support this resolution.

CHART 12



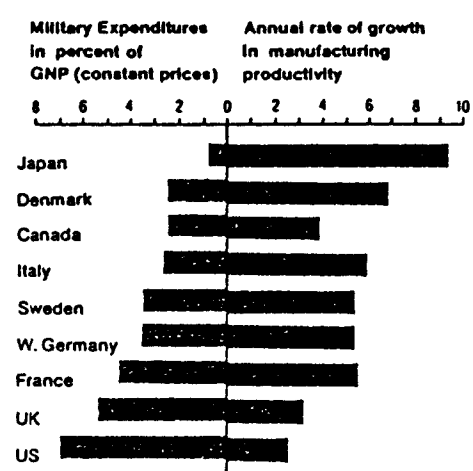
## The Priorities are awry

As the arms race continues, contrasts between the military and social worlds have become more pronounced. Record outlays for arms and armies produce grotesque distortions of national priorities. Public expenditures have reached \$19,300 per soldier, 50 times the average spent to educate a child of school age (chart 11). In an intense competition for ever more destructive weaponry, the two superpowers (US and USSR) invest at least twice as much for research on military programs as for all civilian needs combined (chart 12).

Increasingly apparent are the harsh consequences for the public welfare. Countries with the highest military burdens compete less effectively in world markets (chart 13). The global economy suffers from wild inflation and record unemployment. Almost one-fourth of its inhabitants live in extreme poverty. Extravagant military defense has become the symbol of world insecurity.

CHART 13

## Military Burden and Productivity 1960-1980



## And the Public has begun to speak out

Three years ago a wave of public indignation began to gather momentum and roll over western Europe. And it has not stopped. It swept eastward across the Atlantic and the Americas and westward to the Pacific and Japan. Passing over eastern Europe and the Soviet Union, its tone was subdued but clearer than some might have supposed.

Ordinary people were rising up to say in largely polite, but insistent, voices that they wanted the nuclear genie put back into the bottle. And more than that, it developed, they wanted an end to the political atmosphere of suspicion and fear, and the beginning of a true commitment to peace.

The activism began with nuclear weapons—aroused by a new buildup in Europe and the official rationale that it was necessary to increase these weapons in order to reduce them through arms control. In 1982 the movement is broad both in scope and participation. It has two strong characteristics which give it a promising future:

- a constituency of unusual breadth, of all ages and economic groups, including nuclear physicists, churches, lawyers, labor unions, environmentalists, women's groups, and physicians.

- a determination to be heard not only on nuclear matters but on a range of issues formerly accepted as the esoteric province of government officials.

Some highlights of the peaceful demonstrations during the past year indicate how widely based geographically the movement has become:

In *Tokyo*, one of the largest anti-nuclear rallies ever held in Japan had 300,000 participants. At the UN session in June, the Japanese delegation presented an appeal against nuclear weapons signed by 30 million Japanese.

In *Israel*, during the invasion of Lebanon, 70,000 demonstrated for peace.

In *Sicily*, 80,000 marched in protest of proposed cruise missile bases.

In *USSR*, several hundred Scandinavian and Russian women marched quietly for peace from Leningrad to Minsk.

In *Romania*, which officially supports cuts in Warsaw Pact military expenditures, there were peace rallies in several cities.

In *Bonn* and *Amsterdam*, anti-nuclear rallies attracted more than 300,000.

In *Barcelona*, 75,000 Spaniards called for nuclear disarmament.

In *Athens*, 200,000 assembled to protest foreign military bases in Greece.

In *New York*, 600,000 turned out for peace, in the largest rally on a political issue ever recorded in the US.

5210

# Q: WHY ARE MILLIONS OUT OF WORK?

\$1 billion spent on

EDUCATION



creates 187,299 jobs

HEALTH CARE



creates 138,939 jobs

CONSTRUCTION



creates 100,072 jobs

MASS TRANSIT



creates 92,071 jobs

THE MILITARY



creates 75,710 jobs

# A: BECAUSE MILITARY SPENDING COSTS JOBS

Forty-six percent of our federal tax dollars are spent on the military, and military spending produces fewer jobs than money spent on human needs.

The Army spends 400 million dollars to recruit, train, and then discharge 85,000 military personnel each year. More than 200 leave the army each day, and are often unable to be employed elsewhere because they have learned no useable skills there.

# WOMEN'S LOBBYIST FUND

Box 1099  
Helena, MT 59624  
449-7917



EX 5  
SJR 10

The Women's Lobbyist Fund strongly endorses Senate Joint Resolution 10. According to national polls done by the Center for Political Studies the most persistent gap in men's and women's attitudes since the 1950's has been women's lower support for military spending, build-up, and intervention. During the last four years, women who are Democrats, Republicans, and Independents alike, diverged strongly from the priorities of the Reagan administration and favored spending less on the military and more on social programs. This divergence in priorities has been taken to the ballot box and produced the now infamous "gender gap" in voting which has seeped down to legislative races.

Women have also been hit hardest by the cuts in education and social programs. The "feminization of poverty" has meant that it is women who are heading up single family households, older women, and women working at low paying jobs who have been hurt by cuts in AFDC, food stamps, legal services, work study money, family planning money, etc. We have seen repeatedly in appropriation hearings in this legislature that an impossible burden has been thrust on state budgets to try to fill the gap created by cuts in truly critical social programs. We may not like to admit it but hunger, homelessness, and abject poverty have become realities for literally millions of Americans because of misplaced priorities in our federal budget. Finally, as first hired/first fired, women have been disproportionately hurt by high unemployment and the weakening of our economy with the unprecedented deficit spending produced by our military budgets.

Radical, structural changes are occurring in our society because of the economic dislocation of hundreds of thousands of families. Cuts in social programs and increases in military hardware have brought real suffering to lower and middle class families. The Women's Lobbyist Fund representing a broad coalition of women and women's groups across this state, urges your unanimous passage of SJR 10 to send a clear message to the federal government that the current spending priorities in the federal government are unacceptable to Montanans of all political persuasions.

Athy A. van Hook  
President

Sib Clark  
Vice President

Connie Flaherty-Erickson  
Treasurer

Celinda C. Lake  
Lobbyist

Stacy A. Flaherty  
Lobbyist

Ex 6  
SJR

STATEMENT OF FRED H. SWANSON ON SENATE JOINT RES. 10

BEFORE THE HOUSE HUMAN SERVICES COMMITTEE

MONTANA STATE LEGISLATURE

March 18, 1983

My name is Fred Swanson. I am a resident of Helena, and I am a consulting technical editor by profession. I support SJR 10 and hope you will also.

Some people have criticized the time you have spent debating this and other arms control resolutions. They say that the Montana Legislature has more important matters to consider, such as a severe budget problem. Aren't the problems of arms control and State budgets closely related? Because of Federal cutbacks in spending for human services and assistance to State and local governments, you are facing the difficult task of making up for the shortfall. The State's budget problems are very much affected by the Federal budget, especially regarding human services. The Administration says it wants to further cut spending for human services and increase military spending still more. Making more nuclear weapons and new ways of launching them is a big part of this imbalance. More bombs mean fewer services in Montana.

The Administration's military budget is making your job as legislators increasingly difficult. I think it is entirely appropriate for you to take a little time to send the Administration a clear message on how its actions affect Montana. Obviously people want a strong defense, but there are serious questions on how much defense the new generation of nuclear weapons will buy us. Montana is paying a heavy cost for the military buildup, and that directly concerns the Legislature. I appreciate the time and good thinking you have given this matter, and I ask for your support by passing SJR 10.



EFFECT OF MILITARY SPENDING ON MONTANA-1982

<u>Cong. District</u>	<u>Pentagon expenditures in MT (\$ millions)</u>	<u>Pentagon Tax Burden on MT (\$ millions)</u>	<u>Net Loss in District (\$ millions)</u>	<u>Net Loss per family in dollars</u>
Williams	37.6	225.1	-187.5	-1.300
Marlenee	142.5	228.2	- 85.7	- 600

Source: Bankrupting America - The Tax Burden and Expenditures of the  
Pentagon by Congressional District. Dr. James R. Anderson.  
1982 edition.

PROPOSED FISCAL YEAR 1984 BUDGET

Total Budget Outlays- \$848.5 billions

Total receipts for social insurance taxes and contributions. Since these are a different account, they should not be considered part of the discretionary federal budget. 242.9 billions

Federal Discretionary Budget- 605.6 billions

National defense spending including part of DOE budget veterans benefits, more than one-half of space budget, and defense related activities. 274.3 billions

Portion of budget that goes for defense. 45%

The rest goes for human services, physical resources, international affairs, space programs and interest on the public debt.

Net interest on the public debt- 103.2 billions

Much, probably most of the debt is due to the Korean and Vietnam wars and other defense spending. Including this as defense spending puts the federal budget spent on defense over- 55%  
and perhaps as high as- 61%

Source: U.S. Budget in Brief, Fiscal Year 1984. Office of Management and Budget.

# Montana Association of Churches

MONTANA RELIGIOUS LEGISLATIVE COALITION • P.O. Box 1708 • Helena, MT 59601

March 18, 1983

## WORKING TOGETHER:

American Baptist Churches  
of the Northwest

American Lutheran Church  
Rocky Mountain District

Christian Church  
(Disciples of Christ)  
in Montana

Episcopal Church  
Diocese of Montana

Lutheran Church  
in America  
Pacific Northwest Synod

Roman Catholic Diocese  
of Great Falls

Roman Catholic Diocese  
of Helena

United Church  
of Christ  
Montana Conference

United Presbyterian Church  
Glacier Presbytery

United Methodist Church  
Yellowstone Conference

United Presbyterian Church  
Yellowstone Presbytery

MADAM CHAIRMAN AND MEMBERS OF THE HOUSE HUMAN SERVICES  
COMMITTEE:

I am Cathy Campbell of Helena, representing the Montana  
Association of Churches and speaking in support of SJR 10.

The Montana Association of Churches opposes the escalating  
development and deployment of nuclear weapons by the United States  
and other nations.

In December, 1982, each of you received a copy of our  
resolution on world peace. In it, we called on the Montana Legis-  
lature to request the Congress and agencies of the Federal Govern-  
ment to stop the development and deployment of nuclear weapons,  
missiles, and delivery systems by the United States and other  
nations; and to give much greater weight in their economic and  
political deliberations and decision-making to the desire of the  
people of the United States and others around the world for a just  
and lasting peace and the end of the arms race.

It is our belief that there is no more important political  
or moral question facing the world than that of human survival  
in the face of nuclear armaments and the threat of nuclear  
holocaust. This belief is rooted in our Christian faith.

There are many political analyses of the nuclear situation,  
but their common element is despair. It is no wonder. The nuclear  
arms race is a demonic reversal of the Creator's power of giving  
life.

The arms race enters all of our lives in yet another way.  
We are the ones who must pay for these costly weapons. As a  
consequence, we diminish our ability and willingness to respond  
to the just cries of people everywhere for food, housing, medical  
care, and education. The continuing escalation of the arms race  
does not seem to make sense ethically, strategically, politically,  
or economically.

SJR 10 reflects the concerns of the Montana Association of  
Churches. I urge your favorable consideration of this resolution.

# VISITOR'S REGISTER

HOUSE

HUMAN SERVICES

COMMITTEE

BILL      SENATE JOINT RESOLUTION 10

DATE March 18, 1983

SPONSOR    SENATOR VAN VALKENBURG

[illegible]

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR LONGER FORM.

WHEN TESTIFYING PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

AMENDMENTS TO SB-446  
(group consensus)

1. Page 1, lines 15 and 16  
Following: " "RETIREMENT HOME" "  
Strike: "TO COMPLETELY EXCLUDE NURSING SERVICES"
2. Page 1, line 21  
Following: "facility"  
Insert: ", as defined in 50-5-101(20)(a)(iii),"
3. Page 10, line 1  
Following: "than"  
Strike: "three"  
Insert: "four"
4. Page 10, line 13  
Following: "~~skills~~"  
Strike: "as provided in [sections 1 through 6]"  
Insert: "which do not require nursing skills"
5. Page 14, line 6  
Following: " "Roominghouse" "  
Insert: " "Boardinghouse" "
6. Page 14, line 13  
Following: line 12  
Strike: "services"  
Insert: "or personal care services provided by the facility"
7. Page 14, line 23  
Following: line 22  
Strike: "prohibited"  
Insert: "or personal care services by the facility prohibited. (1) Hotels, motels, boardinghouses, roominghouses, or similar accommodations may not provide professional nursing services or personal care services. A resident of a hotel, motel, boardinghouse, roominghouse, or similar accommodation may have personal care, medical or nursing-related services provided for him in such facility by a third-party provider."
8. Page 15, line 2  
Following: "{2}"  
Insert: "(2)"
9. Page 15, line 6  
Following: "appropriate"  
Insert: "care or"

Ex 8  
SB446

AMENDMENTS TO SB446  
(proposed by the Montana Technical Council)

Statement of Intent for Senate Bill No. 446

Page 1 Line 9

Following: "fees"

Strike: ", and in cooperation with other state agencies to adopt health  
and safety standards for personal-care facilities."

Insert: "."

Senate Bill No. 446

Page 3 Line 15

Strike: "(2) The department, in cooperation with other state agencies,  
shall adopt health and safety standards for various types of personal-  
care facilities."

Page 3 Line 18

Strike: "(3)"

Insert: "(2)"

AMENDMENTS TO SB446 REQUESTED BY THE  
DEPARTMENTS OF HEALTH AND ENVIRONMENTAL SCIENCES AND OF  
SOCIAL AND REHABILITATION SERVICES

Ex 9  
SB446

Page 2, line 17.

Following: "department"

Insert: ", in cooperation with the department of social and rehabilitation services," *consultation*

*not inc (Rose)*

*protects waiver*

Page 3, line 12.

Following: "department"

Insert: ", in cooperation with the department of social and rehabilitation services,"

Page 2, lines 6 and 7.

Following: (2).

Strike: "Consistent with the provisions of [section 2], a resident"

Insert: "Residents"

Following: "of"

Strike: "a"

Following: "personal care"

Strike: "facility"

Insert: "facilities"

Page 2, line 8.

Following: "for"

Strike: "him"

Insert: "them"

Following: "in"

Strike: "a"

Page 2, line 9.

Following: "personal-care"

Strike: "facility"

Insert: "facilities"

Following: "by"

Strike: "a"

Following: "third-party"

Strike: "provider"

Insert: "providers. This includes residents who are recipients of medical services, as provided for under the authority of 53-6-111, and delivered by a home health agency, as defined in 50-5-101(15) or who are recipients of medical services, as provided for under the authority of 53-6-111 and (HB 424)."

Page 3, line 10.

Following: "resident"

Strike: "."

Insert: ";

Page 3

Following: line 10.

Insert: "(3) Any individuals who are prospective residents of a personal care facility shall not be made subject to any level of care screening process as authorized in this section if those individuals are Medicaid recipients and therefore subject to Medicaid related screening, as provided for under the authority of 53-6-111, or as provided for under the authority of 53-6-111 and (HB 424).



3/18/83

REVISED AMENDMENTS TO SB 446

Page 2, line 17.

Following: "department"

Insert: ", in consultation with the department of social  
and rehabilitation services,"

Page 3, line 12.

Following: "department"

Insert: ", in consultation with the department of social  
an rehabilitation services,"

Page 2, lines 6.

Following: " (section 2"

Insert: "(1)"

Page 2, line 9.

Following: "provider."

Insert: "This includes a resident who is a recipient  
of medical services, as provided under 53-6-111,  
and delivered by a home health agency, as defined  
in 50-5-101 or who is a recipient of medical  
assistance as provided under 53-6-111 and [HB 424]."

While SB446 prohibits direct provision of nursing services by the personal care or roominghouse/retirement home licensee, there is no intention to prevent those services from being delivered by any provider legally authorized to do so.

# STANDING COMMITTEE REPORT

March 18, 19 83

MR. **SPEAKER**

We, your committee on **HUMAN SERVICES**

having had under consideration **SENATE JOINT RESOLUTION** Bill No. **3**

third reading copy ( blue )  
color

**A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF REPRESENTATIVES  
OF THE STATE OF MONTANA REQUESTING THE DEPARTMENT OF INSTITUTIONS  
TO GIVE THE NAME "BENNETT HALL" TO THE NEW WING AT THE MONTANA  
VETERANS' HOME IN COLUMBIA FALLS IN RECOGNITION OF THE EXCEPTIONAL  
PROFESSIONAL AND PUBLIC SERVICE RECORD OF THE LATE WILLARD  
FRANKLIN BENNETT, M.D.**

Respectfully report as follows: That **SENATE JOINT RESOLUTION** Bill No. **3**

**BE CONCURRED IN**

**XXXXX**

# STANDING COMMITTEE REPORT

March 18

1903

MR. **SPEAKER**

We, your committee on **HUMAN SERVICES**

having had under consideration **SENATE JOINT RESOLUTION** Bill No. **7**

third reading copy ( blue )

color

**A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA URGING ALL MONTANA VETERANS OF THE UNITED STATES ARMED FORCES TO JOIN THE MONTANA LEGISLATURE IN REQUESTING THAT THE MONTANA CONGRESSIONAL DELEGATION INTRODUCE FEDERAL LEGISLATION TO HAVE CONGRESS DESIGNATE A NEW NATIONAL VETERANS' CEMETERY TO BE LOCATED IN MONTANA AND NAMED THE "ARLINGTON WEST NATIONAL CEMETERY".**

Respectfully report as follows: That **SENATE JOINT RESOLUTION** Bill No. **7**

**BE CONCURRED IN**

**XXXXX**  
DO PASS

# STANDING COMMITTEE REPORT

March 18,

1983

MR. ~~SPEAKER~~.....

We, your committee on..... **HUMAN SERVICES**.....

having had under consideration..... **SENATE JOINT RESOLUTION**..... Bill No. **10**.....

third reading copy ( blue )  
color

**A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF REPRESENTATIVES  
OF THE STATE OF MONTANA URGING THE PRESIDENT AND THE CONGRESS OF  
THE UNITED STATES TO REDUCE FUNDING FOR NUCLEAR WEAPONS AND THE  
DEPARTMENT OF DEFENSE, INCREASE FUNDING FOR HUMAN SERVICES AND  
JOBS PROGRAMS, AND REDUCE THE FEDERAL DEFICIT; AND REQUIRING THE  
SECRETARY OF STATE TO SEND COPIES OF THIS RESOLUTION TO THE  
PRESIDENT OF THE UNITED STATES AND MONTANA'S UNITED STATES SENATORS  
AND REPRESENTATIVES.**

Respectfully report as follows: That..... **SENATE JOINT RESOLUTION**..... Bill No. **10**.....

**BE CONCURRED IN**  
**XXXXXX**