

MINUTES OF THE MEETING OF THE APPROPRIATIONS COMMITTEE
March 21, 1983 (EVENING)

The Appropriations Committee met at 7:00 p.m. on March 21, 1983, in Room 104 of the State Capitol Building, with Chairman Francis Bardanouve presiding. All members were present except Representative Ernst. Judy Rippengale, Legislative Fiscal Analyst, was also present. HOUSE BILLS that were heard and EXECUTIVE ACTION TAKEN: 447, 907, 667, 112, 526, 668, 771. HOUSE BILLS heard: 668.

(Tape 8: Track 2:629)

HOUSE BILL 447: "GENERAL APPROPRIATIONS"

JUDY RIPPENGALÉ, Legislative Fiscal Analyst (LFA) reported that the Appropriations Committee had cut \$1,350,000 from budgets; had substituted (this morning) \$1,057,000 of Motor Vehicle Fund for General Fund; and have reduced the Appropriation Sub-Committee budgets by \$2,400,000. HB-447 now costs \$676,000,000. This does not include the \$32 million from the School Foundation.

MRS. RIPPENGALÉ stated that starting with \$23 million; \$713 million is the figure being used in the House resolution. There is a negative \$2 million for elderly tax credit; and a negative \$1 million for the Build Montana Tax Credit. This gives \$733 million available.

HB-447 will cost \$676 million. If a \$15 million ending fund balance is allowed; an anticipated \$12 million will revert as not spent by the agencies, (OBPP recommended \$14 million/LFA recommended \$10 million the difference was taken). This leaves \$676 million tied up and \$54.3 million left.

MRS. RIPPENGALÉ pointed out the vehicle plate fees are \$31 million; tax anticipation notes at \$3.5 million; 1985 Session costs at \$3.9 million; Water Adjudication at \$2 million. These items are considered by some to be essential.

MRS. RIPPENGALÉ stated more optional requests include \$8 million for Grant-in-Aid (already in Senate); and Build Montana for \$5.6 million. Funding all of these programs leaves nothing, -0-.

MRS. RIPPENGALÉ stated if the School Foundation Program were zero and zero in terms of schedule, she feels there could be a \$1 million reversion from the School Foundation Program. Representative BARDANOUE was concerned that OBPP claims the School Foundation needs \$3.9 million to bring it up to zero-zero, but the LFA has a built-in surplus of \$1 million.

MRS. RIPPENGALÉ stated this does not fund the School Foundation at four and zero, nor the Pay Plan, nor any cats and dogs. If the Committee used the \$1 million coming back from the School Foundation, there is \$1.3 million (assuming there is a \$15 million fund balance).

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MRS. RIPPENGALE stated if the state takes over welfare operations in counties, it will cost an additional \$8 million. It is not the same as the Grant-in-Aid supplemental the Legislature may give in 1985.

There was other miscellaneous discussion on appropriation bills currently being heard in the Session.

(Tape 8: Track 2:725)

***EXECUTIVE ACTION

HOUSE BILL 447: "GENERAL APPROPRIATIONS"

Representative BARDANOUE again brought up the possibility of cutting operations across the board by 1% or 2%. There was a considerable amount of discussion about vacancy savings and the Pay Plan, as well as the rates of inflation used to calculate operations. The discussion got very technical. The differences used by OBPP and the LFA were discussed. Representative SHONTZ stated he was going to be insistent on the inflation question.

Representative SHONTZ moved to drop the INFLATION FACTORS from 6% to 3.5%.

Representative BARDANOUE asked Rep. SHONTZ if he would compromise on that figure. Representative SHONTZ said no, as he felt the actual inflation factor would be closer to 2% on operations.

Representative BARDANOUE stated he would support a reduced inflation rate, but that maybe this was hitting it too hard. Representative SHONTZ disagreed. He stated last year, inflation was 3.7%, and so far this year it is less than 2% (currently at 1.7%). Representative SHONTZ felt the "political realities" and what will occur over this biennium will keep inflation very low.

Representative SHONTZ changed his motion to drop the INFLATION FACTORS from 6% to 4%.

Representative SHONTZ felt this was liberal, and even at that rate, they are funding some real growth in the base. He does not feel the rate of inflation will be that high, as President Regan has vowed to keep it low, and Rep. SHONTZ thinks it will be.

Representative PECK asked Rep. SHONTZ if the "rate of inflation" meant the Consumer Price Index. Representative SHONTZ stated he was talking about the inflation factors used in HB-447. There were different ones, but the average used was 6%. Representative SHONTZ stated he is quoting the rate that was agreed upon between

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OBPP and LFA. Representative PECK asked if Rep. SHONTZ wasn't basing it on national basis, since he was quoting President Regan. Representative PECK stated the Consumer Price Index, as he understands it, is related to the cost of living as it applies to the individual, and this Committee is talking about governmental operations, two different things. Utilities, for example, are a much higher portion of the operational budget for government than it is for the individual. Representative PECK felt they were comparing apples to oranges when using the CPI in governmental operations.

Representative QUILICI stated when the budgets were set up, the inflation factor used for both years was 6%. He said they took into consideration such things as energy costs, where 17% and 23% was built in. Representative QUILICI felt the inflation factor could be dropped somewhat.

Representative WALDRON made a SUBSTITUTE MOTION to use 5% for both years. This does not include utilities. Roll call vote was taken. Motion passed with 12-Yes; 3-No; 2-Absent (Hemstad and Menahan).

JUDY RIPPENGALE, LFA, clarified by saying they would use 5%-5%, where they had previously used 6%-6%. The Committee agreed.

Representative WALDRON moved to approve HOUSE BILL 447 as amended. Motion passed with 12-Yes; 2-No; 3-Absent (Hemstad, Menahan and Winslow).

(Tape 8: Track 2:871)

***EXECUTIVE ACTION

HOUSE BILL 907: "A BILL FOR AN ACT ENTITLED: "AN ACT APPROPRIATING MONEY TO THE DEPARTMENT OF REVENUE FOR THE FISCAL YEAR ENDING JUNE 30, 1983, FOR THE PURPOSE OF COMPLETING PAYMENT OF THE LIGHT VEHICLE FEE REIMBURSEMENT DUE YELLOWSTONE COUNTY; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

Representative DOZIER introduced his bill.

Proponents

JOHN CLARK, Department of Revenue, stated this bill is a supplemental. HB-421 provided \$350,000 in supplementary funds. However, after collecting the final data, \$42,539.81 is needed to complete the payments to the counties.

Opponents

None.

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The hearing closed at 8:30 p.m.

Representative WALDRON made a motion to postpone action. Representative BENGTON made a substitute motion to approve HOUSE BILL 907. Roll Call vote was taken with 14-Yes; 2-No; 1-Absent (Ernst). Motion passed.

(Tape 8: Track 2:922)

***EXECUTIVE ACTION

HOUSE BILL 667: "A BILL FOR AN ACT ENTITLED: "AN ACT CREATING A LIVESTOCK CRIMESTOPPERS PROGRAM WITHIN THE DEPARTMENT OF LIVESTOCK; APPROPRIATING FUNDS FOR THE PROGRAM; AND PROVIDING AN EFFECTIVE DATE." Representative SWITZER introduced his bill.

Proponents

LES GRAHAM, Department of Livestock, stated this bill has widespread support throughout the industry.

MONS TEIGEN, Montana Stockgrowers and Woolgrowers Associations, appeared as a proponent.

CHUCK O'REILLY, Sheriff of Lewis and Clark County and representing the Montana Sheriffs Association, appeared as a proponent.

Opponents

None.

Discussion

Representative HEMSTAD asked Sheriff O'Reilly how money will be coming in to the state when the stolen merchandise just goes back to the owners. SHERIFF O'REILLY stated much money would be saved in terms of investigation costs, insurance costs, etc. He stated there is a complicated Federal formula used to calculate this. Representative HEMSTAD pointed out that the Appropriations Committee did not approve a request for funding from Fish and Game for a similar program, even though it was earmarked funds. Representative HEMSTAD asked MR. GRAHAM if he had any other alternatives for funding this program rather than fees from the ranchers. MR. GRAHAM stated the ranchers want the program, but they have had some offers from various organizations.

Representative DONALDSON moved to approve HOUSE BILL 667. Motion passed with only Representative HEMSTAD voting no.

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(Tape 8: Track 2:995)

***EXECUTIVE ACTION

HOUSE BILL 112: "A BILL FOR AN ACT ENTITLED: "AN ACT TO AUTHORIZE INCREASED EMERGENCY EXPENDITURES BY THE GOVERNOR;; AMENDING SECTION 10-3-312, MCA; AND PROVIDING AN EFFECTIVE DATE."

Representative SHONTZ moved that HOUSE BILL 112 do not pass. Roll call vote was taken: 11-Yes; 5-No; 1-Absent (Ernst). Motion passed.

The Committee decided that the \$750,000 spending authority already in the statutes was adequate.

(Tape 8: Track 2:1038)

***EXECUTIVE ACTION

HOUSE BILL 526: "A BILL FOR AN ACT ENTITLED: "AN ACT APPROPRIATING FUNDS TO THE DEPARTMENT OF REVENUE FOR THE PAYMENT OF JUDGMENT AGAINST THE DEPARTMENT; PROVIDING THAT THE APPROPRIATION IS NON-JUDGMENTAL; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

Representative SMITH introduced his bill.

Proponents

GENE PHILLIPS, of the National Bank of Kalispell, stated this was the only bank involved. It is too late to appeal.

Opponents

None.

The hearing closed at 9:30 p.m.

Representative HEMSTAD made a motion to approve HOUSE BILL 526. Motion carried unanimously.

(Tape 8: Track 2-1068)

HOUSE BILL 668: "A BILL FOR AN ACT ENTITLED: "AN ACT TO INCREASE THE AMOUNT AUTHORIZED FOR LODGING AND MEAL REIMBURSEMENT FOR STATE EMPLOYEES AND CERTAIN OFFICIALS ENGAGED IN STATE BUSINESS WHILE AWAY FROM THEIR DESIGNATED HEADQUARTERS BUT WITHIN THE STATE; INCREASING THE AMOUNT AUTHORIZED FOR USE OF NON-COMMERCIAL LODGING; AMENDING SECTION 2-18-501,MCA."

Representative BRAND introduced his bill. He stated motel rates had gone up, as well as meals.

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Opponents

None.

The hearing closed at 9:45 a.m.

The Committee delayed action waiting for more information.

(Tape 8: Track 2:1103)

***EXECUTIVE ACTION

HOUSE BILL 771: "A BILL FOR AN ACT ENTITLED: "AN ACT TO APPROPRIATE MONEY TO THE DEPARTMENT OF HEALTH AND ENVIRONMENTAL SCIENCES FOR THE SERVICES OF AN EPIDEMIOLOGIST."

Representative SHONTZ moved that HOUSE BILL 771 do not pass. Motion passed unanimously.

The meeting adjourned at 10:00 p.m.


FRANCIS BARDANOUE
Chairman

ps

VISITOR'S REGISTER

HOUSE APPROPRIATIONS COMMITTEE

BILL HOUSE BILL 526

SPONSOR SMITH

Note: 1

DATE _____

APPROPRIATE FUNDS TO DEPT. OF REVENUE
FOR PAYMENT OF JUDGMENT AGAINST DEPT.;
PROVIDE APPROPRIATION IS NONJUDGMENTAL.

[illegible]

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

WHEN TESTIFYING PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

VISITOR'S REGISTER

APPROPRIATIONS

COMMITTEE

HOUSE BILL 667

DATE _____

SWITZER

Creating Livestock Crimestoppers
Program within Dept. of Livestock;
appropriate funds for program.

[illegible]

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

WHEN TESTIFYING PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

STANDING COMMITTEE REPORT

MARCH 22

83

..... 19

SPEAKER

MR.

APPROPRIATIONS

We, your committee on

House

112

having had under consideration Bill No.

Second

Yellow

reading copy (.....)
color

**A BILL FOR AN ACT ENTITLED: "AN ACT TO AUTHORIZE INCREASED EMERGENCY
EXPENDITURES BY THE GOVERNOR; AMENDING SECTION 10-3-312, MCA; AND
PROVIDING AN EFFECTIVE DATE."**

House

112

Respectfully report as follows: That Bill No.

DO NOT PASS

~~DO NOT PASS~~
DO PASS

STANDING COMMITTEE REPORT

MARCH 22

19 33

SPEAKER

MR.

APPROPRIATIONS

We, your committee on

having had under consideration House Bill No. 526

First White
reading copy (.....)

A BILL FOR AN ACT ENTITLED: ^{color} "AN ACT APPROPRIATING FUNDS TO THE
DEPARTMENT OF REVENUE FOR THE PAYMENT OF A JUDGMENT AGAINST THE
DEPARTMENT; PROVIDING THAT THE APPROPRIATION IS NONJUDGMENTAL; AND
PROVIDING AN IMMEDIATE EFFECTIVE DATE."

Respectfully report as follows: That House Bill No. 526

DO PASS

STANDING COMMITTEE REPORT

MARCH 22

19 83

SPEAKER

MR.

APPROPRIATIONS

We, your committee on

having had under consideration **HOUSE** Bill No. **667**

SECOND

reading copy (**YELLOW**)
color

A BILL FOR AN ACT ENTITLED: "AN ACT CREATING A LIVESTOCK CRIMESTOPPERS
PROGRAM WITHIN THE DEPARTMENT OF LIVESTOCK; APPROPRIATING FUNDS FOR THE
PROGRAM; AND PROVIDING AN EFFECTIVE DATE."

Respectfully report as follows: That **HOUSE** Bill No. **667**

DO PASS

STANDING COMMITTEE REPORT

MARCH 26,

83

19

MR. SPEAKER

We, your committee on APPROPRIATIONS

having had under consideration HOUSE

Bill No. 668

SECOND reading copy (YELLOW)
Color

A BILL FOR AN ACT ENTITLED: "AN ACT TO INCREASE THE AMOUNT AUTHORIZED FOR LODGING AND MEAL REIMBURSEMENT FOR STATE EMPLOYEES AND CERTAIN OFFICIALS ENGAGED IN STATE BUSINESS WHILE AWAY FROM THEIR DESIGNATED HEADQUARTERS; AMENDING SECTION 2-18-501, MCA."

Respectfully report as follows: That HOUSE Bill No. 668

BE AMENDED AS FOLLOWS:

1. Page 2, line 16.

Strike: "\$50"

Insert: "\$60"

2. Page 2, line 17.

Strike: "\$4"

Insert: "\$4.50"

3. Page 2, line 18.

Strike: "\$6.50"

Insert: "\$7"

4. Page 2, line 19.

Strike: "\$12"

Insert: "\$8"

AND AS AMENDED DO PASS

DEPASTY

STANDING COMMITTEE REPORT

MARCH 22

83

19.....

SPEAKER

MR.

APPROPRIATIONS

We, your committee on.....

HOUSE

907

having had under consideration Bill No.

FIRST

reading copy (**WHITE**)
color

**A BILL FOR AN ACT ENTITLED: "AN ACT APPROPRIATING MONEY TO THE
DEPARTMENT OF REVENUE FOR THE FISCAL YEAR ENDING JUNE 30, 1983, FOR
THE PURPOSE OF COMPLETING PAYMENT OF THE LIGHT VEHICLE FEE REIMBURSEMENT
DUE YELLOWSTONE COUNTY; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."**

HOUSE

907

Respectfully report as follows: That..... Bill No.

DO PASS