

MINUTES OF THE MEETING
STATE ADMINISTRATION COMMITTEE
MONTANA STATE SENATE

February 15, 1983

The thirty-first meeting of the Senate State Administration Committee was called to order by Senator Pete Story, Chairman, on February 15, 1983 at 10:30 a.m. in Room 331 of the State Capitol in Helena, Montana.

ROLL CALL: Roll was called and all members were present but Senator Stimatz.

The meeting was called to hear H.B. 73. and S.B.190.

CONSIDERATION OF HOUSE BILL 73:

"AN ACT TO PROVIDE THAT IN MAKING A DECISION ON AN APPLICATION FOR A CLASS D MOTOR CARRIER'S CERTIFICATE, THE PUBLIC SERVICE COMMISSION MUST MAY CONSIDER THE-FURTHERANCE-OF-PUBLIC-CONVENIENCE-AND-NECESSITY-AND THE PROMOTION OF COMPETITION; AMENDING SECTION 69-12-323, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

REPRESENTATIVE SCHULTZ, District 48, Lewistown, Montana, introduced this bill and said that it is a culmination of several months effort by various groups including the PSC, the association of solid waste carriers in Lewistown and various cities that have called him. He called attention to the amendments now shown in the bill.

Representative Schultz presented his written testimony, EXHIBIT 1 and EXHIBIT 2 that relates information regarding regulation and rate control of garbage carriers.

PROPOSERS:

WAYNE BUDT representing the Montana Public Service Commission spoke as a proponent and submitted his testimony, EXHIBIT 3.

DARRYL MEYER, Montana solid waste contractor, stated he would like to go on record supporting H.B.73. He said the bill has amendments that they do agree with and will correct problems that have existed for along time in the state of Montana.

SCOTT ORR, Montana solid waste contractor of Libby, Montana and president of the Montana solid waste contractors spoke in support of H.B.73.

STATE ADMINISTRATION
February 15, 1983
Page 2

MAX BAUER of Browning stated that they wish to be shown as a proponent.

HENRY HOYE of Columbia Falls spoke as a proponent.

JOHN PALAGI of Great Falls stated that he believes this bill, as amended, will eliminate the monopoly of garbage haulers in an individual area.

TERRY KELLY of Kalispell stated he would like to go on record in support of H.B.73.

There were no other proponents.

OPPONENTS:

SANDRA MINTYALA of Lewistown, Montana spoke as a opponent and stated that she and her husband opposed the bill as currently written and proposed an amendment, EXHIBIT 4. She stated that they feel competition should be defined because of a situation in Lewistown where an individual operated for approximately 10 months and leased his certificate to another carrier though the certificate was in litigation at that time. The second carrier operated and through the court process they opposed the initial certificate granting and it was ruled that the original certificate was illegal. They then applied for their certificate. Not all full disclosure was heard before the hearing as agreed by the PSC. After all information was gathered it was proven to the courts that the second carrier had lost about \$2800 per month, not taking into consideration court costs and what he owed the original owner. Therefore they feel the definition should be defined so an operator cannot come in and operate, less than cost, in order to put someone out of business or any other way of harassment.

NEUTRAL:

SENATOR DOVER spoke to the committee and said as legislators they were put on the line because of the lack of control of the garbage dealers. They were told when the situation came up in Lewistown by the PSC that they had their hands pretty much tied and all they could do was give it to the individual that was there. The picture given to them was a state protecting a monopoly. He said, let's be sure we do not put a band-aid on this.

QUESTIONS BY THE COMMITTEE:

SENATOR TOWE asked Mr. Budt what he says about the amendment.

MR. BUDT said he does not feel it is a workable situation.

SENATOR TOWE is there a concern about someone coming in only to run someone out of business.

MR. BUDT said that competition was only one factor to look at, the rest of the bill rests on the present law that still applies with the existing carriers and how much revenue is in the area. Rates could not be used in a application situation and would be the most expensive way.

REPRESENTATIVE SCHULTZ CLOSED ON H.B.73 stated he would leave this in the hands of the committee to see what could be done with it.

CONSIDERATION OF SENATE BILL 190:

"AN ACT TO GENERALLY REVISE THE REIMBURSEMENT LAWS OF THE DEPARTMENT OF INSTITUTIONS; AMENDING SECTIONS..."

SENATOR HIMSL, District 9 of Kalispell, introduced S.B.190 and stated that this bill is at the request of the Department of Institution. Senator Himsl walked the committee through the bill and referred to EXHIBIT 5 submitted for the record. and reviewed the new language and the proposed amendments EXHIBIT 6 which he distributed copies of to the committee.

PROPONENTS:

CURT CHISHOLM, Deputy Director of the Department of Institutions, stated that this bill was at the request of their department and is the generally revised reimbursement law that guides the functioning of the collection of reimbursement costs for services provided in their hospital and hospital related institutions. He said that they had a number of changes but they were technical flaws in the bill drafting.

Mr. Chisholm reviewed the changes. He said the change of the definition of "per diem" is to get them into compliance with medicare/medicaid regulations. The second change, now being amended out, is defining "short term resident" with a "long term resident", but this is taken up in the rules so they don't need it in. The next change they are defining "third party resource" but then they don't use it anyplace in the enabling act and that is where they intend on using it, on behalf of the patient so they can bill a third party

resource. The fourth change is on line 3, page 15 is a legislative audit. The rest of the changes reviewed were also as stated in Exhibit 5. He said that the fifth change was there way of announcing to those that come down on a voluntary admission primarily to the alcohol treatment center that the cost of their share is to the patient and stated that he does not want to think they can get out of it because they are criminally committed to the Galen hospital. The sixth change reflects something they are already doing and what they are planning on doing; they collect reimbursable costs from residents of the Montana Veterans Homes and this has been budgeted for the operation of the Montana Veterans Home since 1975 but should have been going to the general fund. The funds collected from the alcohol treatment has been directed to the Alcohol Earmarked fund now which practically funds the entire Alcohol Treatment Center in Galen.

DICK BOMBERGER, representing the alcohol treatment centers stood in support of SB 198 with the proposed amendments and said he believes the money should be reverted and applied to the program.

ROGER TIPPY, representing the beer and wine wholesalers association, said the revenue on beer and wine go into this revenue referred to and it is his understanding that they have already moved some funds from the general funds to this earmarked fund.

There were no other proponents.

OPPONENTS: none

QUESTIONS OF THE COMMITTEE:

SENATOR MARBUT questioned the rule making authority.

MR. CHISHOLM said that this does not broaden it.

SENATOR MARBUT said if you were going to extract from the bill Section 9, page 3, line 5 why don't you also extract page 2, line 10, "welfare". Isn't it the same 120 days?

JANIE KERR, from records in the Department of Institution stated that long term care is in their current statutes because it deals with parental liability in so far as parents are not liable for the full cost of care beyond the first 120 days.

STATE ADMINISTRATION
February 15, 1983
Page 5

There were no further questions or testimony on S.B.190 and the hearing was closed on this bill.

APPOINTMENTS TO THE BOARDS:

MARK BISON, of the Governor's office, spoke to the committee and answered the questions of the committee.

SENATOR MARBUT has asked for a list of the new appointments and who they replaced.

SENATOR TVEIT placed his concern on the Fish and Game appointments.

SENATOR STORY asked if this list could be submitted by Friday, February 18, 1983.

EXECUTIVE SESSION:

ACTION ON SENATE BILL 190:

SENATOR TOWE MOVED THE AMENDMENTS TO S.B.190.
MOTION PASSED AS AMENDED.

ACTION ON HOUSE BILL 73:

SENATOR STORY stated the garbage haulers went from a class C to B then they created a new class D and it still is having trouble.

SENATOR MANNING MOVED THAT H.B.73 DO PASS.
MOTION PASSED.


STATEMENT OF INTENT for S.B.390:

DAVE COGLEY addressed the committee by saying this is the bill that changes the prison from the department of institution and puts it under the warden who is directly responsible to the governor. Section 2 of that bill said that the warden shall adopt rules for the admission and custody and release of inmates and the question was whether this needs a statement of intent. The administrative procedure act exempts penal institution from MPA so no administrative rules need be adopted, however since you are delegating rule making authority it should have a statement of intent.

STATE ADMINISTRATION
Feburary 15, 1983
Page 6

SENATOR TOWE MOVED THE STATEMENT OF INTENT TO S.B.390
MOTION PASSED.

There was no further business. The meeting adjourned
at 11:30 a.m.



CHAIRMAN, SENATOR PETE STORY

2/15/83

COMMITTEE ON

VISITORS' REGISTER

How

NAME	REPRESENTING	BILL #	Check One	
			Support	Oppose
Marnie E. Winkler	Mistler M. D. ...	73		X
...	...		X	
...	...	73	X	
...	Evergreen Disposal	73	X	
...	West End of ...	73	X	
...	...	73	X	
...	...		X	
John Palagyi	MSUIC	73	X	
...	...	73	X	
...	...	73	X	
Mike Sted	MAIC	73	X	

(Please leave prepared statement with Secretary)

Sen. Schultz

EXHIBIT 1a
Feb. 15, 1983
State Admin.

MR. CHAIRMAN, MEMBERS OF THE COMMITTEE, FOR THE RECORD,

MY NAME IS JAMES SCHULTZ, REPRESENTATIVE FOR DISTRICT 48.

TODAY, I PRESENT YOU WITH HB 73.

HB 73 IS THE CULMINATION OF SEVERAL MONTHS' EFFORT BY
VARIOUS GROUPS INCLUDING THE P.S.C., THE STATE ASSOCIATION
OF THE GARBAGE CARRIERS AND THE CITIZENS OF LEWISTOWN.

I'LL NOT DWELL ON THE LEWISTOWN ISSUE AS OTHERS WILL TAKE
YOU THROUGH THAT ISSUE.

I WILL DIRECT MY REMARKS TO THE GARBAGE HAULING SITUATION
IN MONTANA.

SELDOM DO WE CONVENE THE STATE LEGISLATURE WITHOUT SEV-
ERAL BILLS ADDRESSING THE GARBAGE PROBLEM AND THIS YEAR
IS NO DIFFERENT. I HAD BARELY RECEIVED A COPY OF THIS
BILL IN NOVEMBER BEFORE I WAS MEETING WITH THE GARBAGE
HAULERS AND THEIR LEGAL STAFF, BOTH IN HELENA AND GREAT
FALLS AND I HAVE HAD PHONE CALLS FROM 7 OTHER COMMUNITIES
HOPING THIS BILL WOULD TAKE CARE OF THEIR SITUATION.

MONTANA HAS A UNIQUE POSITION IN THE 50 STATES. IF YOU
WILL LOOK AT THE STAPLED SHEETS, PAGES 100 AND 101, FROM
SEPTEMBER 1982, REPORT TO THE LEGISLATURE OR THE P.S.C.
SUNSET REPORT.

43 STATES DO NOT REGULATE GARBAGE CARRIERS.

6 STATES DO REGULATE ENTRY INTO THE FIELD AND REGUALTE
OPERATING TERRITORY, RATES AND SERVICE.

ONLY 1 - MONTANA - REGULATES ALL PHASES BUT RATES.

BY THIS ACTION, WE HAVE PLACED OUR P.S.C. IN THE DIFFICULT, ACTUALLY IMPOSSIBLE POSITION OF TRYING TO REGULATE GARBAGE ISSUES WITH LIMITED AUTHORITY.

IF YOU WILL READ THE LOWER PARAGRAPH ON PAGE 100, YOU WILL GAIN A CONCEPT OF THE PROBLEM.

WE ALL RECOGNIZE THAT EFFICIENCY AND LABOR EXPENSE REQUIRE THE CARRIERS TO HAVE A LARGE INVESTMENT IN EQUIPMENT AND FACILITIES AND THEY NATURALLY WOULD DESIRE AS MUCH PROTECTION AS THEY CAN OBTAIN. BUT THERE A POINT WHERE FREE ENTERPRISE MUST BE CONSIDERED.

NO ONE GUARANTEES A CAR DEALERSHIP, AN APPLIANCE STORE, A DEPARTMENT STORE OR ANY OTHER STORE A GUARANTEE AND THEY DON'T EXPECT IT. AT THIS POINT I WILL ASK YOU, MR. CHAIRMAN, TO CALL OTHER PROPONENTS AND OPPONENTS TO THE BILL BEFORE I CLOSE.

CLOSING

MR. CHAIRMAN, WE THINK THAT THIS BILL IS A GOOD COMMITTEE PROMISE REGARDING THE ISSUE.

WE CERTAINLY DO NOT WANT TO DISRUPT THE TOTAL PROCESS. WE ONLY WANT TO SATISFY OURS AND SEVERAL OTHER COMMUNITIES' SITUATION.

IT HAS THE APPROVAL OF THE P.S.C., THE STATE GARBAGE HAULERS AND THE LEWISTOWN PEOPLE.
THANK YOU.

to do otherwise by the PSC. The PSC should monitor Class A and B service to assure motor carriers are fulfilling their obligations under granted authorities.

Garbage Carriers

Need for Regulation and Rate Control

Montana is one of seven states that regulate garbage carriers as shown by the following illustration.

OTHER STATES REGULATION OF GARBAGE CARRIERS

<u>Area of Regulation</u>	<u>Other States Regulating</u>		<u>Montana</u>
	<u>Yes</u>	<u>No</u>	
Entry	6	43	Yes
Operating Territory	6	43	Yes
Abandonment of Service	5	44	Yes
Rates	5*	44	No
Service	6	43	Yes

*One state requires filing of rates and can require change of an unreasonable rate.

Source: National Association of Regulatory Utility Commissioners

Illustration 33

The PSC presently regulates the areas to be served by (class D) garbage carriers, but is the only commission with no authority over carriers' rates. While there is service competition in some areas, we also found that there are a number of monopoly areas. During our review of authorities granted by the PSC, we found that there are at least 40 cities and 11 counties where the garbage carrier granted an authority by the PSC has a monopoly in that no other garbage carriers have authorization to serve that area.

In these monopoly areas, the consumers have only one choice for a garbage carrier. As a result, consumers have little or no

protection from carrier rate abuse due to the monopoly privilege granted by the state other than through complaints to the PSC regarding service or the option of hauling their own garbage.

There are two alternatives to the present situation. If the state is to continue regulating garbage carriers, the Legislature could consider legislation that will give the PSC authority to also regulate rates. Rate regulation would safeguard the consumer where there is little or no competition to keep rates at reasonable levels. The other alternative would be deregulation of the garbage carriers whereby services and rates would be decided by competition. The potential effect of deregulation on present garbage carriers, services, and rates is difficult to predict.

Local Government Garbage Contracts

State law presently allows the award of an authority to any carrier with a federal or state contract. No such provisions exist for municipal garbage contracts. Local governments have to contract with the lowest bidder with a PSC granted authority or a bidder who is able to obtain an authority after the bidding process. If the municipality does not want to pay the bid rate, it has to pay the authorized garbage carrier fair market value for his equipment or go into the garbage collection business. This problem has already forced some communities into the garbage collection business. The Legislature could consider giving the PSC authority to grant an authority to a carrier that obtains a municipal contract similar to the current provisions for federal and state contract holders.

PUBLIC SERVICE COMMISSION 1227 11th Avenue • Helena, Montana 59620
Telephone: (406) 449-3007 or 449-3008

Gordon E. Bollinger, Chairman
John B. Driscoll
Edward L. Ellis
Ryge Jarvis
Thomas J. Schneider

HOUSE BILL 73

STATEMENT OF SUPPORT BY THE MONTANA PUBLIC SERVICE COMMISSION

The Montana Public Service Commission supports the passage of House Bill 73 with the amendment proposed by Representative Schultz. The Commission feels that the Bill as amended is the most practical method of solving many of the problems which have been associated with the regulation of garbage carriers. Under the District Court's interpretation of the existing law, the Commission may not give weight to the benefits of competition when it considers a new application by a garbage carrier. This bill would allow the Commission to receive and consider testimony as to the need for competition in a given area. Without this bill such evidence could not be taken into consideration by the Commission in making its determination of the existence of public convenience and necessity. Therefore, the Commission supports the bill as amended as providing the Commission with a necessary tool in dealing with potentially harmful monopoly situations.

NAME

Wayne Budt

BILL NO.

HB 73

ADDRESS

1227 11th Ave

DATE

2-15-83

WHOM DO YOU REPRESENT

Mont PSC

SUPPORT

X

OPPOSE

AMEND

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

80-14-203

2/15/83

UNFAIR TRADE PRACTICES AND
CONSUMER PROTECTION

- (3) "Cost", as applied to production, includes the cost of raw materials, labor, and all overhead expenses of the producer.
- (4) "Cost", as applied to distribution, means either the invoice price of the article or product sold or the cost to the dealer or vendor for replacing the article or product in the quantity last purchased within 90 days prior to the sale of the article or product, whichever is lesser, less all trade discounts except customary cash discounts plus the cost of doing business by the vendor.
- (5) "Cost of doing business" or "overhead expense" includes all costs of doing business incurred in the conduct of a business and includes, without being limited to, the following items of expense:
- (a) labor (including salaries of executives and officers);
 - (b) rent;
 - (c) interest on borrowed capital;
 - (d) depreciation;
 - (e) selling cost;
 - (f) maintenance of equipment;
 - (g) delivery costs;
 - (h) credit losses;
 - (i) all types of licenses;
 - (j) taxes;
 - (k) insurance and advertising.
- (6) "Customary cash discount" means any allowance not exceeding 2%, whether a part of a larger discount or not, made to a wholesale or retail vendor when such vendor pays for merchandise within a limited or specified time.
- (7) "Department" means the department of commerce provided for in 15-1801.
- (8) "Person" includes any person, partnership, firm, corporation, joint-stock company, or other association engaged in business within this state.
- (9) "Vendor" includes not only any person acting as one known generally and legally as a vendor but also any person who performs work upon, renovates, alters, or improves any personal property belonging to another person.
- History: En. 51-502 by Sec. 2, Ch. 518, L. 1977; R.C.M. 1947, 51-502; and Sec. 2, Ch. 274, L. 1981.

Compiler's Comments

1981 Amendment: Substituted "department of commerce" for "department of business regulation" in (7).

80-14-203. Persons responsible. Any person who, either as director, officer, or agent of any business or as agent of any person, assists or aids, directly or indirectly, in a violation of this part is responsible therefor equally with the person or business for whom or which he acts.

History: En. Sec. 2, Ch. 80, L. 1937; Sec. 51-502, R.C.M. 1947; and, and rules. 51-502 by Sec. Ch. 518, L. 1977; R.C.M. 1947, 51-503; and Sec. 136, Ch. 575, L. 1981.

Compiler's Comments

1981 Amendment: Substituted "business" for "firm or corporation" in two places.

Proposed amendment to House Bill 7:

Add a new subsection 2(c) to Section 1 of the bill (69-12-323):

"(c) In considering competition, the commission may ~~not~~ ^{only} grant a Class D certificate to the applicant ^{if} ~~the~~ the applicant shows by substantial credible evidence that the applicant will not operate ~~the~~ the proposed

doing business Class D service at less than ^{the} cost of as defined in Section 30-14-202(5), ~~no~~

~~the~~

John St. in Hym

NAME Sandra P. Mintyala BILL NO. _____
ADDRESS 2111 Edge Road, Lawton, Ok DATE 2-15-83
WHOM DO YOU REPRESENT Mister 'M' Disposal
SUPPORT _____ OPPOSE _____ AMEND _____

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

Handwritten signature

EXHIBIT 5a
State Admin.
Feb. 15, 1983

53-1-401 (7) *p2*

"Perdiem" - amended definition is necessary to make reimbursement law equate to rate setting formula under Medicare/Medicaid regulations - i.e. current law does not allow for depreciation to be included in reimbursable cost which if not included, negatively affects revenue to general fund. Current law does not allow the exclusion of non-patient related care costs such as the canteen and beauty shop, neither of which is an allowable perdiem cost according to Medicare/Medicaid regulations.

(9) *p3*

"Short term" definition added for clarity only because the current law defines "long term" and implies all others are short term.

(10)

"Third party" definition is added because current law only specifically address's private liabilities. Third party means Medicare, Medicaid and private insurance carriers, all of which are considered patient resources and make up the major source of patient care revenues to the general fund.

53-1-404 *p3*
Line 15

Legislative auditor recommended that the department make this amendment in their 1981 FY audit (Rec. #5) for BRS&H. This was done because Boulder had experienced an approximate \$700,000 supplemental which according to current law could not be built into the rates as it occurred outside the July 1 statute date. This amendment would allow for equating the rate to the actual cost of patient care.

53-1-409 (4) *p4*
Line 16

The amendment is necessary to clarify the exception that allows alcoholic commitments to avoid the costs of treatment at Galen State Hospital. The legal counsel for the department has advised that since many alcohol patients are at Galen because of a condition of sentence in criminal proceedings, including D.U.I's, that the exclusion of Section 53-1-409(4) MCA applies. This legal opinion has the unofficial concurrence of the attorney general's staff.

- a. Beginning with the 45th Legislature, the Montana Veterans Home has been appropriated operating monies from their Reimbursement Revenues in lieu of General Fund. This creates an apparent conflict with MCA 53-1-413 which states "The department shall deposit payments of per diem and ancillary charges in the state treasury to the credit of the General Fund." This was pointed out as a problem in the 1982 Fiscal Year audit of the Montana Veterans Home. This amendment will make the two laws compatible.
- b. This amendment will permit the deposit of Reimbursement Revenues collected for Alcoholism treatment, to be made to the Alcohol Earmarked Fund. This Fund pays the expense for the alcoholism treatment at Galen. This amendment is needed for two reasons:
1. The Revenue to this fund has not kept pace with inflation therefore creating a shortfall of cash to fund alcohol treatment.
 2. The Executive Budget is recommending that all alcohol treatment at Galen be paid from this Alcohol Earmarked Account. This amounts to an additional \$127,000 for Fiscal Year 1984 over 1983.

The amendment would mean additional revenues of \$203,000 in 1984 Fiscal Year and \$213,000 in Fiscal 1985.

Fiscal 1983 appropriations from this account are as follows:

Galen Alcohol Program	\$1,365,719
DWI Lab - Dept. of Justice	94,386
Substance Abuse Counselors at Pine Hills, Swan River & the Prison	62,468
Alcohol Programs Discretionary Grants	465,245
Alcohol & Drug Abuse Division Administration	271,253
Audit	2,051
Distribution to the counties for Alcohol Program (LFA approp = 1,809,498)	1,509,532
TOTAL	<u>3,770,654</u>

(Co. Tax estimate as of end of November)

Amendments requested before the Senate Standing Committee on State Administration:

That SB 190, Introduced Copy, be amended as follows:

1. Insert: New Section 3 on Page 3 at line 18. Section 53-1-405, MCA, is amended to read: "53-1-405. Monthly assessment of charges.
(1) The department shall assess monthly against each resident, ~~or~~ financially responsible person, or applicable third-party resource the full per diem charge, a proportionate share of the per diem charge, or no per diem charge, plus full ancillary charge, a proportionate share of the ancillary charge, or no ancillary charge based upon financial information given to the department during its investigation conducted according to the rules of the department.
(2) An assessment made by the department under this section shall be based on the resident's or financially responsible person's ability to pay. The department shall prescribe rules which establish criteria and a procedure for determining ability to pay. The department may not make an assessment which would place an undue financial burden on the resident or financially responsible person.
2. Section 3 becomes Section 4.
3. Section 4 becomes Section 5.
4. Page 3
Delete: Lines 5, 6, 7 and 8 in their entirety.
5. Page 3, line 9
Change (10) to (9).

NAME ROGER TERRY BILL NO. 578190
ADDRESS PO BOX 124, HELEN, ALA DATE 2/15
WHOM DO YOU REPRESENT MT BEER & WINE WHOLESALE
SUPPORT X (Sec. 4) OPPOSE AMEND

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

STANDING COMMITTEE REPORT

FEBRUARY 15

83

..... 19

PRESIDENT

MR.

STATE ADMINISTRATION

We, your committee on

SENATE

390

having had under consideration Bill No.

Statement of intent attached.

SENATE

390

Respectfully report as follows: That Bill No.

DO PASS

. 110

STANDING COMMITTEE REPORT

FEBRUARY 15 83
..... 19.....

MR. **PRESIDENT**

We, your committee on **STATE ADMINISTRATION**

having had under consideration **Statement of Intent, SENATE** Bill No. **390**

Respectfully report as follows: That **Statement of Intent, SENATE** Bill No. **390**
be adopted.

STATEMENT OF INTENT RE: SB

This bill requires a statement of intent because section 2 provides that the warden of the Montana state prison shall adopt certain rules relating to admission, custody, and release of inmates at the prison. Such rules are not intended to be subject to the Montana Administrative Procedure Act, as provided in 2-4-102, MCA, and shall address the administration and general internal operating procedures and policies of the prison with regard to supervision, custody, control, care and treatment of inmates.

~~DEPTASX~~

STANDING COMMITTEE REPORT

FEBRUARY 15

83

19.....

PRESIDENT

MR.

STATE ADMINISTRATION

We, your committee on

SENATE

190

having had under consideration Bill No.

SENATE

190

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

introduced bill, be amended as follows:

1. Title, line 7.
Following: "53-1-404"
Insert: "53-1-405"
2. Page 3, line 5 through 8.
Strike: Subsection (9) in its entirety
Renumber: Subsequent subsection

~~DO PASS~~
~~XXXXXXXX~~

CONTINUED..

3. Page 3,
Following: line 17
Insert: "Section 3. Section 53-1-405 is amended to read:

53-1-405. Monthly assessment of charges. (1)
The department shall assess monthly against each resident, or financially responsible person, or applicable third-party resource the full per diem charge, a proportionate share of the per diem charge, or no per diem charge, plus full ancillary charge, a proportionate share of the ancillary charge, or no ancillary charge based upon financial information given to the department during its investigation conducted according to the rules of the department.

(2) An assessment made by the department under this section shall be based on the resident's or financially responsible person's ability to pay. The department shall prescribe rules which establish criteria and a procedure for determining ability to pay. The department may not make an assessment which would place an undue financial burden on the resident or the financially responsible person."

Renumber: Subsequent sections.

~~And~~ as so amended,
DO PASS.

STANDING COMMITTEE REPORT

FEBRUARY 15

83

..... 19

PRESIDENT

MR.

STATE ADMINISTRATION

We, your committee on

HOUSE

73

having had under consideration Bill No.

SCHULTZ (DOVER)

HOUSE

73

Respectfully report as follows: That Bill No.

third reading,

BE CONCURRED IN

~~DO PASS~~