

HOUSE APPROPRIATIONS COMMITTEE

48th LEGISLATURE

SPECIAL SESSION I

Rep. Francis Bardanouve, Chairman	Rep. Earl Lory
Rep. Rex Manuel, Vice Chairman	Rep. Red Menahan
Rep. Steve Waldron, Vice Chairman	Rep. Ray Peck
Rep. Esther Bengtson	Rep. Joe Quilici
Rep. Mary Ellen Connelly	Rep. Glenn Roush
Rep. Gene Donaldson	Rep. John Shontz
Rep. Gene Ernst	Rep. Chris Stobie
Rep. Andrea Hemstad	Rep. Bob Thoft
	Rep. Cal Winslow

ROLL CALL

HOUSE APPROPRIATIONS COMMITTEE

48TH LEGISLATIVE SESSION, 19⁸³
SPECIAL SESSION 1

Date December, 1983

Name	13	14	16															
REP. BARDANOUVE, Chrmn.	X	X	X															
REP. MANUEL, Vice Chrmn.	X	X	X															
REP. WALDRON, Vice Chrmn.	X	X	X															
REP. BENGTON	X	X	X															
REP. CONNELLY	X	X	X															
REP. DONALDSON	X	X	X															
REP. ERNST	X	X	X															
REP. HEMSTAD	X	X	X															
REP. LORY	X	X	EX.															
REP. MENAHAN	X	X	X															
REP. PECK	X	X	X															
REP. QUILICI	X	X	X															
REP. ROUSH	X	X	X															
REP. SHONTZ	X	X	EX.															
REP. STOBIE	X	X	X															
REP. THOFT	X	X	X															
REP. WINSLOW	X	X	X															

X = Present A = Absent E = Excused Absence

	1983 Date: 12/16 No: Approve HB 11	Date: No:	Date: No:	Date: No:	Date: No:	Date: No:
BARDANOUE, Francis, Chairman	Yes					
MANUEL, Rex, Vice Chairman	Yes					
WALDRON, Steve, Vice Chairman	Yes					
BENGTSON, Esther	Yes					
CONNELLY, Mary Ellen	Yes					
DONALDSON, Gene	Yes					
ERNST, Gene	No					
HEMSTAD, Andrea	Yes					
LORY, Earl	Yes					
MENAHAN, Red	Yes					
PECK, Ray	Yes					
QUILLICI, Joe	Yes					
ROUSH, Glenn	Yes					
SHONTZ, John	Exc.					
STOBIE, Chris	No					
THOET, Bob	No					
WINSLOW, Cal	Yes					

STATUS SHEET

HOUSE APPROPRIATIONS COMMITTEE

48th Legislature - SPECIAL SESSION I

Bill No.	Subject matter	Date In	Sponsor	Hearing Date	Committee Action	Date Out
HB 1	An act appropriating money for the operation of the special session.	12-12-83	Bardanouve	12-13-83	DO PASS	12-13-83
HB 10	An act extending the payment date of a loan to the Dept. of Health & Environ. Sciences to fund subdivision review.	12-13-83	Bardanouve	12-14-83	DO PASS	12-14-83
HB 11	An act to appropriate funds for an interim study of Montana's unemployment insurance trust funds laws and providing immediate effective date.	12-15-83	Bardanouve	12-15-83	DO PASS	12-15-83

MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE
December 13, 1983

A meeting of the House Appropriations Committee of the 48th Legislature, Special Session I was called to order by Chairman Rep. Francis Bardanouve at 8:00 a.m. in Room 104 of the State Capitol on December 13, 1983. All members were present. HOUSE BILL 1 was HEARD; EXECUTIVE ACTION was taken on HOUSE BILL 1.

The HEARING ON HOUSE BILL 1 was opened. The sponsor, REP. BARDANOUVE, gave a short summary of the bill; see EXHIBIT A.

The testimony was then turned over to DIANA DOWLING, Executive Secretary for the Legislative Council. The figures contained in the bill were drawn up by the Council after conferring with Sen. Stan Stephens, Rep. Dan Kemmis, Rep. Red Menahan, and Sen. Allen Kolstad. Ten legislative days were budgeted for in the bill, with an average cost figured at \$30,000 per day. Legislative salaries including benefits and per diem averaged \$14,732 per day; Legislative staff salaries averaged about \$8,500 per day; and the round trip allowance was about \$11,000. A sheet comparing the budgets of the past two Special Sessions with the current one was distributed by Ms. Dowling; see Exhibit B. She explained that the Legislative Council had hired a printing coordinator and a bills distribution person for the Special Session. In addition, Sen. Stephens and Rep. Kemmis authorized the Council to pay the expenses for the most recent meeting of Interim Subcommittee No. 4 out of the budget for the Special Session. She explained that the attaches were being paid under the joint resolution which had been adopted during the regular Legislative session.

Speaker of the House REP. DAN KEMMIS rose in support of the bill. He had originally suggested that the budget in the bill be for six days instead of ten.

There were NO OPPONENTS to HB 1.

QUESTIONS were asked. It was brought out that any money not expended by the Special Session would automatically revert.

REP. DONALDSON wanted to know where the funding for the Interim Subcommittee meeting could be found in the budget in HB 1. Ms. Dowling explained that it would come from the "other expenses" category, and would be less than \$2,000.

CHAIRMAN REP. BARDANOUVE wanted to know if there was any money left from the regular legislative session which could be used to fund the Special Session. Ms. Dowling said there was some money left and it was utilized to pay insurance benefits, etc., and for

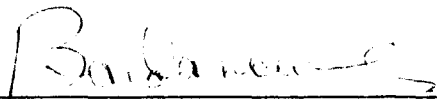
accounting purposes, it shouldn't be used for the Special Session.

REP. QUILICI spoke up in support of funding a new roll call system for the House of Representatives in the future, pointing out that the Senate had \$1,500 budgeted for the maintenance of their roll call system, while the House had no money budgeted for its system.

The hearing was CLOSED on HOUSE BILL 1.

REP. LORY moved that HOUSE BILL 1 DO PASS. Motion carried unanimously.

The meeting was adjourned at 8:20 a.m.



Rep. Francis Bardanoue - Chairman

Appropriations Comm.
12/13/83

EXHIBIT "A"

48th Legislature
Special Session 12/83

LC 0013/01

1 HOUSE BILL NO. 1
 2 INTRODUCED BY BARANOVE
 3
 4 A BILL FOR AN ACT ENTITLED: "AN ACT APPROPRIATING MONEY FOR
 5 THE OPERATION OF THE SPECIAL SESSION OF THE FORTY-EIGHTH
 6 LEGISLATURE CONVENING ON DECEMBER 12, 1983; AND PROVIDING AN
 7 IMMEDIATE EFFECTIVE DATE."
 8
 9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
 10 Section 1. Appropriation. The following amounts are
 11 appropriated from the general fund for fiscal year 1984 for
 12 the operation of the special session of the forty-eighth
 13 legislature convening on December 12, 1983:
 14 House of Representatives \$165,000
 15 Senate 105,000
 16 Legislative Council 25,000
 17 Section 2. Effective date. This act is effective on
 18 passage and approval.

-End-

FEEB BILL
SPECIAL SESSIONS BUDGET COMPARISON
December 6, 1983

<u>House</u>	<u>Expended 47th #1</u>	<u>Expended 47th #2</u>	<u>Budget 48th #1</u>
Pre-Session (Legislators & Attaches)	\$ 39,504	\$20,015	\$ 0
<u>Session</u>			
Attache Salaries & Benefits	19,889	19,921	42,113
Legislator Salaries & Benefits	37,627	27,716	47,881
Expense Payments - Legislators	45,000	26,460	45,000
Printing	1,330	17	1,000
Supplies	1,099	651	1,500
Telephone & Postage	9,410	3,856	5,000
Round-trip Mileage	15,740	10,768	14,920
Rent	992	680	1,300
Other	566	0	6,286
Total House	171,157	110,084	165,000
<u>Senate</u>			
Pre-Session (Legislators & Attaches)	26,510	9,895	0
<u>Session</u>			
Attache Salaries & Benefits	16,643	17,014	37,494
Legislator Salaries & Benefits	18,854	14,213	23,970
Expense Payments - Legislators	22,500	13,500	22,500
Printing	542	145	500
Supplies	192	386	775
Telephone & Postage	5,011	1,880	3,000
Round-trip Mileage	10,470	4,577	7,580
Rent	3,091	1,250	1,100
Maintenance - Roll Call System	0	0	1,500
Other	497	0	6,581
Total Senate	104,310	62,860	105,000
<u>Council</u>			
Salaries & Benefits	1,229	1,127	2,034
Printing	13,909	8,791	15,000
Supplies	465	52	500
Telephone & Postate	576	0	500
Travel (Prison Tour, Consultants)	0	1,027	0
Contingency	0	0	6,966
Total Council	16,179	10,997	25,000
GRAND TOTAL	\$291,646	\$183,941	\$295,000

VISITORS' REGISTER

HOUSE APPROPRIATIONS COMMITTEE

TITLE HB 1
SPONSOR BARDANOLLE

Date 12/13/83

NAME	RESIDENCE	REPRESENTING	SUPPORT	OPPOS
Diana Dewing	Helen	Leg Council	✓	

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

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

STANDING COMMITTEE REPORT

December 13,

19 83

MR. SPEAKER:

We, your committee on APPROPRIATIONS

having had under consideration HOUSE BILL NO. 1 Bill No.

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A BILL FOR AN ACT ENTITLED: "AN ACT APPROPRIATING MONEY FOR THE OPERATION OF THE SPECIAL SESSION OF THE FORTY-EIGHTH LEGISLATURE CONVENING ON DECEMBER 12, 1983; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

Respectfully report as follows: That HOUSE Bill No. 1

DO PASS.

Rep. Francis Bardonoue, Chairman.

STATE PUB. CO.
Helena, Mont.

COMMITTEE SECRETARY

MINUTES OF THE MEETING OF THE HOUSE APPROPRIATIONS COMMITTEE
December 14, 1983

The meeting of the House Appropriations Committee was called to order by Chairman Francis Bardanouve at 9 a.m. on Wednesday, December 14, 1983. All committee members were present.

HOUSE BILL 10 was introduced to the committee. Chairman Bardanouve asked that Rep. Shontz carry the bill to the floor of the House.

HEARING ON HOUSE BILL 10

PROPONENTS

JOHN BARTLETT from the Department of Health spoke on behalf of the Department in favor of HB 10. He stated that at the present time it is impossible to predict the workload each month and therefore to be able to know exactly what the costs will be in the future. The Department has had to use \$10,000 of the \$50,000 loan by the first of November and as of now they have repaid the \$10,000 and are in the black. If the economy remains high there might be no need of a loan but if it goes down they might need the loan to be able to continue to operate. By changing the language of this bill it would give them some assurance of remaining solvent.

The bill, in essence, does two things. First, instead of their having to repay the \$50,000 or that portion they have used by the end of June, it would extend this time limit and allow them to repay it by the end of fiscal 1985. Second, it allows the Department to borrow either in fiscal 1984 or fiscal 1985, or both.

OPPONENTS

There were no opponents testifying.

The hearing was then opened to the committee for questions.

REP. STOBIE asked what the workload is at the present time. RAY HOFFMAN from the Department of Health stated that at the present time they had received 720 major subdivisions for review, 1,054 minors and 292 requests for trailer courts and condominiums. He further stated that they have collected \$74,899 thus far and have had expenditures of \$72,121. This averages out to about \$9,900 each month. They presently have two reviewers and one secretary on staff.

REP. HEMSTAD asked about the procedure for doing the reviews.

REP. WALDRON asked why they would not accept a subdivision for review and was told it would be because of lack of information necessary before a review could be completed such as water quality, availability of water, sewer problems, etc. The state is liable for lawsuits and according to law must do the subdivision reviews.

REP. QUILICI asked if there was a followup procedure after the review and was told there was none. Ray Hoffman stated if the review action is not taken within 60 days, it is not approved and the developer would then have to go to the state if he wished to sue.

REP. HEMSTAD asked how the review procedures differed on the local and the state levels and was told they were very similar.

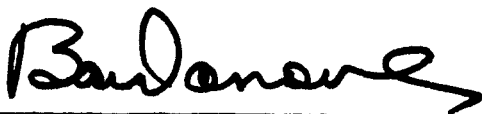
REP. SHONTZ asked if the department was checking to see if all the locals were doing the proper job on reviews and was told they are working on this problem at the present time. They are contemplating a rules change whereby a county might be fined if the state has to come in and redo a review that had been done improperly.

REP. STOBIE questioned if they would need the full amount of the loan and was told they only planned to use what they had to and not necessarily the full amount.

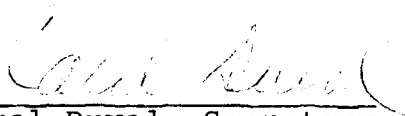
THE HEARING WAS CLOSED.

REP. LORY made a MOTION that House Bill 10 DO PASS. All committee members voted yes, except for REP. STOBIE who voted no.

The hearing was adjourned at 9:45 a.m.



Francis Bardanouve, Chairman



Carol Duval, Secretary

STANDING COMMITTEE REPORT

December 14

1983

MR. SPLAHER

We, your committee on Appropriations

having had under consideration House Bill No. 10

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A BILL FOR AN ACT ENTITLED: ^{color} "AN ACT EXTENDING THE PAYMENT DATE OF A LOAN TO THE DEPARTMENT OF HEALTH AND ENVIRONMENTAL SCIENCES TO FUND SUBDIVISION REVIEW; AMENDING SECTION 3, CHAPTER 696, LAWS OF 1983; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

Respectfully report as follows: That House Bill No. 10

DO PASS

Francis Bardanoue, Chairman

Chairman.

STATE PUB. CO.
Helena, Mont.

COMMITTEE SECRETARY

MINUTES OF THE MEETING OF THE APPROPRIATIONS COMMITTEE
DECEMBER 16, 1983

The meeting of the Appropriations Committee was called to order by Vice Chairman Rex Manuel at 8:00 a.m. in room 104 of the Capitol building. All members were present except Representative Shontz, who was excused for the full meeting and Representative Bengtson who was excused for the beginning of the meeting.

HOUSE BILL 11

REPRESENTATIVE FRANCIS BARDANOUE, of Harlem, introduced his bill, which is to appropriate funds for an interim study of Montana's unemployment insurance trust fund laws. He said the shortfall in the unemployment insurance trust fund, which may be as high as \$36 million, is possibly the most serious problem facing Montana government today. He said one of the victims of the situation is the small business person. He said small business people pay in more than their employees take out and the fund is making money on them in Montana because they mainly lay off only their seasonal help and some of those seasonally employed people don't qualify for unemployment compensation. He said not only is the funding in bad shape, but there is some real inequity in who finances the fund. He said the contractors, welders and miners - types of employers in the highly unionized area - are paying in less than their employees are taking out because their employees are highly paid people and the law only requires payment on up to \$8,200 in salary per year. He said the small business person often pays on 100 percent of his payroll, while the larger employers may be only paying on about 50 percent or less. He said if Montana's unemployment insurance trust fund remains in the red for a period of two years, the federal government will step in and raise the assessment each year until it is paid off. Until recently Montana could borrow money from the federal government and not pay any interest on it, but now Montana has to pay 10 percent interest. He said he hopes the appointed interim committee members will be well balanced between business and labor and will be bipartisan. He said the interim committee on highways was successful and the interim committee on prisons made people and legislators aware of the problems at the prison and the interim committee work was subsequently beneficial. He said an interim committee on the unemployment trust fund deficit will hopefully come up with an agreement on the solutions to the problems and, at the very least, provide an educational awareness of those problems.

REPRESENTATIVE ANDREA HEMSTAD, of Great Falls, asked how Representative Bardanoue arrived at the \$15,000 figure to finance the interim committee work. Representative Bardanoue said he consulted with Diana Dowling, Director of the Legislative Council, and she estimated there would be approximately 7 meetings over a period of 11 months. He said the cost is estimated to be between \$10,000 and \$15,000.

REPRESENTATIVE CHRIS STOBIE, of Thompson Falls, said he thinks the

facts are evident now and will be more evident one year from now. He said he doesn't see how an interim committee will help. Representative Bardanouve replied that he hopes the committee can arrive at areas labor and employers can agree on over a period of a year rather than have to handle the situation under the pressure of the legislative session. He said the makeup of the interim committee will affect the outcome of the effort.

REPRESENTATIVE BOB THOFT, of Stevensville, asked if about \$3,000 appropriated to the Legislative Finance Committee staff to study the problems might be a solution. He asked if Representative Bardanouve would support such an amendment to his bill. Representative Bardanouve said he considered incorporating this into his bill, but did not want to appear to be exerting undue influence over the issue; therefore, he could not support the proposed amendment to his bill.

REPRESENTATIVE JOE QUILICI, of Butte, supported the bill. He said he would testify before such a committee. He said the legislature failed to "bite the bullet" and labor and industry must also "bite the bullet" and would hopefully do this in an interim committee process.

REPRESENTATIVE GENE DONALDSON, of Helena, said he is not opposed to the philosophy of the bill. He said it is a political issue and asked if the Governor would commit himself to the solution. Representative Bardanouve said that in a conference with leadership, the Governor said that if they could come up with some kind of framework they could support, he would open the session. Subsequently, the leadership met and the Senate came back to the Governor and told the Governor there was no room for negotiation. He said the Governor said he would open the session to the question if he felt any support, but the Governor did not want the session to drag out into the new year. Representative Bardanouve said he feels the Governor will support whatever can be agreed upon.

REPRESENTATIVE STOBIE supported the concept of an interim committee, but said he thinks it is a responsibility of the legislature to be concerned about the unemployment in the state. He said the legislature obligated itself last session to the federal government by borrowing money, but he doesn't think this is the way to handle the problem. He said there are inequities in the law which must be corrected.

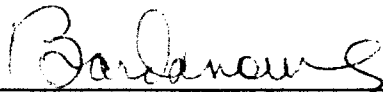
REPRESENTATIVE CALVIN WINSLOW, of Billings, said unless the Governor puts his forces behind the study, it won't be solved by an interim committee. Representative Bardanouve said the Governor doesn't have all the power, but he believes the Governor will use whatever influence he has to solve the problem.

REPRESENTATIVE STEVE WALDRON, of Missoula, said he served on the

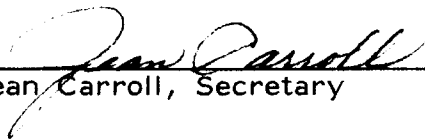
highways interim committee and the Governor and his staff gave good support to the decisions of that committee. Representative Bardanouve said he is impressed with actions and capabilities of the Department of Labor and Industry and feels the Governor is giving support to the department.

REPRESENTATIVE RAY PECK, of Havre, asked if the Legislative Finance Committee could handle this study. Representative Bardanouve said he wouldn't say the Legislative Finance Committee couldn't handle it, but it will be a heavy workload and other work may suffer in the process. Representative Peck asked if the improved economy will solve the problem. Representative Bardanouve said it would help but not solve the problems. He said the long-range employment in America will be more in the service areas and lower paying jobs, not in the higher paid, unionized areas such as manufacturing and mining. Representative Donaldson said there are problems involved in the fund deficit beyond the state of the economy. Representative Bengtson agreed and pointed to the growth of cottage industries. Representative Connelly said the economy cannot recover quickly enough to help the problem of the trust fund deficit. Representative Bardanouve said the largest savings and loan association bankruptcy that ever took place in America occurred yesterday. He said nearly 700 banks in America are in serious trouble and bankruptcies of banks in 1984 will continue at a high rate. A committee member said it was announced this morning that ARCO is up for sale.

REPRESENTATIVE QUILICI made a motion that House Bill 11 do pass. A roll call vote was taken with 13 members voting yes, Representatives Ernst, Stobie and Thoft voting no, and Representative Shontz excused. The motion carried.



FRANCIS BARDANOUE, Chairman
House Appropriations Committee



Jean Carroll, Secretary

STANDING COMMITTEE REPORT

.....DECEMBER 16,..... 19 83.....

MR. SPLAKER.....

We, your committee on **APPROPRIATIONS**

having had under consideration **HOUSE** Bill No. **11**

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**A BILL FOR AN ACT ENTITLED: "AN ACT TO APPROPRIATE FUNDS FOR
AN INTERIM STUDY OF MONTANA'S UNEMPLOYMENT INSURANCE TRUST
FUND LAWS; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."**

Respectfully report as follows: That..... **HOUSE** Bill No. **11**

DO PASS