MINUTES OF THE MEETING PUBLIC HEALTH, WELFARE AND SAFETY COMMITTEE MONTANA STATE SENATE

MARCH 15, 1985

The meeting of the Senate Public Health, Welfare and Safety Committee was called to order by Chairman Judy Jacobson on Friday, March 15, 1985 in Room 410 of the State Capitol at 12:30.

ROLL CALL: All senators were present with the exception of Senator Lynch who was excused. Senators Towe and Newman arrived late. Karen Renne, staff researcher, was also present.

There were many visitors in attendance. See attachments.

ACTION ON HOUSE BILL 186: Representative Paul Pistoria of Great Falls is the chief sponsor of HB 186 which is an act allowing passage of county ordinances to control community decay caused by accumulation of rubble and providing an immediate effective date.

A motion was made by Senator Himsl to adopt the proposed amendments which would exempt farming and ranching from the bill. Motion carried.

A motion was made by Senator Himsl that HB 186 BE CONCURRED IN AS AMENDED. Motion carried with all present voting "yes" with the exception of Senator Hager, who voted "no".

DISCUSSION ON HOUSE BILL 743: Representative Ron Miller of Great Falls in the sponsor of HB 743. This bill is an act to clarify the subrogation rights of the Department of Social and Rehabilitation Services regarding the provisions of medical benefits on behalf of a person for whom a third party is liable.

Senator Himsl asked that the Committee pass HB 743 for the day as he is waiting for more information. The chairman stated that the committee would pass consideration for the day on HB 743.

ACTION ON HOUSE BILL 737: Representative Toni Bergene of Great Falls is the chief sponsor of HB 737. This is an act permitting a county attorney or county welfare department to convene adult protective service teams to assist older persons who are victims of abuse, neglect, or exploitation; permitting disclosure of reports filed under the Montana Elder Abuse Prevention Act to such teams. PUBLIC HEALTH PAGE TWO MARCH 15, 1985

A motion was made by Senator Towe that the bill be adopted on page 2, line 2, to insert "or his designee" following the word "attorney". Motion carried.

A motion was made by Senator Towe that the bill BE CONCURRED IN AS AMENDED. Motion carried.

Senator Stephens will carry this bill on the floor of the Senate.

ACTION ON HOUSE BILL 561: Representative Ron Miller of Great Falls is the sponsor of HB 561. This bill is an act to generally revise the laws relating to cosmetology, and providing an immediate effective date.

Senator Himsl asked that a cosmetologist explain exactly what the inspector does when he inspects a beauty salon.

Senator Newman asked about the 500 hours of additional training when one fails to pass the test the second time. A cosmetologist explained that if one fails to pass the exam twice then that person must go back to school for an additional 500 hours of training because something is drastically missing in their training.

Senator Hager asked the cosmetologists to explain their testing process.

A motion was made by Senator Towe that HB 561 BE CONCURRED IN. Motion carried.

Senator Stephens will carry this bill on the floor of the Senate.

ACTION ON HOUSE BILL 563: This bill is being sponsored by Representative Ron Miller of Great Falls. HB 563 is an act to generally revise the laws relating to cosmetology; providing for the licensure and regulation of manicurists, manicuring shops, and schools of manicuring and providing a delayed effective date.

Senator Towe stated that it is difficult to see the justificaion in this bill.

A motion was made by Senator Towe that HB 563 BE NOT CONCURRED IN. Motion carried with all present voting "yes" with the exception of Senator Jacobson who voted "no".

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CONSIDERATION OF HOUSE BILL 280: Representative Toni Bergene of House District 41 in Great Falls, the sponsor of HB 280 gave a brief resume of the bill. This bill was requested by the Board of Pharmacy. HB 280 is an act to provide that violation of the federal drug abuse prevention and control act is grounds for revocation of a pharmacist's license, and providing an immediate effective date.

Representatiave Bergene stated that this act was sunset by a previous audit. It now falls under the federal Food, Drug, and Cosmetic act.

Warren Amole, executive director to the Board of Pharmacy, stood in support of the bill. He stated that this bill will just clean up the present law.

Bob Likewie, representing the State Montana Pharm. Association, stood in support of the bill. He stated that this bill will cover things that are not covered under the present law.

With no further proponents, the chairman called on the opponents. Hearing none, the meeting was opened to a question and answer period from the Committee.

Senator Stephens asked what a pharmacist would have to do if their license was revoked. They would probably have to take further education and apply again for a license. However, no one was real sure.

Representative Bergene closed. She asked the committee to give this bill favorable consideration.

CONSIDERATION ON HOUSE BILL 358: Representative Mike Kadas of House District 55 in Missoula, the chief sponsor of HB 358, gave a brief resume of the bill. This bill is an act to create a missing children information program within the Department of Justice; to require law enforcement authorities to submit missing children's reports to the program; to require the superintendent of public instruction to distribute monthly to the schools a list of missing school age children; and to require schools to contact any parent whose child is absent without parental verification of the absence.

Representative Kadas stated that most children who disappear are victims of "voluntary" parental abuse.

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JoAnne Peterson, representing the Montana Education Association, stood in support of the bill. She stated that her association shares the nation's concerns about criminal abduction and exploitation of children. Action must be taken to protect our children. There is little question that grassroots awareness, education, organization and money are critically needed. In addition, laws must be written and/or amended to better protect our children. The MEA believes that child abduction and abuse must be dealt with in this legislative session. Miss Peterson handed in written testimony to the Committee for their consideration. See attachments.

Dan Adcock, representing the Missoula Taskforce for Children's Justice, stood in support of the bill He stated that recent history of missing children is noteworthy. There are various types of missing children. Montana's children become victims of the "missing child" syndrome. Taskforce formed to articulate issues concerning missing children, to educate adults and children in personal safety, and to work on legislation. ΗB 358 is solid in that it validates current efforts by the Justice Department, send information and pictures of missing children to schools, and requires schools to contact home if a child is absent. Cost factor of this bill is minimal. Children are not always identified when they have been found The quicker they can be found the better chance murdered. they have of living. Children prostitution and child pornography are billion dollar businesses. He urged the Committee to give this bill favorable consideration and protect the children of our state.

Helen Volden, legislative co-ordinator for the Montana Parent Teacher Association, stood in support of the bill. She stated that it is estimated that at least 1,500,000 children are missing from their homes each year, many of whom end up abused or even victims of homicide. The Missing Children Act was passed by Congress in 1982, and the Missing Children Assistance Act in 1984. Comprehensive state legislation is critically needed to address the particular needs of missing and exploited children and to help solve problems that are unique to the state level. Mrs. Volden handed in written tesimony for the Committee to consider. See attachments.

Bill Erwin, representing the Department of Justice, stood in suport of the bill. Mr. Erwin told of how dental records SENATE PUBLIC HEALTH PAGE FIVE MARCH 15, 1985

are being used to identify children. More children have been to the dentist today, than have been finger printed for identification sake. If HB 358 were to pass there would be a clearing house for information. Information regarding missing children would be on a "hot sheet" same as for missing cars. Montana would be one of the more progressive, if HB 358 were to pass. He urged the Committee to give this bill favorable consideration.

Jess Long, representing the school administrators of Montana, stood in support of the bill. He stated that he would like to see the bill amended regarding the age at which the school is to call and check on a student. He would like to see it lowered to age 16, because many children are on their own before age 18. He also addressed the problem of the school calling the parents rather than the other way around. For schools many times if could be long distance. He supported the concept of the bill.

With no further proponents, the chairman called on the opponents. Hearing none, the meeting was opened to a question and answer period from the Committee.

Senator Jacobson stated that perhaps parents could do the calling rather than the school.

Senator Stephens asked how many Montana children have been placed on the National Crime Information Center computer. There have been 10 children from our state placed on the computer.

Senator Hager asked about children like his nephew who runs away alot, and asked if he would also be placed on the computer. Yes, if this bill does pass he would be placed on the computer. At the present time they must hold the name of the child for 24 hours after he has been reported missing.

Senator Himsl stated that it appears to him that the real issue seems to be in the reporting and placing a child's name on the computer.

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Representative Kadas closed. He stated that school boards, school administrators, and many others have testified for this bill. It is not an unreasonable safeguard to take for the children on Montana. He stated that this is a very important piece of legislation.

CONSIDERATION OF HOUSE BILL 487: Representative Norm Wallin of House District 78 in Bozeman, the chief sponsor of HB 487, gave a brief resume of the bill. This bill is an act authorizing the Health Facility Authority to issue bonds and notes in an amount not to exceed \$150 million in each biennium; and providing an immediate effective date.

The Montana Health Facility Authority was created in 1983 as one means of trying to reduce health care costs. The Authority can issue bonds or notes to raise money which can be loaned to health care facilities at rates of interest much lower than they can borrow from commercial cources. The law defines eligible health care facilities which must be non-profit by IRS ruling.

The Montana Health Facility Authority may currently borrow money and issue bonds not in excess of \$50 million for any two-year period. The MHFA has issued \$42.7 million in bonds and notes since July 1984. Bonds and notes issued by the MHFA are repaid from revenues generated by the borrowing entity. This is part of the "Build Montana" program.

Mary Munger, chairman of the Montana Health Facility Authority, stood in support of the bill. She stated that this board was appointed by the Governor in 1983. However, ittook them awhile to really get going. Bonds and notes issued by the MHFA are currently not general or moral obligations of the State of Montana. The state is not at risk with repect to MHFA bonds and notes. Although the MHFA does not have firm commitments for \$150 million in financing the next two years, the board feels that because of high activity in the first two years of operation, positive feedback and continuing interest from health care facilities, the possibility of hospitals wanting to refund outstanding bonds; plans by the MHFA to better inform potential borrowers of services available at the Authority, and the continuing evolution of new financing programs nationwide, the \$150 million biennial limit is workable and needed.

Don Allen, representing the Montana Hospital Association, stood in support of the bill.

Shirley Tennis read a letter of support from Sister Elizabeth Henry, administrator of West Mont Home Health and West Mont SENATE PUBLIC HEALTH PAGE SEVEN MARCH 15, 1985

Habilitation here in Helena. These corporations are recipients of three Montana Health Facility Authority loans. See attached letter.

With no further proponents, the chairman called on the opponents. Hearing mone, the meeting was opened to a question and answer period from the Committee.

There were no questions from the Committee.

Representative Wallin closed.

CONSIDERATION OF HOUSE BILL 623: Representative Norm Wallin of House District 78 in Bozeman is the sponsor of HB 623. This bill was requested the Montana Health Facility Authority. He gave a brief resume of the bill. This bill is an act revising the procedure for issuing health facility bonds; providing that bond proceeds may not be expended for a facility unless it has been reviewed and approved by the appropriate authorities and providing an immediate effective date and an applicability date.

HB 623 is an amendments to the legislation which created the Montana Health Facility Authority in 1983. This will facilitate the work of the Authority and enable it to be of assistance to more health care facilities. Representative Wallin handed in written testimony to the secretary to be used for the record. See attachments.

Mary Munger, chairman of the Montana Health Facility Authority, stood in support of the bill. She stated that all of the projects for which the Authority has loaned money have had to have certificate of need approval from the Department of Health. This is a requirement of the law under which the Authority operates. The proposed change would allow the Authority to process applications from halth care agencies for financing while they are in the process of getting approval by the Department of Health, but the Authority cannot loan money to any agency unless it has the necessary approval. This proposed change will not circumvent the certificate of need reqirement for health care facilities but would allow the two processes to go on at the same time. SENATE PUBLIC HEALTH PAGE EIGHT MARCH 18, 1985

Don Allen, representing the Montana Hospital Association, stood in support of the bill. He stated that it is impossible to know of all of the expenditures one will need in the future. This bill would give that flexibility.

Bill Leary, representing the Montana Hospital Association, stood in support of the bill. He stated that bonds are issued only to non-profit health facilities.

With no further proponents, the chairman called on the opponents. Hearing none the meeting was opened to a question and answer period from the Committee.

The Committee had no questions.

Representative Wallin closed.

CONSIDERATION OF HOUSE BILL 646: Representative Paul Rapp-Svrcek of Thompson Falls, the chief sponsor of HB 646, gave a brief resume of the bill. This bill is an act defining "organic Food" and requiring accurate labeling of organic food; providing for remedies; and providing an effective date and an applicability date.

He stated that HB 646 is a truth in labeling amendment to the Montana Food, Drug, and Cosmetic Act. It sets a uniform standard by which producers, marketers, and consumers can gauge the content of products marketed as organic. HB 646 also provides for injuctive relief which a private party can initiate through civil proceedings to stop false labeling.

There are many organic producers in our state.

Roland D. Pratt, representing the Montana Restaurant Association, stood in support of the bill.

Al Kurki, staff for Alternative Energy Resources Organization, stood in support of the bill. He stated that this bill serves as a standard that can provide for consumer protection build consumer confidence in products labeled organic, and assist producers in adding value to their food product if they choose to grow and market it in such a manner. Mr. Kurki handed in written testimony to the secretary for the record. See attachments.

Mr. Kurki also handed in a letter from Robert M. Quinn a wheat grower from Big Sandy. See attachments.

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Dana Huschle, representing the Community Food Co-op, stood in support of the bill. He stated that as manager of the Communty Food Co-op, a 600 member retail grocery, he would like to encourage the members of the Committee to approved HB 646. Their store specializes in natural and organically grown foods. In buying from suppliers and observing business colleagues it has become apparent that there is a real need for a standard by which to label organic foods. Mr. Huschle handed in written testimony to the Committee for the record. See attachments.

Lou Ann Crowley of Missoula stood in support of the bill. She stated that as a consumer, she is concerned that we as a group have no protection or guarantee when we buy products that are called organic. She hopes that passage of this bill will give the people the insurance needed to feel that they are getting what they pay for. Everyone is always looking for quality products.

With no further proponents, the chairman called on the opponents. Hearing none, the meeting was opened to a question and answer period from the Committee.

Senator Lynch asked if manure is the only organic fertilizer. He was told on page 14 starting with line 15 of the bill, there is a list of acceptable fertilizers.

Senator Hager stated that he had helped with this bill, most especially is dealing with the eggs and chickens. He felt that there is a real need for the bill.

Senator Himl asked about chewing gum listed in the bill. There is such a thing as organic gum.

Senator Himsl stated that it appears that the industry should be self policing.

Representative Rapp-Svrcek closed. He stated that this will help to expand the markets. Those producers so desiring to legitimately grow and market "organic" food, will add value to their Montana made product. In some cases, Montana producers have lost potential out of state sales because of the lack of a credible uniform public standard. He urged the Committee to give this bill favorable consideration.

ANNOUNCEMENTS: The next meeting of the Senate Public Health, Welfare and Safety Committee will be held on Monday, March 18, 1985 in Room 410 of the State Capitol to consider HB 214, 228, 259, 466 and 730. SENATE PUBLIC HEALTH PAGE TEN

ADJOURN: With no further business the meeting was adjourned.

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ROLL CALL

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TE	49th LEGISLATIVE SESSION 1985			Date <u>3</u> /	
	NAME	PRESENT	ABSENT	EXCUSED	
	SENATOR JUDY JACOBSON, CHAIRMAN				
	SENATOR J. D. LYNCH, V.CHAIRMAN	t		1	
	SENATOR TOM HAGER	L-			
	SENATOR MATT HIMSL	\checkmark			
	SENATOR TED NEWMAN	late			
	SENATOR BILL NORMAN	\checkmark			
	SENATOR STAN STEPHENS	\checkmark			
	SENATOR TOM TOWE	late			
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Each day attach to minutes.

STANDING COMMITTEE REPORT

1		March	15, 19.35
MR. PRESIDEN	т		
We, your cor	nmittee on Fubli	c Health, Welfars and Sa	lety
having had unde	er consideration	House Bill	
third	reading copy (blue colu		
GENERAL RE	VISION OF COSMETOLO	ogy law	
NILLER	(STEPHENS)		

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BE CONCURRED IN

SENATOR JUDY JACOBSON Chairman.

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STANDING COMMITTEE REPORT

March 15, 19.95 MR. PRESIDENT We, your committee on Public Health, Welfare and Safety having had under consideration House Bill No. 737. third reading copy (blue) color ADULT PROTECTIVE SERVICE TEAMS TO ASSIST OLDER PERSONS BERGENE (STZPHENS)

be amended as follows:

1. Page 2, line 2. Following: "attorney" Insert: "or his designee"

DE CONCURRED IN

DO NOT PASS

SENATOR JUDY JACOBSON

Chairman.

STANDING COMMITTEE REPORT

MARCE 15, 19.35

MR. PRESIDENT

THIRD reading copy (________)

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COUNTY ORDINANCE TO CONTROL COMMUNITY DECAY

PISTORIA (HINSL)

be amended as follows:

1. Page 1, line 10.
Following: "Definition."
Insert: "(1)"

2. Page 1. line 18.

Pollowing: *PROPERTY.*

Insert: "(2) "Community decay" as used in this act may not be construed or defined to apply to normal farming, ranching, or other agricultural operations, or to a farm, ranch, or other agricultural facility, and any appurtenances thereof, during the course of its normal operations."

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AND AS AMENDED BE CONCURRED IN

SENATOR JUDY JACOBSON

COMMITTEE ON

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VISITORS' RECISTER

DATE _____

	VISITORS' RECISTER			
NAME	REPRESENTING	BILL #	Check Support	
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(Please leave prepared statement with Secretary)

PROPOSED AMENDMENTS TO HOUSE BILL 561 (requested by a Billings cosmetologist)

- 1. Page 5, line 20.
 Following: "ehapter"
 Insert: "who are licensed to practice under this chapter"
- 2. Page 6, line 14. Following: line 13

Insert: "(5) If the department is unable to appoint one or more inspectors who are licensed to practice under

this chapter, after advertizing each position for at least 90 days, it may appoint one or more inspectors who are not licensed to practice under this chapter." PROPOSED AMENDMENTS TO HOUSE BILL 563 (requested by a Billings cosmetologist)

- 1. Page 13, line 6. Following: "chapter") Insert: "who are licensed to practice under this chapter"
- m meette mie are ricensed to practice under this chapter
- 2. Page 14, line 3. Following: line 2 Insert: "(5) If the department is unable to appoint one or more inspectors who are licensed to practice under this chapter, after advertizing each position for at
 - least 90 days, it may appoint one or more inspectors who are not licensed to practice under this chapter."

ADDITIONAL AMENDMENTS, contingent on approval of House Bill 561

- Page 2, lines 5 through 8. Strike: subsection (b) in its entirety
- 2. Page 6, lines 23 through 25. Following: "examination" Strike: remainder of line 23 through "department,"
- 3. Page 8, lines 4 through 6. Following: "department" Strike: remainder of line 4 through "examination;" in line 6
- 4. Page 15, line 25 through line 5, page 16. Following: "deadline" Strike: remainder of line 25 through "expiration" in line 5

MEA Position Paper

CHILD PROTECTION

The Montana Education Association shares the nation's concerns about criminal abduction and exploitation of children.

A million and a half children disappear from their homes each year. According to the new National Center for Missing and Exploited Children, most children who disappear

are victims of "voluntary" parental abuse, i.e., snatching by a noncustodial parent. However, each year 20,000 - 50,000 new missing child cases remain unresolved, suggesting criminal abduction and foul play. It is estimated that 2000 unidentified children are buried annually in this country. Some estimate that a child is abducted every three minutes in the United States.

The problem does not escape Montana. Presently there are several widely publicized child-disappearance cases in Montana. Additionally, police from several Montana cities and counties have found remains but no identities of several young people who met their fates from foul play.

Action must be taken to protect our children. There is little question that grassroots awareness, education, organization and money are critically needed. In addition, laws must be written and/or amended to better protect our children.

The MEA believes that child abduction and abuse must be dealt with during the 49th legislative session. House Bills 358, 313, 300 and Senate Bill 19 have been introduced in attempts to assure greater physical protection for Montana children. MEA is working with the bills' sponsors and supporters to gain passage of these child-protective measures during the current session.



Montana Education Association

1232 East Sixth Avenue, Helena, Montana 59601 Telephone 406-442-4250

March 15, 1985

Hearing on HB 358 (Kadas)

Missing Children Information Program

Before: Senate Public Health and Welfare Committee, Judy Jacobson, Chairman Testimony by Jo Anne Peterson, Montana Education Association, in support of HB 358.

Madame Chairman and members of the committee my name is Jo Anne Peterson, representing the Montana Education Association. We support HB 358, which would create a Missing Children Information Program within the Dept. of Justice.

According to a recent newsweek article, "Stolen Children, What can be done about Child Abduction", stated over one million children are reported missing each year, 90%return home within 10 days, 10% or 100,000 children do not reappear and those children who do not reappear 5,000 are found mudered each year. According to Ken Wooden of the National Coalition for Children's Justice the life expectancy of a criminally abducted child is between 14 and 48 hours. Homicide is one of the five leading causes of death for youngsters between the ages of 1-17 and child abduction is the sixth largest crime in the United States. Some of the child murders are reported in the newspapers and others not. It is easier to forget a tradgedy of children being molested and murdered no one wants to recognize this problem cause it's too awful to think about. Michigan State Police Captain Robert Robertson, who headed an investigation of a series of child murders summed up the problem:

"This is something we won't be able to handle until the public becomes aware of it and angered by it. Nothing has ever been accomplished until society took a stand- the Civil Rights Movement, the Women's Liberation Movement- somebody has to get outraged." It has to come from allof us working together.

The Solution

One of the ways we can solve this problem in Montana is enacting this legislation, which would establish a system of intrastate communication of information relating to any child determined to be missing by a parent, gaurdain or legal custodian of the child or law enforcement authority etc...

Do these Missing Children Programs really work? In 1982 the Indianapolis Police Dept. took reports on 1,592 missing youngsters and every single one of those children has since been accounted for, most within a few weeks of their disappearance. Not all cases are this easy but detectives work around the clock and take reports 24 hours a day, while many other police dept's insist on a 24 hr. wait before even taking a report on a missing child. There is also alot of media attention and communinity effort to find the lost children of Indianapolis.

This is a very serious problem in the U.S. which deserves much attention two problem because it doesn't escape Montana. Presently there are several missing children in Montana. Let's save the children of Montana and give this bill a do pass recommendation. Thank You.

NAME: Dan Adcock DATE: 3/15/84 #5 Missoula ADDRESS: 303 E. Spruce PHONE: 728-7/60 REPRESENTING WHOM? Missoula Taskforce for Children's Justice APPEARING ON WHICH PROPOSAL: HB 358 DO YOU: SUPPORT? _____ AMEND? ____ OPPOSE? COMMENTS: Recat history of missing children is noteworthy. There are various types of missing children Montana's children become victims the "missing child" syndrome, Taskforce formed to articulate issues concerning missing to educate adults + children in personal Sa legislation. Bill 15 solid & in the Validates current efforts by justice dept. missing kids + pictures of schools 3 schools to contact home if child o f this bill is t. Cost tactor abseminimal

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.



TESTIMONY HOUSE BILL 358

Senate Public Health, Welfare and Safety Committee Chairman Jacobsen and Members of the Committee:

I am Helen Volden, Legislative Co-Ordinator for the Montana Congress of Parents & Teachers - perhaps more commonly referred to as the MF PEA. I am representing 7,700 members across Montana.

It is our hope that the problem of missing children is one of the most pressing concerns not only in our country today, but in Montana today as well. It is estimated that at least 1,500,000 children are missing from their homes each year - many of whom end up abused or even victims of homicide.

As you know, the Missing Children Act was passed by the U.S. Congress In 1982 and, later, the Missing Children Assistance Act in 1984 - Establishment of the National Center for Missing & Exploited Children is another example of the federal government's commitment to solving the problem of missing & exploited children.

Much more can and must be done on the state level, however - and we must begin with that same commitment. Comprehensive state legislation is critically needed to address the particular needs of missing & exploited children and to help solve problems that are unique to the state level.

We must ask ourselves: If our child were suddenly missing, how easy is it to get information on the state level? Is there a lack of prompt responsiveness on the part of law enforcement procedures? Are law enforcement agencies able to get information from other states?

Why do we need a Missing Children's Information in Montana?

- 1. Many children are kidnapped by their own parents some of whom harm the children, some of whom do not. These children need tracking as closely as children abducted by non-family members.
- 2. Law enforcement agencies must have central systems within their states to share in-state information, as well as have that information fed to the National Center for Missing and Exploited Children.
- 3. The situation as it stands now is such that a stolen car can be traced in Montana and in many other states faster than a missing child. If children are murdered after abduction, it usually occurs within 18-24 hours after abduction, yet we often don't begin looking nearly soon enough.
- 4. Abductors/molesters/murderers often leave "tracks" on the child or at the scene of the crime - teeth marks, cigarette burns, knife marks, rope marks, etc. This information needs to be in a central location in each state to be shared with other states for easier tracking of the perpetrator.
- 5. Crimes against children are closely tied to crimes against women many times. Information shared about the children can often be used to help solve crimes against women.
- 6. Pictures, dental records, and fingerprints can be circulated through one central state location. We believe the fact this bill requires the Office of Public Instruction to share names and pictures of children throughout Montana schools to be a fine feature Children taken by their own parents often are found in schools sev eral states away from where they were originally taken, but sometimes they are right under our eyes if we knew who we were seeing.
- 7. Montana has been identified as being part of a transportation corridor for movement of children for the business of organized child pornography, and child prostitution as well as purely personal motives. Such children might be identified by law enforcement people if there is a quick access to information on children missing from nearby states. Funneling information to one point in a state saves time, money, and effort for law enforcement agencies.
- 8. Children who are abducted are often listed as runaways by law enforcement people. If it were known that a large number of runaways were coming from a particular area, perhaps more investigating of such cases might be done by law enforcement people.

In closing, there are a multitude of things which need to be done to lower the statistics of missing children. One measure listed in the bill requiring schools to contact any parent whose child is absent without parental verification of the absence. This is an easy thing to do, but few schools presently do it. A child's life might be saved by quick police action if the child's whereabouts are known by the school and the parents. The point is: all children are everyone's responsibility. We've done some things about this problem in Montana; we need to do much more. We have assumed this problem belongs to the big cities and the large population areas. It does not. It ties in with child abuse, child neglect, custodial fights between divorcing parents, and even society's attitude (in some instances) that children are chattel. All these things occur in Montana. I don't know if we have any members of the group "Sex Before Fight or Its Too Late" in Montana. There are an estimated 5,000 members nationally. Why not in Montana? Deterants do not always work, but often shared knowledge, a watchful vigilance on the part of everyone, and proper training of not only law enforcement people, but all of uc, does work. We urge passage of this bill as a solid beginning. I thank you for

your attention.

Helpfolden

AMERICA'S MISSING CHILDREN

*Each year in this country 1.8 million children are reported missing.

Approximately 1 million of these children are runaways or "throwaways"

100,000 to 150,000 are the victims of parental kidnappings

20,000 to 50,000 missing child cases go unsolved annually (included in this groups are the victims of stranger abductions, murder and abuse victims, children taken to be raised by unknown individuals and some runaways)

50,000 children are taken against their will by strangers or parents

2,500 children are the victims of homicides

Each year approximately 3,000 individuals are buried in unidentified or John or Jane Doe graves. Hundreds of these are children.

25% of all reported rapes involve children under 12 years old

HB 487 - INCREASE HEALTH FACILITY AUTHORITY BIENNIAL BOND AND NOTE LIMIT TO \$150 MILLION EXCLUDING REFUNDINGS

- MONTANA HEALTH FACILITY AUTHORITY • The Montana Health Facility Authority (MHFA), a seven member board appointed by the Governor, was established by the 1983 Legislature with health care cost containment as its purpose.
- AUTHORIZES TAX-EXEMPT FINANCINGS • The MHFA reduces the cost of health care facilities and equipment by issuing tax-exempt revenue bonds and notes, and loaning the proceeds to nonprofit health care facilities at borrowing rates below alternative taxable borrowing rates.
 - The MHFA may currently borrow money and issue bonds not in excess of \$50 Million for any two-year period.
 - The MHFA has issued \$42.7 Million in bonds and notes since July 1, 1984.
 - Estimate that by June 30, 1985 the MHFA will have loaned \$32 Million to eligible Montana health care facilities at borrowing rates several percentage points below alternative taxable borrowing rates and, in many instances, provided health facility access to otherwise unattainable tax-exempt bond and note markets and related low interest rates.
 - Bonds and notes issued by the MHFA are repaid from revenues generated by the borrowing entity.
 - Bonds and notes issued to date are secured as follows:
 100% letter of credit from a rated bank
 - (Moody's or Standard and Poor's rating agency) Reserve funds
 - First lien on equipment or buildings
 - Ability of the health care facility to generate income
 - In construction financing situations, a permanent financing commitment.
 - <u>Proposed</u> legislation, which would allow limited bond and note issues of the MHFA to be guaranteed by the Economic Development Board through its in-state investment fund, does not create a liability to the state.
 - Each loan application is carefully reviewed by the MHFA, its staff, advisors, and the underwriting firm before the bond or note issue is completed to ensure the fiscal viability of the project. A formal feasibility study by a nationally recognized consultant is required in some instances.

CURRENT LIMIT ON BONDING AUTHORITY

CURRENT BOND & NOTE ISSUES

ACCOMPLISHMENTS

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NOT AN OBLIGATION OF THE STATE
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- Bonds and notes issued by the MHFA are currently not general or moral obligations of the State of Montana. The state is not at risk with respect to MHFA bonds and notes.
- The MHFA has used 85% of its two year bonding authority during one fiscal year (fy '85).
 - The current limit would seriously curtail the activities of the MHFA during the next year when it could issue only \$7 Million in bonds.
 - The MHFA has recently received inquiries from eligible health care facilities regarding approximately \$2 Million in new financings.
 - The MHFA has been discussed as a possible source of over \$6 Million in funds for nonprofit corporations involved in construction under the HB 909 Intensive Service Centers proposal.
 - The MHFA would like to survey the needs of eligible health care facilities and, based on results of the survey, create a long-term pooled loan program, making several loans under one bond issue. This would have to be postponed under the current limit.
 - According to MHFA's bond counsel, current language in the statute which describes the limitation, "for any two year period" is somewhat vague and the "each biennium" approach would be preferable.
 - In summary, the current limit would diminish the effectiveness of the board in actively pursuing its legislative function (providing health care cost containment through tax-exempt financings).
- CRITERIA FOR SETTING NEW LIMIT AMOUNT
 Although the MHFA does not have firm commitments for \$150 Million in financing the next two years, the board feels that because of high activity in the first year of operation, positive feedback and continuing interest from health care facilities, the possibility of hospitals wanting to refund outstanding bonds (replace old debt), plans by the MHFA to better inform potential borrowers of services available at the Authority, and the continuing evolution of new financing programs nationwide, the \$150 Million biennial limit is workable and needed.
 - The MHFA does not intend to issue bonds or notes if the demand for loan funds does not exist.
- BONDS ARE NOT SUBJECT
 TO STATEWIDE
 \$200,000,000 LIMIT ON PRIVATE ACTIVITY BONDS
 Bonds issued by the MHFA, all of which are designed to provide loan funds to nonprofit health care facilities, are specifically excluded from the definitions of Private Activity Bonds.

REASONS FOR REQUESTED INCREASE IN BONDING AUTHORITY

- Since the Tax Reform Act of 1984 limit is on the aggregate amount of Private Activity Bonds, MHFA bonds are not included.
- Private Activity Bonds are defined in the Internal Revenue Code as either Industrial Development Bonds or Student Loan Bonds.
- Industrial Development Bonds are also defined, and specifically exclude bonds whose proceeds will be used in any trade or business carried on by an exempt person.
- "Exempt persons" are governmental units and organizations described in Section 501(c)(3) of the Internal Revenue Code.
- Since MHFA borrowers are <u>always</u> "exempt persons" under the Internal Revenue Code, the related bonds are not Private Activity Bonds and restrictions on Private Activity Bonds do not apply.
- On each non-governmental unit financing, the MHFA obtains documentation of the borrower's Section 501(c)(3) status as well as an attorney's opinion verifying that the borrower is, in fact, a Section 501(c)(3) exempt organization.

SMRLEY THENMAS. & -

Mariane Chairman, Members of the committee, My name is Sr. Elizabeth Henry. I am administrator of West Mont Home Health, and West Mont Habilitation here in Helena. These corporations are recipients of three Montana Health Facility Authority loans.

> Two are on the seven year cycle. One, to build the portion of the building that will house the administrative offices and day program for Habilitation, and the other, an equipment loan for home health. The current interest rate on these today is 8.75%. Previous to this, we were paying fourteen to fifteen percent.

> The third loan, which is the home health or equipment section of the building, will be financed with tax exempt notes which will put the interest rate at 2% below the prime rate, or, in today's language 8.5%.

West Mont will save ten thousand dollars annually between what they had to pay for rent, and mortgage payments. In addition, home health will gain 7000 more square feet, which they badly need.

Centralizing West Mont will make administration aspects more cost effective. In this age of scarce human service dollars, you can see that West Mont has substantially benefited from MHFA. I would strongly urge that you increase their authority so that other human service providers can get this cost benefit.

2/15/1985 TESTIMONY IN SUPPORT OF H.B. ¢23 REPRESENTATIVE NORM WALLIN

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HB. 623 is an amendment to the legislation which created the Montana Health Facility Authority in 1983. The amendment will facilitate the work of the Authority and enable it to be of assistance to more health care facilities. Let me first explain the purpose of the Authority, its accomplishments to date, and how this amendment will make a difference.

The Montana Health Facility Authority was created in 1983 as one means of trying to reduce health care costs. The Authority can issue bonds or note to raise money which can be loaned to health care facilities at rates of interest much lower than they can borrow from commercial sources. The law defines eligible health care facilities which must be non-profit by IRS ruling.

Seven members were appointed to the Authority by the Governor in August 1983. The original membership includes a rancher, a registered nurse, a hospital administrator, a physician, a lawyer and two bankers. To prepare themselves to carry out the legislative responsibility assigned to it, the Authority contracted for the services of several consultants and just within the last six months has its own staff, consisting of a director and an administrative assistant.

Through many contacts made with health care agencies across the state, the Authority determined the need for a bool of money which could be used by eligible agencies to refinance equipment purchases or to purchase new equipment and issued bonds in the amount of 23% million dollars for that purpose. Under the pool, individual loans are negotiated by the Authority and the agencies are given assistance in arranging credit support. Original loans from this pool were made at 81% interest but because the rate is a variable page 2

this much into 6/270 one it was 71% on February 15. compated to at least 12% from commercial sources.

In addition to the pooled equipment fund. the Authrotiy has issued §1.2 million in revenue notes to provide short term construction financing for Frances Mahan Deaconess Hospital. Chemical Dependency Center, Glasgow; a 3515,000 Hospital Revenue Note for a portion of the cost of construction for Mestmont Home Health and Habilitation Services, Helena; and just recently completed an \$18 million bond sale for Billings Deaconess Hospital.

All of the projects for which the Authority has loaned money have had to have certificate of need approval from the State Health Department This is a requirement of the law under which the Authority operates. The proposed change as noted in H.B. 623, line 20, would allow the Authority to process applications from health care agencies for financing when they are still in the process of getting approval by the State Health Department but, THE AUTHORITY CANNOT LOAN MONEY TO ANY AGENCY UNLESS IT HAS THE NECESSARY APPROVAL. This proposed change will not circumvent the certificate of need requirement for health care facilities but would allow the two processes to gon on simultanete eously.



Alternative Energy Resources Organization

324 Fuller — Room C-4, Helena, Montana 59601

Elaine, 406-443-7272 Herein my on 1-13.646 for the rescondi-testimony on 1-13.646 for the rescondi-

I'm Al Kurki, I serve as staff for Alternative Energy Resources Organization's sustainable agriculture project. AERO is a non-profit membership run organization.

Members of AERO's agriculture task force worked with consumers, producers, and distributors in developing this bill for several reasons.

This bill serves as a standard that can provide for consumer protection, build consumer confidence in products labelled organic, and assist producers in adding value to their food product if they choose to grow and market it in such a manner.

What this truth in labelling bill probably does most effectively is set a standard that will eliminate confusion and the myriad of interpretation of what constitutes an organically grown food product.

This bill also has a place in a larger context of consumer interest and concern both nationally and within Montana. For example,

A survey of consumer trends conducted by the Washington-based Food Marketing Institute found that more than three out of four Americans consider pesticide residues in their food a "serious hazard." By comparison, the January, 1984 survey found that 43 percent of the public consider cholesterol a serious hazard. About one-third of the public considered additives and preservatives to be serious hazards, and 26 percent named artificial coloring.

FMI, which represents independent and chain grocery firms nationwide, conducts a consumer trends survey each year, but this was the first time the group included food safety items on its questionnaire.

closer to home, in a survey AERO's sustainable agriculture conference participants answered in Bozeman last October, food safety was the second most frequently cited reason for wanting to see reduced chemical use in agriculture among farmers/ranchers and non-farmers alike. This trend runs strong among transitional and conventional farmers and ranchers as well. When they answered the same survey food safety was among the top three reasons for reducing chemical use in agriculture.

About 3/4 of 250 conference participants were from Montana. In closing I'd like to distribute copies of testimony of Bob Quinn - a rancher/farmer and commodities dealer from Big Sandy, and David Oien - a beef producer and cereal grains farmer from Conrad.

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- Oien stany

- Sed Hile Hed/ the Food Store - public

- This hill is the outcome of opposes 1100 famer + producers



Robert M. Quinn Ferry Rt. P.O. Box 808 Big Sandy, Montana 59520 (406) 378-3105

MONTANA GROWN HIGH PROTEIN WHEAT

March 14, 1985

To the Public Health Welfare and Safety Committee:

My name is Bob Quinn. I farm and ranch near Big Sandy and also am the owner of Montana Wheat & Flour Inc. I am thankful to have this opportunity to appear before you today to speak in support of HB 646 which defines what is an organically grown food product.

I am a licensed and bonded commodity dealer and during the past year and a half I have been buying locally grown selected varieties of high protein spring wheat. After cleaning and bagging this grain, I have been shipping it to whole grain and natural food bakeries in California.

During the past six months I have had several requests for organically grown wheat. As a result I have begun to ship limited quantities of organic wheat to California. There appears to be quite an interest in Montana's organically grown products by the larger markets in this country.

From my perspective as a commodity dealer it would be a great advantage to have a law such as HB 646 on the books. From the buyer's view a uniform definition of what constitutes "organically grown" would provide little room for assumptions or confusion about what fits the definition and what does not. I think this would improve grower and seller relationships because there would be little room for argument. This would also help in marketing out of state because potential customers would know that we are using a standard definition of "organically grown" in Montana. Since this definition is very similar to definitions used in other states, potential buyers would know exactly what they are getting. This bill would also remove any disadvantage the growers Montana may have when compared to growers in states where the definitions are clearly drawn and understood. I feel potential buyers would be more likely to buy from areas where there is a uniform standard compared to areas where none now exists.

In summary, in order to establish a uniform definition as to what constitutes organically grown, to eliminate misunderstanding and misleading statements, and to promote production of high quality products in Montana which will be in demand in the market place, I urge you to pass HB 646.

Thank you very much for your time.

Sincerely,

Robert M. Quinn

NAME: Dana Huschle DATE: 3/15/85
NAME: Dana Huschle DATE: 3/15/85 ADDRESS: 616 5 Grand # Bozeman, MT
PHONE: 587-1477
REPRESENTING WHOM? Community Food Co-op
APPEARING ON WHICH PROPOSAL: 178646
DO YOU: SUPPORT? AMEND? OPPOSE?
COMMENTS: <u>please</u> see letter submitted.

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.



COMMUNITY FOOD CO-OP

1011 West College • Bozeman, MT 59715 • (406) 587-4039

March 14, 1985 Members of the Senate Public Health Welfare and Safety Committee: As manager of the Community Food Lo-op, a 600 member retail grocery, I would like to encourage you to approve House Bill 646, defining Organic Food. Our store specializes in natural and organically grown toods. In buying from suppliers and observing business colleagues it has become apparent that we need a standard by which to label organic toods. I find that suppliers and retailers at times call foods organic that do not meet definitions accepted in other states or by the natural foods industry at large. I believe this occurs because of merchandising and pricing motivations, but more commonly because of a differing opinion held by the



COMMUNITY FOOD CO-OP

1011 West College • Bozeman, MT 59715 • (406) 587-4039

supplier as to what constitutes organically grown toods. For example, most people will agree that chemical herbicides and insecticides constitute a non organic application, but some have difficulty seeing a difference between organic and chemical fertilizers. I find, then, our problem lies in being sure that the customers are getting what they expect, that there is a standard definition. For that reason we strongly support acceptance of HB 646.

Thankyou Daniell

Dana Huschle

manager

My name is Jim Barngrover. I'm here representing Lifeline Produce, a Farming Partnership in the Bitterroot Valley. Lifeline Produce is an organic produce farm and dairy. For each of the last two years we have generated over \$140,000 in sales from our 80 acres of organically grown produce. We just began our dairy operation last fall. On behalf of Lifeline Froduce I urge your support for passage of HB646.

There is great potential for the growing and marketing of organic products in Montana. In the last year I've become acquainted with over a dozen individual. Montanans who are raising organic beef, fruit, produce, grains and legumes. Many more Montana farmers are intending to convert their non-organic farms to organic ones. Since many consumers are willing to pay more for an organically grown product, organic commodities often bring a higher market value. In a time when so many agriculturist are being forced out of business due, in part, to low commodity prices, a higher value product may make a critical difference to some who grow organically.

Marketing our organically grown produce for a premium price has made a significant difference in Lifeline's economic well being. The additional income we receive from organically grown produce has covered our operating cost and allowed us to lower our debt. We are grateful that we have avoided the financial misfortune that is devistating so many of our agricultural friends. We attribute this, in part, to our marketing oportunities. At our produce stand in Hamilton we sell a wide variety of our organically grown vegetables. Our produce is regular fare at many Bitterroot and Missoula Valley super markets and natural food stores, some of these stores clearly lable our produce as "locally grown organic produce." Larger amounts of our produce, ranging from one to six hundred cases per week, are sold to major distributors, eventually ending up on produce shelves at stores throughout Montana. Cur largest organic markets are on the West Coast. Recently we sent an entire semi-truckload of our organically grown potatoes to California. We need a standard in this state to define what is an organic product. I hope the following will serve to illustrate my point. I'm aware of several incidents in Montana involving the sale of chickens, carrots, and other products,, claiming to have been raised "organically," that in fact did not comply with the proposed definition as outlined by HB646. The chickens in question were feed a comercial ration that contained antibiotics and non-organic legumes and grain. The carrots had been grown with chemical fertilizers, though no herbicides or pesticides were used. Growers such as these serve to undermine consumer confidence in organic products. This bill is a well thought out attempt to provide a workable organic definition. HE646 will promote consumer confidence in organically grown commodities and end any confusion that may now exist.

HB646 sets reasonable standards for organic producers. It also provides for injunctive relief. If a product is sold as being "organic" or "organically grown" and someone feels it is misrepresented, the opportunity is provided by this bill to challange the producer of said product in court. If the plantiff prevails in court, an injunction on the defendents product(s) may be issued. Additionally, if the plantiff prevails, they shall be awarded attorney fees. This is a prudent means of keeping our house in order without costing the state a great deal of money and with no additional state bureaucracy.

One last thought I'd like to leave with you....Ultimately an organic producer is dependent upon the health of their soil. Since an organic producer cannot use chemical fertilizers or chemical pesticides, it requires stewardship to keep their operation productive and profitable. In other words, a long term organic farmer is one who gives back to the land at least as much as they take from it. Isn't this the kind of Sustainable Agriculture and indeed Sustainable Economy we want for Montana. C.E. Ranch, Inc. R.R. 3 Box 461 Conrad, MT 59425

RE: H.B. 646 "Organic Foods Definition"

Dear Committee members:

My name is David Oien. I am a farmer and beef producer from Conrad, and I strongly support H.B. 646 and its purpose of establishing a definition for organically produced food sold in Montana.

For a number of years, we have been raising and finishing beef cattle without the use of steroids, growth stimulants, and antiobiotic feed additives. We have developed a devoted and growing clientele for this beef among Montanans who are concerned about drug residues, resistant bacteria, and other possible health risks associated with conventional meat animals. We have also begun selling our beef through a natural food wholesaler, and have discovered potential markets on the West Coast, all the way from Seattle to Los Angeles.

In this endeavor we have encountered two difficulties which H.B. 646 at least begins to address: 1) consumer confidence, and 2) producer and merchant accountability.

The lack of a precise and standard definition for "organically produced" means in effect that there are as many definitions as there are producers, leaving to the consumer the burden of determining exactly what this term means on a product by product basis. When the market area is geographically small, a producer's reputation for quality, chemical-free products often suffices, but as the market expands, consumers who do not have the luxury of knowing the producer personally have no way of knowing whether their expectations regarding "organically produced" are the same as the producer's. In our own case, we have been forced to label and market our beef as conforming to California standards, since that is the state nearest us with a legal definition. While such labelling does at least notify the consumer by what criteria we raise and process our animals, it is awkward (and no doubt confusing to the consumer) to have Montana beef sold to Montana customers and labelled as conforming to California standards! By setting down in law what the organic label means, Montana consumers (and others) can have the confidence that the word "organic" has a definite and commonly-held meaning for all.

The second, and related, area addressed by this bill is grower and merchant accountability. Without an established definition, it is ver difficult to quard against false claims or outright fraud by unscrupulous producers, distributors, or retailers. The fact that misrepresentation does happen became vary clear to us recently when a meat market here in Helena, which had been selling our beef to customers who requested it, suddenly began claiming all of its beef was organic. This simply was not the case. The retailer merely devised his own definition. Such a situation is not only unfair to customers, it is potentially dangerous. The Center for Disease Control recently established links between certain human illnesses(and even death) and antiobiotic feed additives for meat animals. In addition, many doctors prescribe a chemical-free diet for their cancer and hyper-allergic patients. Thus, while many consumers simply prefer organically-grown food, many others actually stake their lives on it. Presently there is little recourse to either halt or redress such misrepresentation. This bill greatly improves the likelihood of truth in labelling in regard to organic food.

In summary, I urge your support of H.B. 646. It is a bill that will benefit the producers of organic food, it will benefit the consumers who wish to purchase such food, and it will benefit the sincere food wholesalers and retailers who are the link between the two.

Sincerely,

David N. Oien

NAME: LOU FAIN CROWLEY	DATE: 3-15-85
ADDRESS: 105 Mount Ar. Miss	
PHONE: 549-5626	
REPRESENTING WHOM? Myself	
APPEARING ON WHICH PROPOSAL: Bill 646	
DO YOU: SUPPORT? χ AMEND?	OPPOSE?
COMMENTS:	
As a consumer fam concerned	that we as a group
have no protection or suarantees	, when we buy
As a consumer I am concerned have no protection or guarantee products that are called "organic	e" I am hoping
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that passage of this bill will giv insurance we need to feel to what we gay for.	
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PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.