

MINUTES OF THE MEETING
HOUSE APPROPRIATIONS COMMITTEE
50TH LEGISLATIVE SESSION

The meeting of the House Appropriations Committee was called to order by Chairman Rep. Gene Donaldson on March 18, 1987 at 8:00 a.m. in Room 104 of the State Capitol.

ROLL CALL: All members were present at the meeting except Rep. Thoft who was excused and Rep. Bardanoue who arrived late after being excused. Also in Attendance were Judy Rippingale, LFA and Denise Thompson, Secretary.

(87:A:2.00)

HB 716: Rep. Jan Brown, HD #46 Helena, presented HB 716 regarding the proposed taxation of Health insurers to fund the voluntary statewide genetics program.

Proponents:

Mr. Chad Smith, Shodair Hospital of Helena, stated the total cost of operating the genetics program is \$505,000 per year. Of that amount, \$50,000 comes from a publisher who uses materials that are produced at Shodair Hospital; The Alberta Heritage Foundation for Medical Research supplies \$30,000; and Shodair Hospital contributes \$165,000. That meets the \$260,000 per year which is requested in the appropriation for this year. He said 35 cents per policy will more than fund this additional appropriation and even allow a 3 percent balance. He also said that Blue Cross/Blue Shield had no opposition to the bill. They recognize there is a long range benefit to the people and insurers in Montana, that the genetics program will tend to reduce costs over the years.

He pointed out that the Auditor's Office has come up with an amendment which was incorporated in the bill in the House Taxation Committee to make it easier for the insurance commissioner to account for the money that is collected.

He also presented Exhibits 1, 2, and 3 from Dr. Strickler and others showing support for the bill as well as a petition from the physicians, Exhibit 4, showing support.

(87:A:11.40) Dr. John Opitz, Chairman of the Department of Medical Genetics at Shodair Children's Specialty Hospital presented written testimony regarding the bill as well as covering it briefly (Exhibit 5).

Joan Fitzgerald, genetics counselor of Shodair stated there are 6 sites they have clinics for assisting people throughout Montana. They offer, screening in early pregnancy and also provide information and testing services.

Ms. Fitzgerald also read a letter into the record for Marie Connally and Brian. which read: Dear Committee Members: "I am sorry I could not be present for this meeting today but Joan Fitzgerald agreed to read this statement into the record in my absence. My name is Marie Connally and my husband is Brian Connally. In August of 1985, after a normal pregnancy and labor, I delivered a beautiful 6 pound baby boy. He was missing both legs completely. My doctor and I had no reason to believe there was anything wrong with the baby until he was delivered. Neither my husband nor I have any family history of genetic problems, so we weren't overly concerned about genetic abnormalities. Kevin was born at approximately 5 a.m. on August 18, 1985. My husband and I were filled with feelings of guilt and hopelessness. What could we have done that would have caused our baby to be born without legs? What could we do now? Was he healthy otherwise? How could we afford the doctors and prosthetics that he would need as he grew up. Would this mean that if we had more children, they would also have genetic abnormalities. How are we going to deal with this trama emotionally? By 9:00 a.m. Dr. Opitz was seen in my hospital room. Dr. Opitz walked in and the first thing he said to me is you have a beautiful baby. He put my mind to rest that this was not a defect that had been caused by anything my husband and I had or had not done. He showed me x-rays of Kevin's spine and explained that he was perfectly healthy in every other way and that we were very lucky to have such a healthy baby. He told me that we would not have to worry about this occurring in future pregnancies, that it was not hereditary but rather a spontaneous birth defect. There is no amount of money that I could pay and no way I could thank Dr. Opitz and his team enough for their kindness, their understanding and for being there when I needed them. The reassurance that they were able to give me in that short time will never be forgotten. I have spoken with many doctors who have seen birth defects, but the only one who has seen a child such as mine is Dr. Optiz. Even the doctors who work at Shriner's Hospital have never worked with a child like Kevin, and would not have been able to give me the reassurances that he did. I can not put you committee members and the other people of the state of Montana in my shoes but some day you, or your children or grandchildren may be there anyway. This does not always happen to the other guy. It can happen to your friends and your family just as easily as it happened to us. I am so thankful that this genetic team was available and 35 cents per insurance claim per year is a small amount for anyone to pay to insure that they will be available if you ever need them. Thank you for listening."

Janice Doggett, a wife, mother, and lawyer stated she supports the bill because the services offered at Shodair are invaluable to Montana children and parents. She said that both she and her husband have attended this counseling as they were referred by their family physician since both she and her husband had a past history of birth defects. The peace of mind that they had attained there can not be bought. It is truly invaluable to Montana children and Montana parents.

(87:A:30.35) Joy McGrath, representing the Health Association of Montana, stated support for the bill.

Mr. Jerry Leondorf, representing the Montana Medical Association also supported the bill. He stated when taxes and fees are imposed, it is passed back to the policy purchasers. When you compare the benefits that a child will receive as a result of that cost, the cost should not even be a consideration.

Mr. Bill Larry, Montana Hospital Association noted they are in full support of the bill. Services are provided across the state.

Chuck Butler of Blue Cross and Blue Shield supported the bill.

Barbara Buer representing the Montana Nurses Association supported the bill.

OPPONENTS:

(87:A:33.48) Mr. Tom Hopket representing the Health Insurance Association of America, stated they are not opposing the program, only concerned with the way the program is funded. It should be supported out of the general fund of the state instead of the insured persons. In 1985 they asked for state funding but were turned down. It was agreed to by the insurance companies because it was to be sunset in July of 1986 and it was to be a one-time situation. There is no general fund available so now they are back again. Because of promises made in 1985, clients feel betrayed having to fight through this again. The committee should recognize that the health carriers are being penalized and this is passed down to the clients.

(87:A:38.50) Mr. Ken Hostler representing the Underwriters Association said they are not opposed to the genetics research. If it is so important, why was it cut from the budget.

PROPOSER: Mr. Chuck Butler of Blue Cross/Blue Shield of Montana noted they do not oppose the program and they endorse the bill.

The hearing was closed on HB 716.

SB 161: (87:B:6.09) Senator Mazurek presented Senate Bill 161 to the committee stating it was introduced for the Supreme Court (Exhibits 8 and 9). He referred to the exhibits and explained that they were statistics and the workload information for the Supreme Court. The bill is to add two additional supreme court justices and he felt this was critical as the current workload is so far behind because there are not enough judges to handle everything.

Chief Justice Jean Turnage testified that they are seeing a significant increase in cases as every issue is brought before the courts. If the court is not allowed these additional judges, the work will be backed up approximately 30 percent more. They do not have enough time to devote to their opinions.

He asked the committee to read Mr. Landon's letter (Exhibit 9). He said the dollar cost is not as important as the relation of the court as it is now structured. Cutting to 5 justices would adversely affect the court process.

(87:B:28.45) Mr. Ron Waterman speaking on his own behalf stated the quality of the court's opinion rests on the 7 member court, lessening the number of court members would increase the workload. Once the court becomes backlogged, it stays that way inherently. Seven is an appropriate number.

(87:B:33.24) Pat Melby from the state bar and trial bar stated they both support the bill. It may save a few dollars but the people will suffer if the bill is not passed.

The state bar of Montana doesn't feel there are any bills more important than this one.

There were no opponents to the bill.

There was discussion regarding the possibility of appellate courts and the benefits of a program such as that. Mr. Oppedahl, Administrator of the Supreme Court said they need to do some studies to see if this can be done. What is being done in the state that has increased these cases and questions such as that, needs to be addressed.

The hearing on SB 161 was closed.

HB 603: Rep. Nathe of District #19 presented HB 603 for statewide aide to public libraries for support of cooperative services through federations.

PROPOSERS: (88:A:22.05)

Brenda Schye, Montana Cultural Advocacy spoke in support of the bill and presented written testimony for the record (Exhibit 10). She stated that charging for library services is something they strongly believe should be avoided.

Sara Parker, State Librarian, also supported the bill and presented amendments to the bill (Exhibits 11 and 12). She said the bill addresses public policy issues important in Montana.

Rep. Nathe moved to scale the program down per the amendments in Exhibit 12. Rep. Winslow called the question. The motion CARRIED unanimously.

(88:A:36.14) Rep. Nathe closed by saying that the roll of libraries has changed substantially in the last 10 years.

The hearing on the bill was closed.

HB 259: Rep. Winslow presented the bill to the committee saying it was to reimburse persons in state service for taxes charged for in-state lodging. He explained that Kathy Fabiano of the Department of Administration has requested the bill as the proposed bed tax would have a large effect on the budget.

Mr. Tom Schneider supported the bill saying even if current bed tax does not pass, there is still a problem in this regard.

The hearing was closed on HB 259.

SB 17: Sen. Dick Pinsoneault stated that Senate Bill 17 directed the Department of SRS to appoint a qualified employee to act as an Indian child welfare specialist and defining the specialist's duties. He stated there would be no fiscal impact and the fiscal note was not required with this bill. He recommended the committee just pull the fiscal note and send the bill back to the floor of the House for action.

(88:B:7.43) Rep. Menahan moved SB 17 be moved from the committee and placed on third reading in the House as the fiscal note is null and void. The motion CARRIED unanimously.

SB 370: Rep. Peck explained SB 370 to the committee stating it came on request from the Education Subcommittee. The purpose of the bill is for helping transport children to and from home that are attending the School for the Deaf and Blind and to provide transportation for 9 trips per year.

PROPONENTS:

(88:B:13.26) Claudette Morton, Executive Director, Board of Public Education, stated support of the bill saying that there is a critical need for children to maintain contact with their parents during the year (Exhibit 13). There is also a need to carefully delineate the appropriate travel options for the students. They urged passage of the bill.

The committee took a lunch break from 12:00 to 1:00 p.m. The meeting was called back to order.

EXECUTIVE ACTION:

Rep. Switzer moved to DO PASS HB 370. Rep. Menahan called the question. The motion CARRIED unanimously.

(88:B:21.10) Rep. Nathe moved to DO PASS 787 for \$163,000. Rep. Quilici called the question. There was a roll call vote. Reps. Bradley, Connelly, Nathe, and Rehberg voted YES. Reps. Thoft, Bardanoue, Manuel, Menahan, Menke, Miller, Poulsen, Quilici, Swift, and Switzer voted NO. The motion FAILED 4 to 9.

Rep. Nathe moved to TABLE HB 787. Reps. Switzer, Connelly, and Bradley voted NO. The motion CARRIED.

Rep. Miller moved to TABLE HB 840. Rep. Quilici called the question. The motion CARRIED unanimously.

(88:B:34.40) Rep. Bardanoue moved to DO PASS HB 852. Rep. Quilici called the question. The motion CARRIED unanimously.

Rep. Bardanoue moved that SB 362 BE CONCURRED IN. Rep. Quilici called the question. The motion CARRIED unanimously.

(89:A:0.29) Rep. Poulsen moved to DO PASS HB 20. Rep. Rehberg made a substitute motion to change the appropriation for \$6,000 to \$3,000 to the Indian Affairs Interim Committee. Rep. Poulsen opposed the motion. Rep. Devlin called the question. There was a roll call vote. Reps. Thoft, Bradley, Connelly, Devlin, Iverson, Menke, Miller, Nathe, Rehberg, Spaeth, Swift and Switzer voted YES. Reps. Bardanoue, Manuel, Menahan, Peck, and Quilici voted NO. The motion CARRIED 11 to 5.

Rep. Bardanouve moved to strike lines on page 5, lines 13 and 14 and line 8 of the title to make effective date July 1. Rep. Quilici called the question. The motion CARRIED unanimously.

Rep. Bardanouve moved HB 20 DO PASS AS AMENDED. Rep. Devlin called the question. The motion CARRIED unanimously.

Rep. Manuel moved HB 185 DO PASS. This is for the Family Residency Program.

Rep. Switzer made a substitute motion to reduce the amount from \$70,000 to \$35,000. The motion FAILED on a voice vote.

The vote was reverted to Rep. Manuel's motion to DO PASS HB 185. Rep. Quilici called the question. Reps. Devlin, Rehberg, Menke voted NO. The motion CARRIED.

Rep. Donaldson moved to DO PASS HB 716. Rep. Menahan called the question. The motion CARRIED unanimously.

Rep. Donaldson moved to DO PASS HB 243. Rep. Devlin called the question. The motion CARRIED unanimously.

(89:A:38.00) Rep. Donaldson moved to TABLE HB 217. Rep. Quilici called the question. Rep. Connelly voted NO. The motion CARRIED.

Rep. Winslow moved to DO PASS HB 259. Rep. Peck called the question. Reps. Swift, Bardanouve, Switzer and Nathe voted NO. The motion CARRIED.


Rep. Bradley moved that SB 161 BE CONCURRED IN. The motion CARRIED unanimously. Rep. Winslow pointed out that House Bill 2 would need to be amended to reflect this change.

Rep. Nathe moved to DO PASS HB 603 for the Inter-Library Loans. He also moved that the funding be reduced to \$100,000 per year for the loans.

Rep. Donaldson made a substitute motion to TABLE HB 603. Rep. Quilici called the question. Reps. Connelly, Rehberg, Bradley, Peck, Nathe and Menahan voted NO. The motion CARRIED.

ADJOURNMENT:

There being no further business the meeting was adjourned.


Rep. Gene Donaldson, Chairman

DAILY ROLL CALL

APPROPRIATIONS

COMMITTEE

50th LEGISLATIVE SESSION -- 1987

Date

3/18/87

NAME	PRESENT	ABSENT	EXCUSED
DONALDSON, GENE Chairman	✓		
THOFT, REP. BOB Vice Chair			✓
WINSLOW, REP. CAL	✓		
BARDANOUE, FRANCIS	✓		✓
BRADLEY, DOROTHY	✓		
CONNELLY, MARY ELLEN	✓		
DEVLIN, GERRY	✓		
IVERSON, DENNIS			
MANUEL, REX	✓		
MENAHAN, RED	✓		
MENKE, LARRY	✓		
MILLER, RON	✓		
NATHE, DENNIS	✓		
PECK, RAY	✓		
POULSEN, HAROLD	✓		
QUILICI, JOE	✓		
REHBERG, DENNIS	✓		
SPAETH, GARY	✓		
SWIFT, BERNIE	✓		
SWITZER, DEAN	✓		

ROLL CALL VOTE

HOUSE APPROPRIATIONS

COMMITTEE

DATE 3/18/87 BILL NO. House Bill NUMBER 787

NAME	AYE	NAY
Rep. Gene Donaldson, Chairman		
Rep. Bob Thoft, Vice Chairman		✓
Rep. Cal Winslow, Vice Chairman		
Rep. Francis Bardonoue		✓
Rep. Dorothy Bradley	✓	
Rep. Mary Ellen Connelly	✓	
Rep. Gerry Devlin		
Rep. Dennis Iverson		
Rep. Rex Manuel		✓
Rep. Red Menahan		✓
Rep. Larry Menke		✓
Rep. Ron Miller		✓
Rep. Dennis Nathe	✓	
Rep. Ray Peck		
Rep. Harold Poulsen		✓
Rep. Joe Quilici		✓
Rep. Dennis Rehberg	✓	
Rep. Gary Spaeth		
Rep. Bernie Swift		✓
Rep. Dean Switzer		✓

TALLY

FAILED

4

9

Denise Thompson
Secretary

Rep. Gene Donaldson
Chairman

MOTION: Rep. Nathe moved to DO PASS HB 787.

ROLL CALL VOTE

HOUSE APPROPRIATIONS

COMMITTEE

DATE 3/18/87

BILL NO. HB

NUMBER 20

NAME	AYE	NAY
Rep. Gene Donaldson, Chairman		
Rep. Bob Thoft, Vice Chairman	✓	
Rep. Cal Winslow, Vice Chairman		
Rep. Francis Bardanouve		✓
Rep. Dorothy Bradley	✓	
Rep. Mary Ellen Connelly	✓	
Rep. Gerry Devlin	✓	
Rep. Dennis Iverson	✓	
Rep. Rex Manuel		✓
Rep. Red Menahan		✓
Rep. Larry Menke	✓	
Rep. Ron Miller	✓	
Rep. Dennis Nathe	✓	
Rep. Ray Peck		✓
Rep. Harold Poulsen		
Rep. Joe Quilici		✓
Rep. Dennis Rehberg	✓	
Rep. Gary Spaeth	✓	
Rep. Bernie Swift	✓	
Rep. Dean Switzer		

TALLY

CARRIED

11

5

Denise Thompson
Secretary

Rep. Gene Donaldson
Chairman

MOTION: Rep. Rehberg made a substitute motion to decrease the appropriation from \$6,000 to \$3,000 for the interim Committee.

American
Academy of
Pediatrics



2/19/87

EX-107
3/18/87
716

From J. H. Strickler MD
Chairman, MT Chapter AAP

To House Taxation Committee

Re: H.B. 716

Shodair Genetics Funding

The Montana pediatricians, at their recent annual meeting voted their unanimous support of the Shodair Genetics program.

The value of this program to the physicians and children is inestimable. Every effort should be extended to provide full funding to keep this a viable program in Montana.

Thank you
J. H. Strickler

Montana Chapter

Chairman

Jeffrey H. Strickler, M.D.
1300 N. Montana
Helena, MT 59601
(406) 443-5563

Alternate Chairman

James Feist, M.D.
7 East Beall
Bozeman, MT 59715
(406) 587-5123

Secretary-Treasurer

Ralph Campbell
#4 Third Avenue W.
Bozeman, MT 59860
(406) 883-2232

279
BOX 716
EX

Blue Cross
and
Blue Shield
of Montana



EXHIBIT 2
3/18/87

Helena Division
404 Fuller Avenue • P.O. Box 4309
Helena, Montana 59604
(406) 444-8200

Great Falls Division
3360 10th Ave. South • P.O. Box 5004
Great Falls, Montana 59403
(406) 761-7310

Reply to Helena Division

February 18, 1987

Representative Jan Brown
Capitol Station
Helena, MT 59620

Dear Jan:

As you know, we were approached by the Helena Legislative Delegation requesting our support for continuation of the special levy to fund the Genetics Program at Shodair Hospital.

We appreciated the opportunity to discuss this issue with you and we have taken the position that we will not oppose continuation of the Genetics Tax at the reduced level proposed in your legislation with the two-year Sunset Provision, so that it can be considered again at that time.

Feel free to share with the House Taxation Committee the position of Blue Cross and Blue Shield of Montana on this program.

Sincerely,

Terry Screnar

TERRY SCRENAR
Executive Vice President

TS:dlt

cc: Helena Legislative Delegation

STATE AUDITOR
STATE OF MONTANA

3
3/18/87



Andrea "Andy" Bennett
STATE AUDITOR

COMMISSIONER OF INSURANCE
COMMISSIONER OF SECURITIES

January 5, 1987

Daniel L. Yazak, D.E.D.
Administrator
Shodair Children's Hospital
840 Helena, MT 59604

Dear Mr. Yazak:

We are able to provide you with the following information in answer to your recent inquiry concerning Genetics Program Charge collections.

This charge is imposed on private health insurers, health service corporations, and the state group health self-insurance plan at the rate of 45 cents per Montana resident insured under any individual or group policy. Our records indicate that we collected \$344,150 under this law for fiscal year 1986. This means that the Montana residents covered under the policies of the reporting insurance organizations totalled 764,778. However, due to the fact that some Montana residents are covered under the policies of more than one insurer, this does not mean that 764,778 Montanans had health insurance.

We have not yet made any collections for fiscal year 1987 because the charge is based on Montana residents covered as of February 1.

If we can provide additional assistance, please contact me.

Sincerely,

Russell Ehman

Russell Ehman
Insurance Examiner

RE/blm(758)

SUPPORTERS OF APPROPRIATION FOR GENETICS PROGRAM

We, the undersigned, physicians of Lewis and Clark County,
support passage of an appropriation bill by the 1987 Montana
Legislative Assembly to finance operation of the voluntary
statewide genetics program provided by Section 50-19-211,
Montana Codes Annotated for the 1987-1989 biennium.

John C. T. [unclear] MD
[unclear] [unclear]
E. Anderson
[unclear] [unclear] MD
Michael Strickland MD
[unclear] [unclear]
Robert C. [unclear] MD
Donald B. [unclear] MD
J. [unclear] MD
R. [unclear] MD
Robert E. [unclear]

SUPPORTERS OF APPROPRIATION FOR GENETICS PROGRAM

We, the undersigned, physicians of Lewis and Clark County, support passage of an appropriation bill by the 1987 Montana Legislative Assembly to finance operation of the voluntary statewide genetics program provided by Section 50-19-211, Montana Codes Annotated for the 1987-1989 biennium.

James H. [unclear]
James H. [unclear]
James H. [unclear]

5
DATE 3/18/87
HB 716

TESTIMONY GIVEN BY DR. JOHN M. OPITZ OF HELENA, CONCERNING HB716: "AN ACT TO FUND THE VOLUNTARY STATEWIDE GENETICS PROGRAM BY IMPOSING A FEE ON HEALTH INSURERS OF 40¢ FOR EACH MONTANA RESIDENT INSURED; APPROPRIATING MONEY FOR THE PROGRAM AND PROVIDING AN EFFECTIVE DATE AND A TERMINATION DATE."

INTRODUCTION:

My name is John M. Opitz. I am a physician, licensed to practice medicine and surgery in the State of Montana and I am Chairman of the Department of Medical Genetics at Shodair Children's Specialty Hospital. I am Board certified in the specialties of pediatrics and medical genetics. I am here to testify in favor of House Bill 716, introduced by Representative Jan Brown of Helena.

PROVISIONS:

- 1.) 40¢ are to be paid to the Insurance Commissioner on each health insurance policy issued in Montana, in order
- 2.) to support the Montana Medical Genetics Program which was established by HB430 in the 49th Legislature, with an appropriation of \$520,000 for the biennium (\$260,000 per year).

HISTORY:

- 3.) We regret coming to you for this purpose, because it was the intention of the 49th Legislature that HB430 would be a one-time measure, with the budget item for the Montana Medical Genetics Program thereafter

becoming a regular part of the budget of the Department of Health and Environmental Sciences.

- 4.) As you know, at the Governor's urging, all "new" programs funded through a special appropriation were removed from the budget he proposed to you.
- 5.) Hence, our need to come before you with a request similar to that proposed two years ago, a request formulated at the recommendation of the Helena-area legislative delegation who also discussed their proposal with the distinguished President of Blue Cross/Blue Shield of Montana, Mr. Alan F. Cain, who voiced no objections, and with Representative Dorothy Bradley, sponsor of HB430, who is co-sponsor on HB716.

WHAT IS THE MONTANA MEDICAL GENETICS PROGRAM?

- 6.) The Montana Medical Genetics Program is a service, not a research program, funded by the Department of Health and Environmental Sciences (DHES) at \$260,000 per year, after a competitive application process awarded the grant to the Department of Medical Genetics at Shodair Children's Specialty Hospital in Helena. The Montana Medical Genetics Program provides the people of Montana with the services they need in order to diagnose, treat, and prevent birth defects and genetic and hereditary conditions. The Montana Medical Genetics Program also relies on a very extensive network of consultants throughout the United States and in several other countries in the world, in order to

provide the latest information on diagnosis, treatment and prevention to the patients and their families.

WHAT HAVE YOU GOTTEN FOR YOUR MONEY?

7.) During the year and a half since the beginning of the HB430 sponsored Montana Medical Genetics Program, we have performed

- 786 genetic consultations at Shodair and on field clinics in Kalispell, Missoula, Great Falls, Billings, Miles City, and Sidney, Montana.
- 156 fetal genetic pathology studies with 62 cases referred to the University of Wisconsin-Madison Department of Pediatric Pathology for further gross and microscopic studies.
- 1,658 tests on 800 samples in the cytogenetics laboratory.
- Have filled 3,863 requests for service for 2,284 patrons in the library and information resources center.
- In addition, we have published 4.5 volumes (i.e., 20 issues) of the American Journal of Medical Genetics, with a total of 4,412 pages and 487 articles, 34 of which were authored by Shodair staff.
- In addition, Shodair has published, or is in the process of publishing, 6 major books in the field of medical genetics,

including important summaries in human cytogenetics, X-linked mental retardation, the Rett syndrome, etc.

- We have initiated the statewide Maternal Serum Alpha-feto-protein Screening program; and
- We are working with Dr. Bill Peters of Bozeman to establish a chorionic villus sampling program at 9-10 weeks as an attractive alternative to amniocentesis at 16 weeks.

ALLIANCES:

- 8.) Out of our work has come a very strong alliance between the program and the health care providers in Helena and Montana, and state, county, municipal, university and numerous voluntary agencies to provide the best possible medical genetic care program for the people of Montana in order to prevent and to alleviate the pain and suffering associated with birth defects and genetic disorders of humans.

PROGRAM SUPPORT:

- 9.) The Montana Medical Genetics program has the strong support of the
- Department of Health and Environmental Sciences; indeed, Dr. John Drynan, secretary of the Montana DHES, went back to plead with Governor Schwinden to reinstate the funds for the Montana Medical Genetics Program in his budget.
 - The Montana Chapters of the American College of Obstetrics and Gynecology, the American Academy of Pediatrics, the

American Academy of Family Practice, the American Hospital Association, the American Nurses Association, the American Public Health Association;

- The Montana Perinatal Association,
- The March of Dimes Birth Defects Foundation,
- The Healthy Mothers, Healthy Babies: The Montana Coalition,
- The Developmental Disabilities Council of Montana.

MATCHED BY SHODAIR AND OTHER AGENCIES:

- 10.) The total Fiscal Year 1987 budget of the Department of Medical Genetics of Shodair Children's Specialty Hospital is \$505,200. Due to the 5% cut imposed by the Governor on all agency budgets, we are receiving only \$247,000 during this fiscal year (rather than the \$260,000 stipulated for in HB430). Thus, Shodair provides \$258,000 of its funds to finance the Montana Medical Genetics Program, to which must be added an approximately \$30,000 stipend granted by the Alberta Heritage Foundation for Medical Research to Dr. Susan O. Lewin, who is working with us as a Senior Postdoctoral Fellow at no cost to Shodair or the Montana Medical Genetics Program. In addition, the University of Wisconsin provides a minimum of \$70,000 worth of services per year for its evaluation of some 50-70 fetuses studied in the fetal genetic pathology program at Shodair. Thus, in direct and indirect support, the grant from the State of Montana is matched in a 1.4:1 ratio by Shodair in direct and indirect support.

EXCESS GENERATED FOR GENERAL FUNDS UNDER HB430:

- 11.) A letter of 1/5/87 by Russell Erman, the Insurance Examiner working in the State Auditor's Office in the State of Montana, states that with a surcharge of 45¢ per health insurance policy, \$344,150 were collected under HB430 for FY-1986. This is \$84,150 more than the bill appropriated, or a total of \$168,300 for the biennium. To this must be added the "savings" from the 5% cut imposed in our budget during the second year of the biennium, or \$13,000; thus, HB430 provided an excess of \$181,300 to the State of Montana. With a total of 764,778 Montana policies, some 35¢/policy would provide slightly more than the \$520,000 required for the biennium.

WHY INVOLVEMENT OF THE HEALTH INSURANCE CARRIERS?

- 12.) The reason why this funding mechanism was proposed to begin with was that after the immediate benefit to the patients, the insurance carriers will benefit most substantially by having to make fewer and smaller payments for the health expense claims of chronically and multiply handicapped individuals, and those whose health is genetically impaired. Ultimately, the greatest beneficiary of a statewide voluntary genetics program is the State of Montana itself whose savings in the future will, without question, amount to hundreds-of-millions-of-dollars. Avoiding the admission of only 4 patients per year to Boulder alone will pay for the program. Hence, we should like to submit that an alliance between the State and health insurance carriers in this respect can only be of the greatest mutual benefit.

WHAT NUMBERS OF POTENTIAL CLIENTS ARE INVOLVED?

- 13.) Throughout the nation it is estimated that conservatively some 15-20 percent of the population needs one genetic service or another. In Montana this means anywhere between 120-160,000 citizens, including 40,000 alone who are carriers of cystic fibrosis.

WHAT MAGNITUDE OF HEALTH COSTS ARE WE TALKING ABOUT?

- 14.) The recent article in Newsweek documented that in 1985 health care in the United States cost \$425 billion, exceeding considerably the Defense budget, thus, the total Montana health bill for 1985 was 1.4 billion dollars. It is very conservatively estimated that 54% of that bill, or \$756 million dollars in Montana, is spent for genetically caused or predisposed disorders. This amounts to some \$945 to \$1,000 per person per year. In comparison to that, 45¢ per health-insured person (or per policy) is a trivial sum.

PRO-LIFE ASSURANCE:

- 15.) Since we are also involved in prenatal diagnosis, are we thereby engaged in a fetal "search and destroy mission", to use the words of the Surgeon General. The facts are, that out of the 105 dead embryos and fetuses we held (very reverently) in our hands during the past year for fetal genetic pathology studies, none was killed by man, but all represented acts of God, i.e., natural causes of

death. The provisional Montana birthrate for 1986 was 12,201, and 3,301 therapeutic abortions were performed in Montana during that year. To our knowledge, only one of these cases involved a genetic indication.

Over the years we have also seen many women who, after seeing us, had been able to cancel a termination which had been scheduled because of fear that they might have a defective baby.

It is fact that in over 95% of cases of prenatal diagnosis we are able to offer reassurance on the normality of the fetus for the trait it was being studied; many of the other 5% of women who are found to have an abnormal fetus decide not to terminate their pregnancy. Thus, our activities are in fact strongly pro-life not only in reducing the number of therapeutic abortions being performed for genetic reasons, but by actively encouraging conceptions in couples fearing to conceive for genetic reasons.

Ladies and Gentlemen of the Appropriations Committee, we, therefore, hope that you will be able to give HB716 favorable consideration.

Respectfully submitted,

John M. Opitz, M.D., D.Sci.(h.c.), M.D.(h.c.)
Chairman, Department of Medical Genetics

Staff

J. M. Opitz, M.D., D.Sci.h.c., M.D.h.c., F.A.A.P.
Chairman, Department of Medical Genetics,
Diplomate-American Board of Medical Genetics and
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Suzy Holt, M.A.
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Orinda Spence, B.S.
Library Technical Assistant

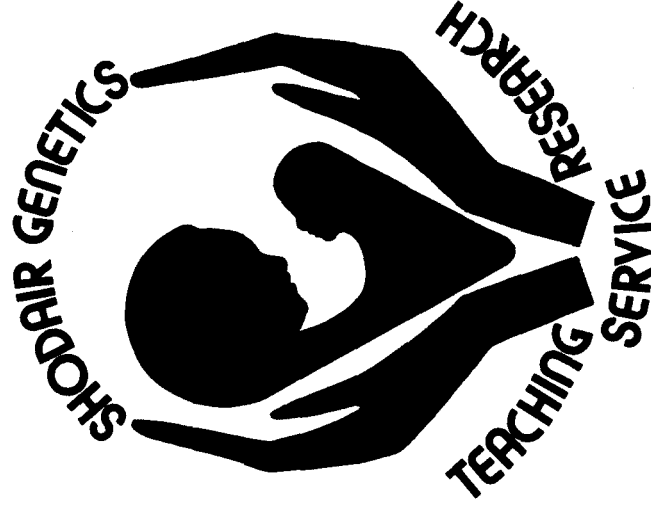
Arthur Daniel, B.Sci., Ph.D.
Director, Cytogenetics and Molecular Cell Biology
Laboratory,
Diplomate-American Board of Medical Genetics

Linda Ekblom, B.A., C.L.Sp.(CG)
Cytogenetics Technologist

Sandra Phillips, B.S., C.L.Sp. (CG)
Cytogenetics Technologist

The Department of Medical Genetics is affiliated with the
WAMI Program of Montana State University, the University
of Washington/Seattle, and the University of Wisconsin/
Madison; it also serves as the editorial office of the American
Journal of Medical Genetics.

Shodair Children's Specialty Hospital Department of Medical Genetics and the Montana Medical Genetics Program



1987 Services and Visiting Genetics Clinics

Shodair Children's Specialty Hospital
Box 5539, 840 Helena Ave.
Helena, MT 59604
Telephone (406) 442-1980

My name is Joan FitzGerald. I am the genetic counselor and clinical coordinator for the Shodair Department of Medical Genetics. I would like to address the specifics of our genetics services to, hopefully, demonstrate 1) the need in the State filled by our presence 2) the impact of the service on the financial, temporal and psychologic cost of genetic conditions and 3) the value of a local, by that I mean, available in the State, genetics service.

There is no question that easy access to a genetics service is foremost in reducing cost. For individuals needing a genetic service, travel out of state to large universities involves enormous expense in actual travel costs like gasoline, airline tickets, motel room, etc as well as requiring work absences, arrangements for daycare for other family members, and other loss of valuable time. Many individuals needing services will not travel great distances because of financial considerations and will not, therefore, receive the genetic information they need. Also, a number of families we serve depend on public assistance and will ask for State travel money to finance their trips out of State for required medical genetic care. Traditionally, cases seen in a large university setting are subjected to many "routine" tests and see numerous doctors due to the teaching requirement of university based programs. Many families will not seek services from these large institutions because of this "guinea pig" reputation. We currently hold 27 clinics per year in 6 locations around the State: Missoula, Kalispell, Great Falls, Billings, Miles City and Sidney. The map shows the geographic distribution of clients we have seen for an initial visit. Each blue pin represents 10 new cases and each red - 1 initial contact. This does not account for additional family members seen or follow-up visits. The geographic distribution of our clinic sites and Helena's centralized location allows driving access from anywhere in the State. We have seen families, your voting constituents, from every county represented on this committee within the last 12 months.

If access and availability are considered, the fetal pathology service would not exist if genetic services were moved out of the state. This would mean that in 1986 numbers 107 families, 2 per week, would suffer the tragic loss of a desired child with no one available to answer their questions of why. These same 107 families in addition to the other 300 currently served per year would be forced to seek answers from experts outside of the state who are already struggling from overburdened caseloads.

Since the passage of HB 430, we have begun offering screening in early pregnancy to rule out a common birth defect, namely spina bifida and anencephaly. The condition results in multiple handicaps and an average of 10-12 surgeries by the age of 6 years. Through a blood test affected fetuses can be identified so that delivery in a center capable of immediate neurosurgery can be arranged thus helping to minimize the subsequent physical handicaps aggravated by traditional delivery. Since screening began in September of 1986, 378 pregnancies have been screened and current volume dictates an anticipated 1200 in 1987. These specimens come from all areas of the state with follow up provided by myself.

FOLLOW-UP

The availability of follow-up is vital for effective genetic services. If Montana families did not have this service available in the State, they would receive diagnosis, counseling, etc. in another State and would then be lost to follow-up. After an initial evaluation, many families have additional questions and concerns and contact us routinely for more information. Because of our permanent residence in the State, we can offer ongoing support for families in crisis after the death of a child, provide follow-up for critically ill newborns transported out of State and subsequently returned to their local community, provide consultation and counseling in cases of prenatal diagnosis where an abnormality is identified, continue to reassure expectant parents of the normality of their babies, and facilitate adjustment and acceptance of a genetic condition in an individual or family. We have extensive written information for lay and professional people and can involve our

clients with local and national support and information organizations. Much genetic information is not heard by individuals in crisis and follow-up is vital to their understanding. Additionally, other family members, unaware of their risk, must be contacted and counseled. We also continue to follow undiagnosed cases as knowledge is gained in the field and to learn more about the effects of a particular condition.

In summary, we are able to provide exemplary genetic services for the people of Montana because the services are available and accessible to all of the Montana population, our program provides information not available through the local physician community, and, because of our residence within the State, we can routinely provide the quality follow-up required. The service prevents unnecessary travel for services, long delays in obtaining results, wasted time and finances on unproven treatments, and allows money spent for genetic health care to remain in Montana. I am hopeful the benefits of this program for the people of Montana will convince you to retain the established genetic services in this State.

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HB 716

1. Title.
Following: Line 8
Insert: "ALLOWING A PREMIUM TAX CREDIT;"
2. Page 1, line 23.
Following: "50-19-211."
Insert: "Amounts paid under this section shall
constitute a credit against the premium tax
imposed under 33-2-705."

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3/18/87
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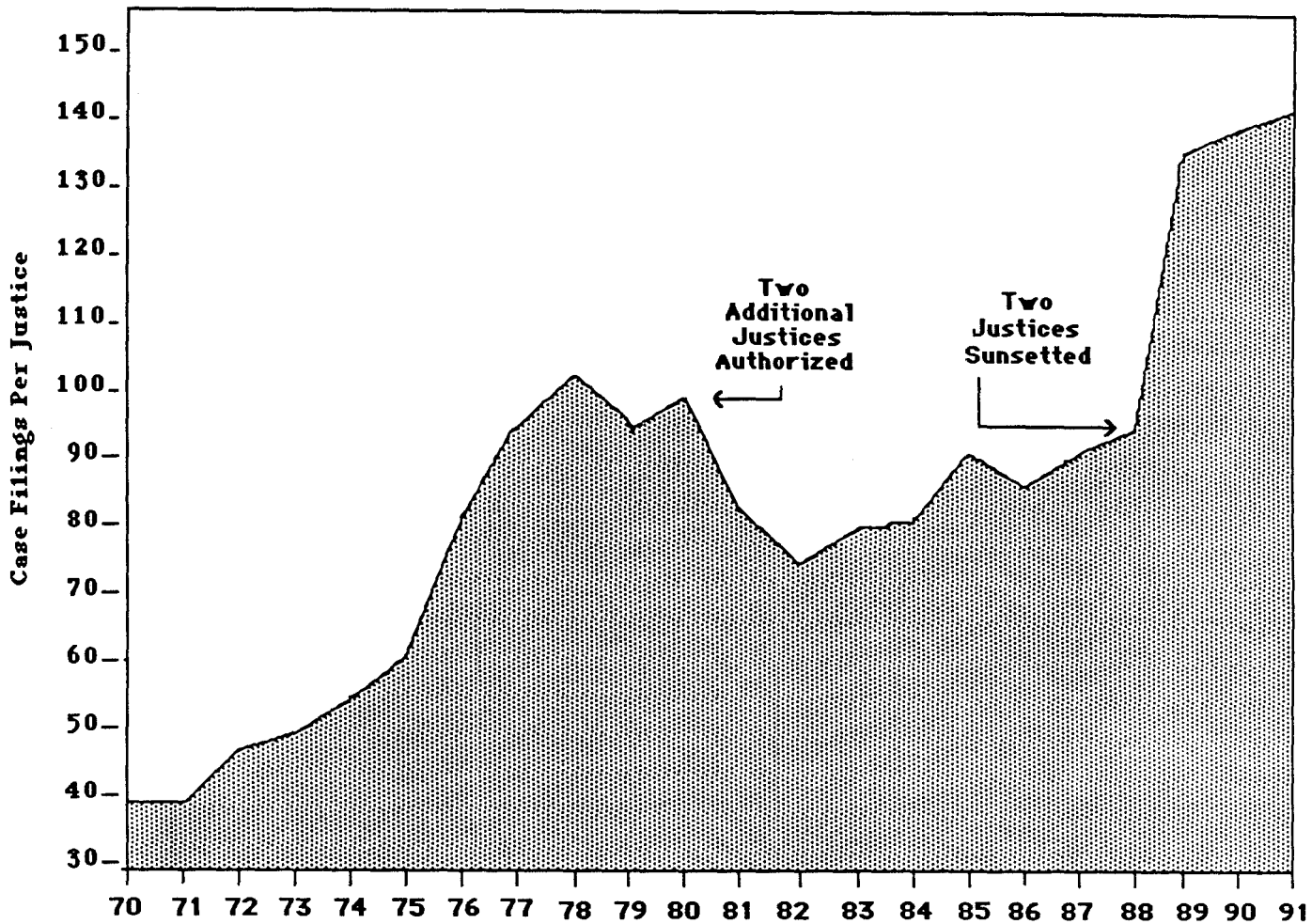
STATE GOVERNMENT JUDICIAL AND LEGAL EXPENDITURES FOR FY 1985
WITH PER CAPITA AND PERCENT OF GENERAL GOVERNMENT
EXPENDITURE RANKINGS*

STATE	POP 1985	(1,000) GENERAL GOVERNMENT	(1,000) JUDICIAL AND LEGAL	RANK	PER CAPITA	RANK	% GEN GOVT	RANK
ALABAMA	4,021	\$5,544,133	\$71,161	17	\$17.70	21	1.28%	18
ALASKA	521	\$4,605,555	\$73,936	15	\$141.91	1	1.61%	14
ARIZONA	3,187	\$4,251,280	\$26,696	33	\$8.38	39	0.63%	37
ARKANSAS	2,359	\$2,797,251	\$12,816	45	\$5.43	48	0.46%	47
CALIFORNIA	26,365	\$45,774,836	\$166,190	4	\$6.30	43	0.36%	49
COLORADO	3,231	\$4,251,146	\$73,349	16	\$22.70	14	1.73%	10
CONNECTICUT	3,174	\$4,871,035	\$106,644	10	\$33.60	6	2.19%	4
DELAWARE	622	\$1,251,097	\$25,200	36	\$40.51	3	2.01%	5
FLORIDA	11,366	\$12,147,670	\$203,256	3	\$17.88	19	1.67%	12
GEORGIA	5,976	\$7,086,938	\$35,447	29	\$5.93	45	0.50%	43
HAWAII	1,054	\$2,080,777	\$53,379	23	\$50.64	2	2.57%	1
IDAH0	1,005	\$1,256,047	\$9,459	48	\$9.41	35	0.75%	33
ILLINOIS	11,535	\$14,781,436	\$122,796	7	\$10.65	32	0.83%	29
INDIANA	5,499	\$6,624,083	\$28,199	31	\$5.13	49	0.43%	48
IOWA	2,884	\$4,228,661	\$26,113	35	\$9.05	37	0.62%	39
KANSAS	2,450	\$3,001,923	\$48,323	24	\$19.72	17	1.61%	13
KENTUCKY	3,726	\$4,982,194	\$90,933	13	\$24.40	12	1.83%	7
LOUISIANA	4,481	\$6,562,216	\$53,970	22	\$12.04	29	0.82%	30
MAINE	1,164	\$1,705,482	\$20,139	40	\$17.30	22	1.18%	21
MARYLAND	4,392	\$6,380,869	\$92,510	12	\$21.06	15	1.45%	17
MASSACHUSETTS	5,822	\$10,171,442	\$225,525	2	\$38.74	4	2.22%	3
MICHIGAN	9,088	\$14,063,002	\$161,579	5	\$17.78	20	1.15%	22
MINNESOTA	4,193	\$7,492,284	\$41,670	26	\$9.94	34	0.56%	41
MISSISSIPPI	2,613	\$3,203,645	\$14,909	42	\$5.71	46	0.47%	45
MISSOURI	5,029	\$5,441,768	\$57,382	20	\$11.41	31	1.05%	23
MONTANA	826	\$1,317,682	\$6,970	50	\$8.44	38	0.53%	42
NEBRASKA	1,606	\$2,066,871	\$14,798	43	\$9.21	36	0.72%	35
NEVADA	936	\$1,317,938	\$7,365	49	\$7.87	41	0.56%	40
NEW HAMPSHIRE	998	\$1,011,885	\$23,960	38	\$24.01	13	2.37%	2
NEW JERSEY	7,562	\$11,858,056	\$149,929	6	\$19.83	16	1.26%	20
NEW MEXICO	1,450	\$2,861,087	\$45,706	25	\$31.52	8	1.60%	15
NEW YORK	17,783	\$33,358,620	\$643,745	1	\$36.20	5	1.93%	6
NORTH CAROLINA	6,255	\$7,828,407	\$116,075	9	\$18.56	18	1.48%	16
NORTH DAKOTA	685	\$1,440,294	\$11,799	46	\$17.22	23	0.82%	31
OHIO	10,744	\$14,071,365	\$67,717	18	\$6.30	44	0.48%	44
OKLAHOMA	3,301	\$4,366,858	\$40,405	27	\$12.24	28	0.93%	27
OREGON	2,687	\$3,986,054	\$67,102	19	\$24.97	11	1.68%	11
PENNSLYVANIA	11,853	\$15,088,135	\$118,791	8	\$10.02	33	0.79%	32
RHODE ISLAND	968	\$1,786,915	\$30,889	30	\$31.91	7	1.73%	9
SOUTH CAROLINA	3,347	\$4,399,862	\$27,214	32	\$8.13	40	0.62%	38
SOUTH DAKOTA	708	\$964,490	\$10,024	47	\$14.16	25	1.04%	24
TENNESSEE	4,762	\$5,025,340	\$37,447	28	\$7.86	42	0.75%	34
TEXAS	16,370	\$17,535,597	\$80,692	14	\$4.93	50	0.46%	46
UTAH	1,645	\$2,563,524	\$23,013	39	\$13.99	26	0.90%	28
VERMONT	535	\$953,729	\$16,691	41	\$31.20	9	1.75%	8
VIRGINIA	5,706	\$7,233,655	\$92,620	11	\$16.23	24	1.28%	19
WASHINGTON	4,409	\$7,401,755	\$24,554	37	\$3.57	47	0.33%	50
WEST VIRGINIA	1,936	\$2,779,542	\$26,626	34	\$13.75	27	0.96%	25
WISCONSIN	4,775	\$7,993,884	\$55,202	21	\$11.56	30	0.69%	36
WYOMING	509	\$1,364,564	\$12,894	44	\$25.33	10	0.94%	26
TOTAL	238,113	\$345,132,879	\$3,593,809		\$15.09		1.04%	

[Source: Compiled by the Office of the Court Administrator, March 1987, based on preliminary data from the U.S. Bureau of the Census, "State Governmental Finances in 1984-85". The data for Montana includes 40% of legal non-judicial expenditures.]

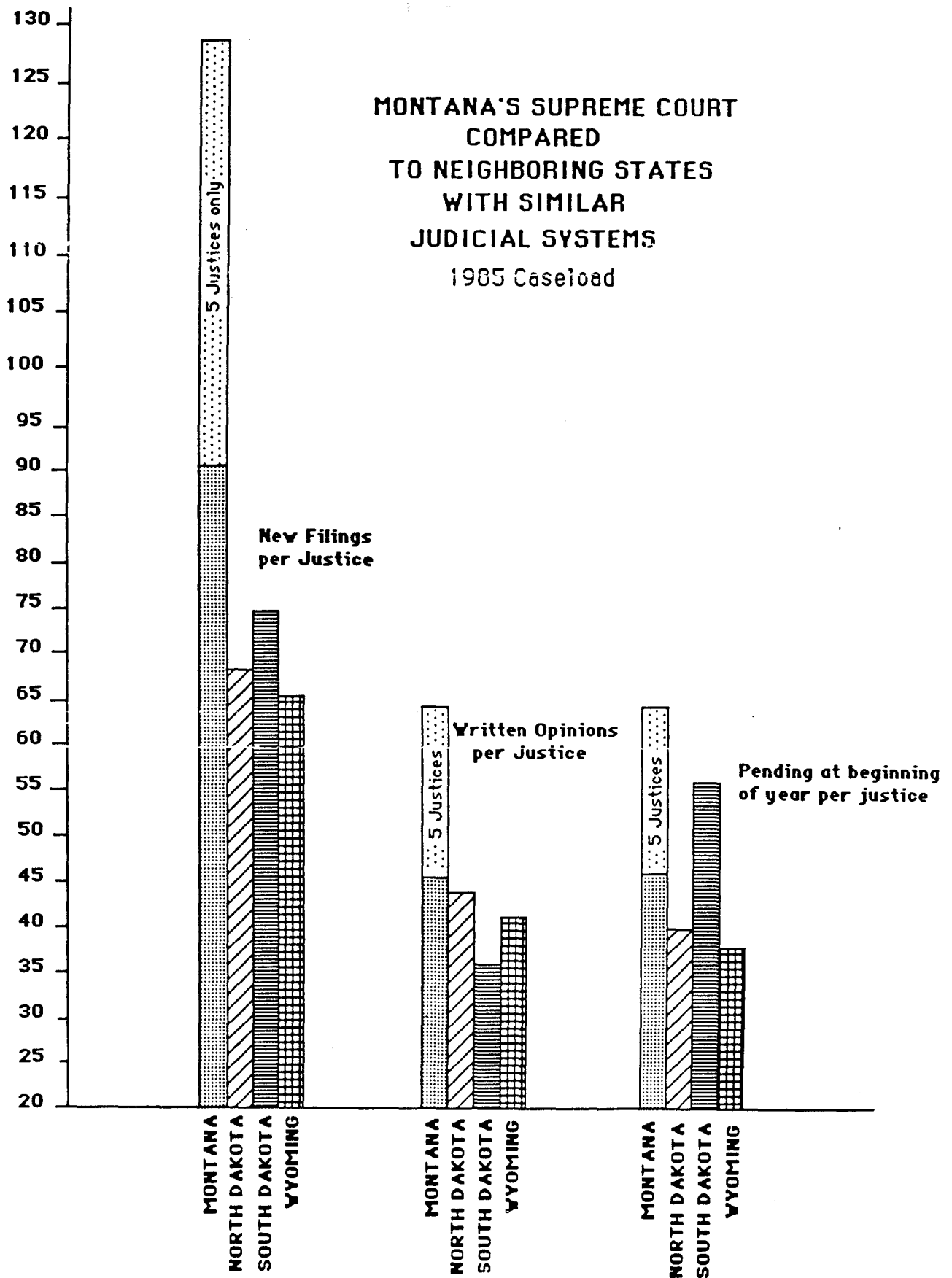
MONTANA SUPREME COURT

ACTUAL AND PROJECTED CASE FILINGS PER JUSTICE 1970 TO 1991



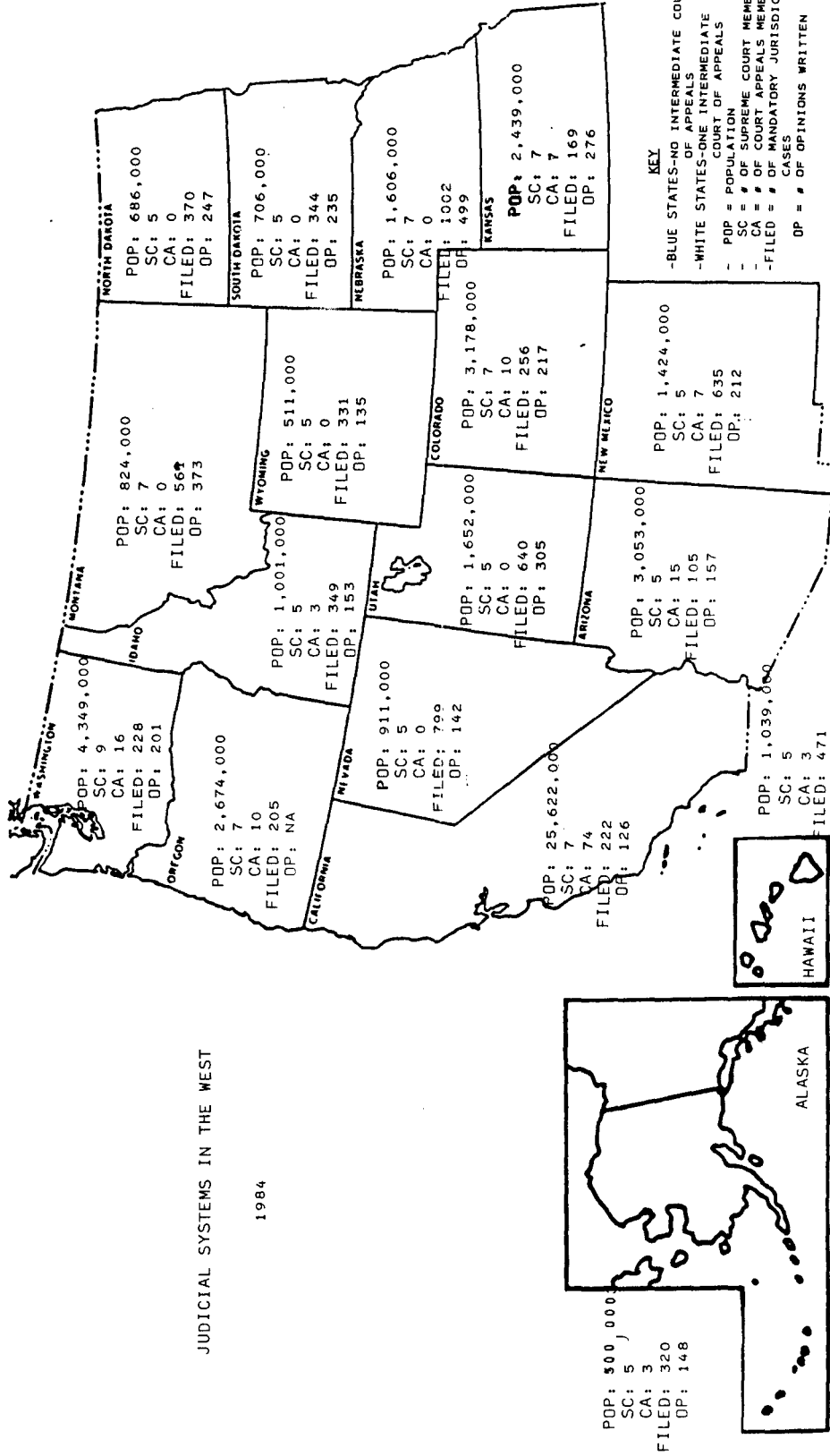
PROJECTIONS PAST 1986 ARE ESTIMATES DONE BY THE
NATIONAL CENTER FOR STATE COURTS, WILLIAMSBURG, VA.

**MONTANA'S SUPREME COURT
COMPARED
TO NEIGHBORING STATES
WITH SIMILAR
JUDICIAL SYSTEMS**
1985 Caseload



JUDICIAL SYSTEMS IN THE WEST

1984



KEY
 -BLUE STATES-NO INTERMEDIATE COURT OF APPEALS
 -WHITE STATES-ONE INTERMEDIATE COURT OF APPEALS
 -POP = POPULATION
 -SC = # OF SUPREME COURT MEMBERS
 -CA = # OF COURT OF APPEALS MEMBERS
 -FILED = # OF MANDATORY JURISDICTION CASES
 -OP = # OF OPINIONS WRITTEN

SOURCE: STATE COURT CASELOAD: ANNUAL REPORT, 1984
 NATIONAL CENTER FOR STATE COURTS(WILLIAMSBURG,VA.:1986)

MONTANA SUPREME COURT CASELOAD

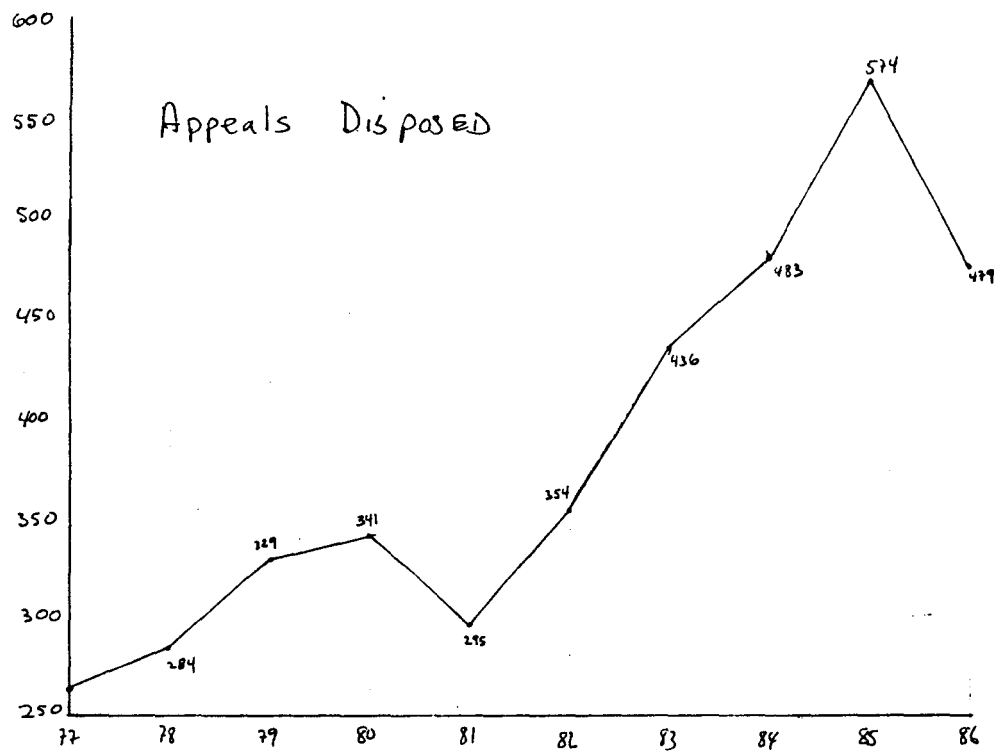
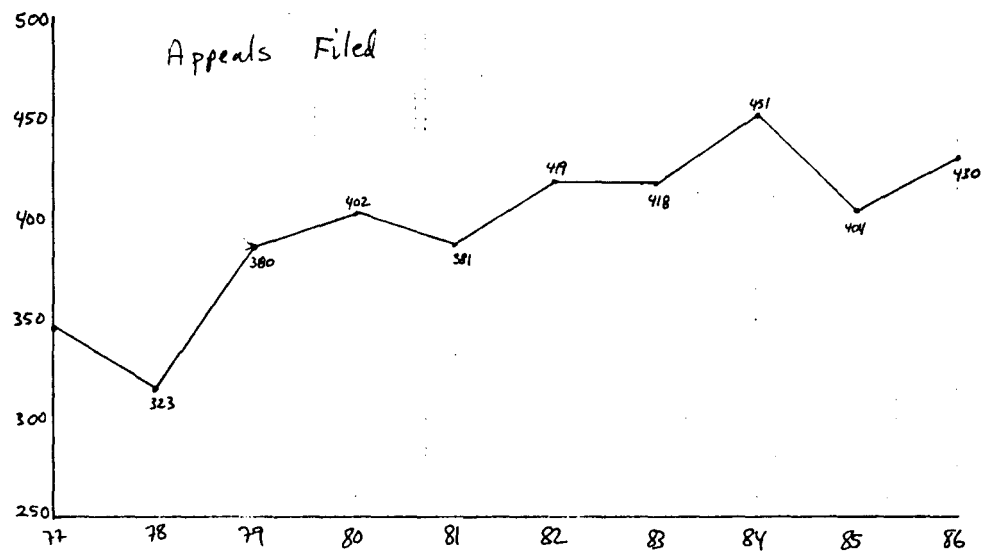
	<u>FILINGS</u>	<u>STILL ACTIVE</u>	<u>OPINIONS</u>
1991	712		
1990	694		
1989	675		
1988	657		
1987	639		
<hr style="border-top: 1px dashed black;"/> <p style="text-align: center;">*PROJECTED</p> <hr style="border-top: 1px dashed black;"/>			
1986	602	379	374
1985	639	320	322
1984	567	251	373
1983	561	330	285
1982	522	350	313
1981	574	357	298
1980	490	369	292
1979	481	375	323
1978	516	350	269
1977	469	303	255
1976	408	207	210
1975	301	191	210
1974	265	150	153
1973	243	174	195
1972	230	135	147
1971	198	146	149
1970	194	110	130

* Projections are those made by the National Center for State Courts, Williamsburg, Virginia, using the period from 1976 to 1986.

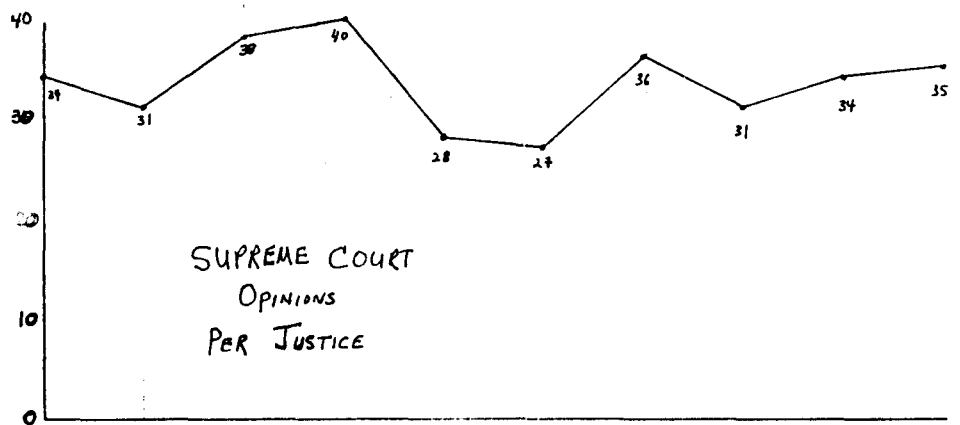
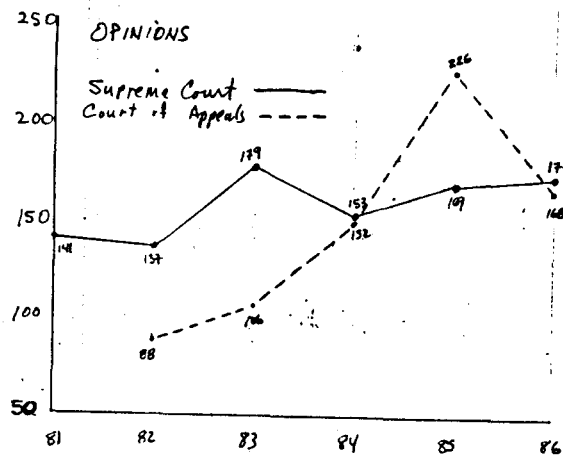
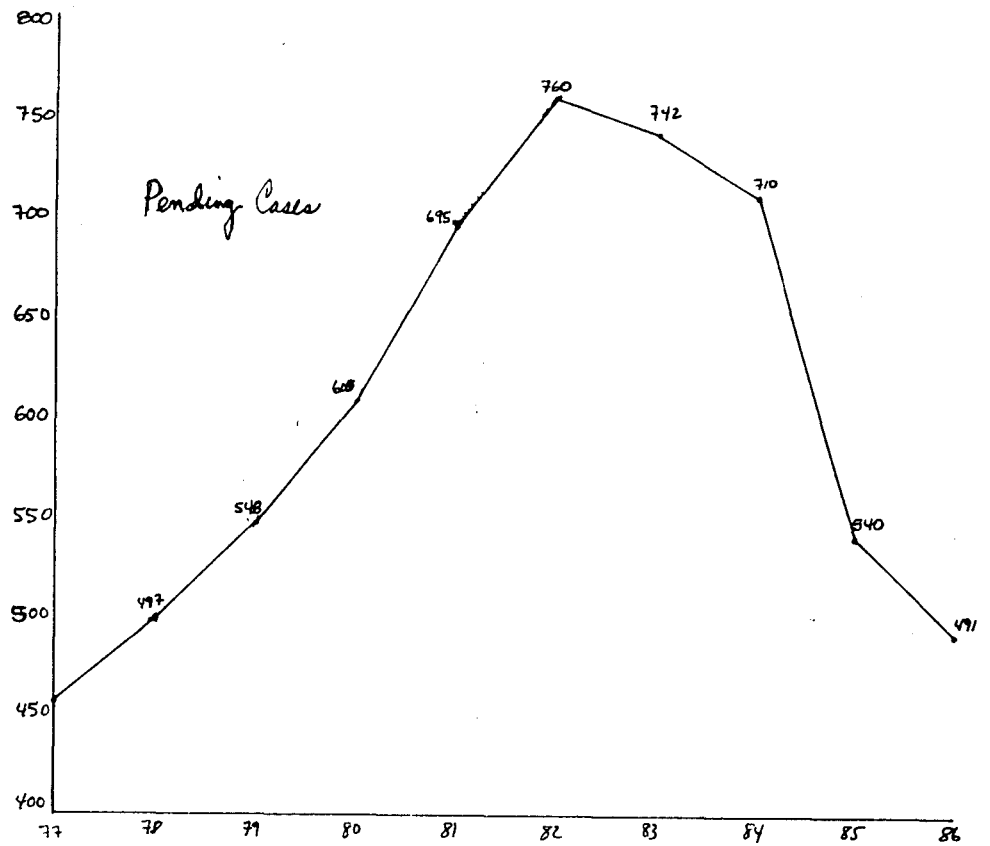
MONTANA: CASELOAD PER JUSTICE

		<u>FILING PER JUSTICE</u>	<u>STILL ACTIVE PER JUSTICE</u>	<u>OPINIONS PER JUSTICE</u>
5 Justices	1991	142		81
	1990	139		79
	1989	135		77
	1988	94		53
	1987	91		52
	<hr style="border-top: 1px dashed black;"/> PROJECTED <hr style="border-top: 1px dashed black;"/>			
7 Justices	1986	86	54	53
	1985	91	46	46
	1984	81	35	53
	1983	80	47	40
	1982	75	50	44
	1981	82	51	43
5 Justices	1980	98	53	42
	1979	96	75	65
	1978	103	70	54
	1977	94	61	51
	1976	81	41	42
	1975	60	38	42
	1974	53	30	30
	1973	49	35	39
	1972	46	27	29
	1971	39	29	30
	1970	39	22	26

IDAHO SUPREME COURT
1/2 COURT OF APPEALS



IDAHO (Continued)



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3/18/87

LEONARD H. LANGEN
DISTRICT JUDGE
SEVENTEENTH JUDICIAL DISTRICT
OF THE STATE OF MONTANA

P. O. BOX 1110
GLASGOW, MONT. 59230
TELEPHONE: 228.2221

January 26, 1987

The Honorable Joseph P. Mazurek
Montana State Senator
Representing District No. 23
Montana State Legislature
Capitol Building
Helena, Montana 59620

Re: Seven-Member Supreme Court

Dear Joe:

I had intended to personally appear before your Senate Judiciary Committee on Friday, January 30, 1987, at the Capitol Building, Helena, Montana.

The purpose of my speech would have been to make a "pitch" in favor of continuing the Seven-Member Supreme Court.

Following are some of my arguments in favor of the Seven Man Court:

After completing ten years as a District Court Judge, I am convinced of the truth of the maxim "justice delayed is justice denied".

During these ten years I have seen a growing delay in bringing litigation to a final conclusion. There's just been too much work for the number of District Judges and Supreme Court Judges available to perform this task.

A year ago I was called in to settle a case which had been in litigation for over three years. It had been to the Supreme Court twice on appeal. After six hours of intense negotiation and prompting, the parties finally negotiated a settlement. When I called each party litigant to step forward and record his agreement to the settlement, the first litigant to step forward, a 40 year old lady, began to sob uncontrollably. She grasped my hand and said to me: "Judge, you have no idea what a relief it is to get this case settled. The last three years of uncertainty have been hell. I have developed intense headaches. I have trouble with my back. I have developed an ulcer. Now I feel like a great weight has been lifted off my back. Thank you! for helping us settle."

Page Two
The Honorable Joseph P. Mazurek
January 26, 1987

It is difficult to understand the emotional trauma suffered by litigants who must wait for long periods before their problems are finally resolved.

No civilized society can continue without a judicial system to fairly and quickly resolve disputes arising between its members. Business suffers when business disputes remain in limbo for months and years.

The success of our economic system depends on the ability of our judicial system to get its work done.

During my ten years on the bench, I have seen the delinquency problem become more acute - both in the District Court and the Supreme Court.

Under our State Constitution, every successful litigant has access to the Supreme Court. Therefore, if the case is appealed, the delay of the District Court is further compounded by delay in the Supreme Court.

The delay in the Supreme Court was alleviated when the legislature authorized the Seven-Member Supreme Court. It would be tragic to make a backward step and return to the Five-Member Supreme Court.

I call attention to the statement of the Montana Bar Association in its support for the Seven-Member Supreme Court. See the Montana Lawyer - January 1987, at Page 4:

"CASE LOAD. During the 1960s, the five-member Montana Supreme Court issued about 130 to 140 formal opinions per year, and disposed of 50 special proceedings, such as habeus corpus, mandamus, and quo warranto. In calendar year 1978, the Court issued 269 formal opinions and 206 special orders to dispose of a total of 475 cases.

The seven-member Supreme Court handed down an estimated 387 formal opinions and more than 600 special orders in calendar year 1986. The Supreme Court's case load has increased 10-15% each year since the early 1970s. And, unlike the U. S. Supreme Court, the Montana Supreme Court may not deny appeals. A five-member Supreme Court will not be able to handle the existing case load in a timely manner.

Page Three
The Honorable Joseph P. Mazurek
January 26, 1987

QUALITY OF JUSTICE. A return to a five-member Supreme Court will adversely affect the quality of justice in Montana. The quality of decisions and the time available for consideration of each opinion will be substantially reduced if five justices must handle the existing case load. The principal victims of delay are the litigants. However, taxpayers, lawyers, and judges also pay a price when justice is delayed. "

The Montana State Bar's Report of Support for the Seven-Member Supreme Court further stated:

"The Supreme Court's case load has increased due to a substantial redefinition, expansion and refinement of public policy since the new Montana Constitution was adopted in 1972. The Supreme Court has been asked to review and rule upon legal issues generated by new laws and new agencies created by the Montana Legislature since 1973. The Montana Administrative Procedure Act, the Major Facility Siting Act, the Workers' Compensation Court, the State Tax Appeal Board, the Uniform Probate Code, new laws concerning sovereign immunity, revised welfare laws, new marriage and divorce statutes, the Human Rights Commission, the Coal Severance Tax, the Montana Water Court, new criminal and juvenile justice codes, and revised property taxation laws and procedures.

The Montana Supreme Court must be able to timely review and respond to the Legislature's redefinition and refinement of rights and obligations under state law. The Supreme Court can only do so if the seven-member Court is retained."

I am approaching my 73rd birthday. I have spent 50 years of my life in matters relating to the law. I sincerely believe that a strong, independent judiciary is an absolute necessity to preserve a democratic society and to provide a stable environment for business activity and growth.

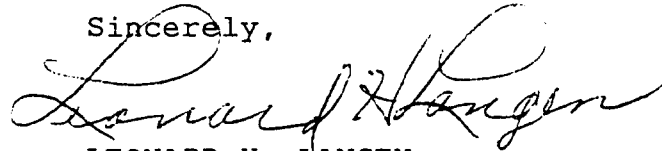
When I travel abroad, I feel sorry for some of our less fortunate brothers living in other countries. It is difficult, if not impossible, to preserve democracy or to run a successful business in a country with a weak, unstable and inconsistent judicial system.

Page Four
The Honorable Joseph P. Mazurek
January 26, 1987

Some of the newspaper articles concerning legislative activities give the impression that in your attempts to balance the budget, you legislators are governed by hysteria instead of reason.

I don't believe this is true. I urge you to apply reason to your deliberations with respect to the judiciary. I urge you to retain the Seven-Member Court.

Sincerely,

A handwritten signature in cursive script, reading "Leonard H. Langen".

LEONARD H. LANGEN
District Judge

LHL/obr

cc: The Honorable Ted Schye
The Honorable Duane Compton
The Honorable H.W. "Swede" Hammond

And to each member of the Judiciary Committee

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3/18/87
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HB 603
Brenda Schye
Montana Cultural Advocacy

Mr. Chairman, Members of the Appropriations Committee: I am Brenda Schye, and I represent the Montana Cultural Advocacy, which is a broad cross-section of Montanans who are committed to the development of our state's cultural resources.

Libraries are centers for information, research, recreation, and lifelong learning. They can go a long way towards diminishing the impact of Montana's distance from urban centers, provided that they are funded well enough to keep pace with changing times, which was the intent of HB 603 in its original form.

While the original funding level in HB 603 is definitely justifiable, we recognize the budgetary dilemma facing this Legislature. Therefore, we are paring down the proposal so that you can consider the ³most critical components of the bill. My testimony will address ~~our highest priority~~, the 1st one, reimbursement for interlibrary loan.

Libraries are a critical component of the intellectual freedom that we enjoy in this country. This state has demonstrated a commitment to providing free access to information for all of our citizens, regardless of where they live or their level of financial resources. Interlibrary loan service has been a vital component of that access, enabling individuals in any area of Montana to utilize the library resources of our entire state. Thus, while providing a much broader array of information than what is available in just one library, this provides for a very efficient sharing of resources.

As a part of local governments, libraries are currently facing the same constraints as other programs. Declining revenues and increasing costs are forcing them to reduce services, and with their priority inevitably being to serve their local residents, the continuation of free interlibrary loan services is in jeopardy. We in Montana are on the brink of having information no longer being free. It will still be available, but only to those in urban areas or those who can afford to pay for it.

Keep in mind that during difficult economic times, library usage does not decrease, but instead increases. People who are less able to buy their own books, periodicals, and newspapers rely more on the library for information as well as entertainment. Merchants, as well, look to the library for information to help them manage their businesses. As schools tighten their budgets, they lean more heavily on public libraries to back up their curriculum. The public library, then, is a vital part of education--and not just the education of children. In addition, it's a part of making our community a desirable place to live.

As a matter of public policy, charging for library services is something that we strongly believe this state should avoid. Consequently, we hope that you will agree that this bill should be funded, at least in amended form, to ensure that everyone, regardless of income level or place of residence, has equal access to the informational, research, and recreational opportunities that libraries provide.

HB 603 - PROVIDE FOR STATE AID TO PUBLIC LIBRARIES

Sponsored by Representative Dennis Nathe

<u>Service</u>	<u>Explanation</u>	<u>Cost</u>
Reimbursement for Interlibrary Loan	Critical to maintain Montana's commitment to free access to information.	\$100,000 per year
Base grants to local libraries for cooperative services	To replace declining coal severance tax revenues; necessary to maintain current level.	\$195,000 per year (\$1,500 per year per each public library)
State Multilibrary Card	Enable people to use the most convenient library, which may not be the one their taxes support.	\$150,000 per year

(This Amends out 2/3 of the bill)

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3/18/87
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Reimbursement for State Interlibrary Loan

- . Interlibrary loan services are very important in Montana where people live great distances from libraries and where many libraries have collections which are small, very general and lacking new materials.
- . If people who use the materials have to pay fees, information will no longer be available to all people but only to those wealthy enough to pay for it or who live in urban areas.
- . Coal tax revenues which have been used to support interlibrary loan are in serious decline. Current estimates are that funds for library service will be at least 50% lower than in 1981-1985 - this is at the current tax rate (30%).
- . Coal tax revenues have been used primarily for interlibrary loan in six public libraries because there was no statewide catalog. Now, through a Montana catalog (MonCat), libraries are able to borrow directly from a library which has the material. This means many more libraries are now loaning materials and incurring costs.
- . Individual libraries are no longer able to absorb the costs of loaning materials. Declining revenues and increasing costs are forcing libraries to reduce services. Interlibrary loan lending may be targeted for elimination to preserve services for a library's local clientele.
- . Libraries which have specialized or large, scholarly collections provide the most interlibrary loans. There often is no other source in Montana for the material. Rural areas will be especially hard hit if access is denied.
- . Key libraries within the state are being forced to consider charging fees for interlibrary loan.
- . If people who use the materials have to pay fees, the impact would be greatest on some user groups - small business;
independent consultants, researchers
and writers;
state officials and employees;
gifted and talented students;
graduate students and those enrolled
in independent study;
private industry.
- . Importance of this service is shown in numbers - Montana residents made over 63,000 interlibrary loan requests in FY 1986. As much as 75% of this appears to be related to work or careers. "Howto" requests are another large component.

. Examples of the materials requested on interlibrary loan:

assessment of impacts of water level fluctuation
how to become a successful consultant
new directions in adult vocational and career counseling
toxicology of selenium and tellurium
respite care for parents of handicapped children
comparison of United Parcel Service and United States mail
audits of state and local governments
coyote - prey relationships
Western coal exports
effects of downtown improvement on retail activity
high altitude revegetation
antique car interior restoration
Norwegians in America
4-H livestock showing
local government police management.

**Base Grants to Local Libraries for Support
of Cooperative Services Through Federations**

\$390,000 is requested for the biennium. This would provide a base grant of \$1,500 per year for each public library to be used to support cooperative services through federations.

This amount replaces coal severance tax revenues for library service which are estimated to decline by as much as \$200,000 per year at the current tax rate. The decline is caused through a change of distribution of the coal severance tax and through declining coal sales.

Public Libraries are not able to provide such support from their operating funds. Funds for public libraries have declined because of loss of revenue sharing and change in taxable valuations. Initiative 105 freezes property taxes, the major source of funds for local public libraries.

Federations provide several key services which are important to everyone who lives in Montana:

Interlibrary loan of materials - the ability to get a book or piece of material which the local library doesn't have, usually from another library in the State of Pacific Northwest;

reference and information services - being able to go into a community library and have it be part of an information system that is regional and nationwide;

collection of books and other materials - at one's own library and at the headquarters library;

a better local library - through staff training, joint planning, participation in automation, help in serving children; a support system that helps in many ways.

In 1986, federations provided 36,927 interlibrary loan requests for materials, 105 library meetings and workshops, and approximately 4,778 hours of assistance to local libraries by the staff of the federations.

HB 603
STATE MULTILIBRARY CARD

People need to be able to use the most convenient library. This may or may not be the one their taxes support.

People may work or trade in a county which is not their county of residence.

A pilot project in 13 counties of Southeastern Montana showed 548 people use such a card to check out 2,066 books during the first six months. 73% of the books checked out were returned to the library by the borrower rather than by mail. Users felt it is a very necessary program for rural areas.

This would provide more efficient use of tax dollars by allowing individual taxpayers to use other tax supported libraries.

The majority of this reimbursement would be to the three largest libraries: Parmly Billings Library, the Great Falls Public Library, and the Lewis and Clark Library in Helena. The following counties would no longer have to pay for library contracts and may be afforded some property tax relief:

Jefferson	Liberty
Teton	Carbon
Pondera	Golden Valley
Blaine	Stillwater

Proposed Amendments to HB 603

(Second Reading)

1. Title, lines 7 through 10
Following: "LIBRARIES"
Strike: the remainder of line 7 through "MILE;" on line 10
2. Page 1, line 20
Following: "through"
Strike: "5"
Insert: "4"
3. Page 2, line 6
Following: "recipient"
Strike: "public"
4. Page 2, lines 12 through 14
Strike: section 2 in its entirety
Renumber: subsequent sections
5. Page 3, lines 10 and 11
Following: "libraries"
Strike: the remainder of line 10 through "basis," on
line 11
6. Page 3, line 12
Strike: ", "
7. Page 4, line 3
Following: "fund"
Strike: "\$2.8 million"
Insert: "\$890,000"
8. Page 4, lines 4 through 6
Following: "biennium"
Strike: the remainder of line 4 through "basis," on line 6
9. Page 4, line 7
Following: "[SECTION"
Strike: "3"
Insert: "2"
10. Page 4, line 8
Following: "card,"
Insert: "and"
11. Page 4, line 10
Following: "libraries"
Strike: ", and for administration"

12. Page 4, line 12
Following: "through"
Strike: "5"
Insert: "4"

13. Page 4, line 15
Following: "through"
Strike: "5"
Insert: "4"

Statement of Intent

1. Page 1, line 6
Following: "section"
Strike: "5"
Insert: "4"



Board of Public Education

BOARD MEMBERS

EX OFFICIO MEMBERS:

Ted Schwinden, Governor

Ed Argenbright, Superintendent
of Public Instruction

Carrol Krause, Commissioner
of Higher Education

APPOINTED MEMBERS:

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Alan Nicholson, Vice-Chairman
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Sarah "Sally" Listerud
Wolf Point

Arthur "Rocky" Schauer
Libby

Bill Thomas
Great Falls

Thomas A. Thompson
Browning

TESTIMONY TO THE HOUSE APPROPRIATIONS COMMITTEE

ON MARCH 18, 1987

IN SUPPORT OF SB370 - AN ACT TO PROVIDE THAT TRANSPORTATION
FOR A RESIDENTIAL AND BOARDING STUDENT AT THE
MONTANA SCHOOL FOR THE DEAF AND BLIND TO AND FROM THE
STUDENT'S RESIDENCE BE PROVIDED BY INDIVIDUAL CONTRACT WITH
THE STUDENT'S PARENT OR BY COMMERCIAL TRANSPORTATION;
AND PROVIDING AN EFFECTIVE DATE

By Claudette Morton, Executive Secretary
Board of Public Education

Claudette Morton
Executive Secretary

The Board of Public Education supports SB370. The Board recognizes the critical need for these children to maintain as much of a family tie as possible throughout the year. We also recognize the need to carefully delineate the appropriate travel options for the students. This legislation provides means to deal with both of our concerns. Therefore, we urge the passage of SB370.

VISITORS' REGISTER

COMMITTEE

BILL NO.

116

DATE

5/18/87

SPONSOR

NAME (please print)	REPRESENTING	SUPPORT	OPPOSE
John M. C P I T Z	Self	✓	
Dan Yuzak	Shedair Hospital	✓	
Mardyn Spicary	Self	✓	
Curly Buckley	Self	✓	
Chad Smith	Shedair Hospital	✓	
Paul T. ...	Shedair Hospital		
Jean Fitzhugh	Shedair Hospital	✓	
Tom Hopgood	Health Ins. Assoc of Amer		✓
Claudette Morton	Board of Public Col	SB 370 ✓ HB 603 ✓	
Bill Pratt	Self	HB 603	
Jim Reynolds MD	Health Professional Adv Comm March of Dimes	✓	
Mother's Health	Louisiana State Library	✓	
	St. ...	✓	

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR WITNESS STATEMENT FORM

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

VISITOR'S REGISTER

COMMITTEE _____

BILL(S) _____

DATE 3/18/87

SPONSOR(S) _____

NAME	REPRESENTING	BILL NO.	SUP-PORT	OP-POSE
J. V. Guzman, Jr.	Godwin	716	✓	
Brenda Schyge	Montana Cultural Advocacy	^{HB} 603	X	
Lillian Sprue	Shelton Hospital		X	
Bruce Lenny	MT. Hosp. Assoc.	716	X	
Bruce Newton	SELF	603	X	
J. Symon Adams	SELF	603	X	
Susan Kew	SELF	716	X	
Kathy Fabiane	Dept of Admin.	^{HB} 259	X	
Tim Reynolds M.D.	Health Professionals Advocacy Comm. Montana of Doctors	716	X	
JOHN B THOMAS	CARROLL COLLEGE LIBR.	603	X	
Louis A. Fitzpatrick	Carroll College Library	603	X	
Rebecca Foster	SELF	603	X	
W. J. W. W. W.	MINA H. H.	716	X	
James T. Jansky	MT. Hosp. Assoc.	716	✓	
Kenneth L. Hassler	MAHU	716		X
Brecker, Maria	City of Helena	^{HB} 716	✓	
Barb Becker	MINA	^{HB} 716	✓	
James H. H.	HB/MT. Hosp. Assoc.	716	✓	
Ron Whitman	SELF	SB16	✓	
Pat Milby	State Bar of Montana	EB161	✓	

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR VISITOR'S STATEMENT.
IF YOU HAVE WRITTEN COMMENTS, PLEASE GIVE A COPY TO THE SECRETARY.

VISITOR'S REGISTER

COMMITTEE

BILL(S) - B 603

DATE 3/18/87

SPONSOR (S)

[illegible]

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR VISITOR'S STATEMENT
IF YOU HAVE WRITTEN COMMENTS, PLEASE GIVE A COPY TO THE SECRETARY