

## CONFERENCE COMMITTEE HOUSE BILL 2

April 23, 1987

The preliminary exploration for the second Conference Committee on House Bill 2 was held at 9:10 p.m. on the above date in room 104 of the State Capitol. The meeting was called to order by Chairman Regan following roll call.

ROLL CALL: All members were present.

Senator Regan said, before we start the meeting I would like to make a couple of observations. The Senate has not considered House Bill 2 and we have been directed by the Leadership to come down and explore with the House members what possible compromises might be reached so that we can accept this bill and go home tonight. Whatever we decide here, or whatever compromises we reach are of an informal nature, but if we agree and bring them back upstairs, I would expect then, as we are formally appointed we have taken the bill and then come down as a formal committee that we would be bound by those agreements that we make here. We would have to come back as we are not formally appointed as a Conference Committee. We have been asked in an informal way to come down and meet with you and explore what areas we may find compromises on. That was our instruction and that is why we are here. Needless to say, we are disappointed that the actions of yesterday were unacceptable, but that aside, I would like to have some discussion of what your areas of concern are.

Representative Thoft said, I don't know where you are at in your discussion. I would like to see the Field Appraisers reduced, I would like to see some different language in House Bill 2 concerning the Welfare issue, and I would like to see if we are able to reduce the Field Appraisers, to fund Representative Ramirez's bill.

Representative Rehberg said, in addition, the other issue that we had discussed as a possibility is the result of the Senate defeating House Bill 611, having to do with the indirect funds at the University System, to consider the lowering of the number from the Education subcommittee from 50% to 15% to where it has been for a number of years now.

Senator Jacobson said, I guess I don't understand. The Senate sent the bill back to you with an amendment to fund it at 100%. Representative Rehberg said, I believe the

Conference Committee was unable to reach a compromise on that bill and as a result, the bill has died.

Senator Jacobson said, that Conference Committee has not been dissolved, therefore I think the bill is still alive.

Senator Regan said, I think that is one issue that can be settled aside from here. I would like to focus, if we can, just on the problems within House Bill 2. I think, really, that we cannot begin to explore side issues.

Representative Rehberg said, if that bill in the Conference Committee never comes to a conclusion, before House Bill 2 is passed, and then it does come to a conclusion, then that Conference Committee dissolves and the bill dies, the level is at 50%, so I feel that within the Appropriations bill, it is set at 50%, so it is very much an issue.

Senator Regan said, I am sorry, the issue is there. She said, the issues then are: the field appraisers, the medicaid language, and hopefully getting money to fund the first year of the Ramirez bill.

Senator Hammond said, I have some concerns about the number of people we have to put into place in Senate Bill 200. I believe there are 38 people involved in that. Senator Regan said, it is less than 1 per county.

Senator Regan asked, what proposals are you suggesting that we consider? Representative Rehberg said, we have amendments. Senator Regan asked, instead of formally offering amendments would you give the gist of your proposal so that we might discuss them and see if they are agreeable. We will not be accepting them in the form of an amendment to the bill because this is sort of an exploratory meeting.

Representative Rehberg said, perhaps it would be advantageous then, to at least hand the amendment out so that you can see the language and I believe Representative Thoft is carrying the one on the Welfare.

Representative Thoft said, I am concerned with the same concern Senator Hammond mentioned. I remember well, the conversation with the people involved in the process, and it really seems doubtful that they need 48 people to implement Senate Bill 200. I think we would have to mediate on something less than that. The bigger counties may need two people, but it is very very doubtful with all the smaller towns that they need that many.

Senator Regan asked, do you want to give us the amendments? Representative Thoft said he had one on the language. Senator Jacobson said, we know the number of people and we know the amounts, so I think we can discuss it. Senator

Regan asked, when you are talking about the people to implement Senate Bill 200, how many people are you talking about? Are you talking about the 48, is that it? Representative Thoft said, yes, that is what is in the bill at the present time. Senator Hammond said there was an attempt to cut it in two and that failed.

Senator Regan asked, how much is involved in this? Representative Rehberg answered, about \$1.5 million. I believe Clayton went after the amendment, or the information. It was about \$800,000 per year.

Representative Rehberg asked Clayton Schenck, do you have the exact numbers for the way the bill is now? Judy Rippingale answered, it would be a reduction of \$783,661 from the Conference Committee action. Proposal #1 is attached.

Senator Regan said, this represents 24 FTE's, in other words, what you are proposing to do is to take 24 Appraisers out of the system and you take more than that the 2nd year. Representative Rehberg said, that is because of the start-up. I believe there was a brief discussion yesterday that there would probably need to be more in the first year as a result of the start-up of Senate Bill 200.

Representative Spaeth said, I would like to ask a question as to what kind of a study we have looked at, locations, and some really close examination as to why we feel we can cut that by 50%. 50% just seems like a sort of a nice place to cut; but is there a reason for cutting it to 50%? Have we looked at the fact that there are going to be fewer people with the 24. Have we done any analysis as to why we think we can cut over what is presently in House Bill 2?

Representative Thoft said, the only rationale that I have heard is that there are probably 12 counties that need additional people out there. Representative Spaeth said, we have 12 counties with 2 apiece, so we have 56 and that is 44 counties that won't have anyone and we will be placing an additional burden on each of those 44 counties. I would imagine if 12 counties need 2 people, that at least a combination of 2 or 3 counties would need at least one person to be able to assist and help them in those counties. I would hate to see at least 44 counties without any kind of assistance in implementing a new bill, and I wondered if anyone had taken a look at that to see how it would impact the 44 counties.

Senator Hammond said, Ed Smith, who was the author of the bill, was in contact with many of these counties, and he thought that this was an outrageous number of people and did not think they needed anything like that, and he had a good indication from the counties and he was in contact with a

great number of them during the time that he was putting this together.

Representative Rehberg said, I would like to ask Clayton a question. Within the Department of Justice, the Motor Vehicles Drivers Services Bureau, how many of the counties currently do not have Drivers Service Stations? That map was given to us during our subcommittee and there were a number of counties like Mineral County and some of those spread out around Montana that currently do not have them and have to go to the larger metropolitan areas for their Drivers Services now.

Representative Spaeth said, I would like to follow up with another question, some of those counties, I know, are very unhappy about having to go to the larger counties. Are you suggesting then, that the 44 rural counties, at least to a varying degree, will have to look toward the 12 counties that have the 2 FTE's to provide them assistance and direction in getting this program going, and the people in those counties may even have to look and travel to the larger counties where we have Drivers' Assistance?

Representative Rehberg said, I guess what I am determining, is that that decision has already been made by the Legislature, that they felt the Department of Justice had already set up a system and since this is a new program, perhaps that system can be set up the same way. If we have chosen to ignore the public's outcry for close service in that case, how can we not then set this up the same way since it is a new program.

Representative Spaeth said, I would think that we should never overlook the outcry and concerns of the public, but I guess I don't have any trouble looking at the figures here -- the FTE's involved. If 48 is not a justifiable figure I have no trouble with lowering it; but when we come up with a 50% figure, that just seems to say you chop them by 50%, we chop them by 25%, we are just picking numbers from the top of our heads. If we have good figures and good numbers as to how counties will be impacted, rural counties such as Carbon, Stillwater, Bighorn, etc., will they need somebody to help get them implemented? I have chatted with them and they say they will need some assistance, some man power that will help them to set up. Your proposal tells me that, particularly my kind of county, won't get anything under this proposal, and they have some real concerns about it. If they can share FTE's, if something more than 24 can be shared around and if we have some good accurate data, at least some basis from the Department of Revenue it would help. I would like to know a little bit more as to where you put these 24 people and how you plan on supplying and helping my county and our rural counties.

Representative Rehberg said, Clayton might have an answer to my question now. Clayton Schenck said, the number of counties that don't have one right now is 7.

Senator Hammond said, I would like to add too, that just a few years ago it was all an ad valorem type and the counties were taking care of them and they didn't have any more people than they have now. It is peculiar to me that we have to put on this many more people just to read the blue book and make that appraisal and 2% of the real value of the automobile. I can't see how it's going to be any more complicated than the ad valorem was.

Representative Spaeth said, my concern is that one of the basis for determining the figures we have here is that the 48 were involved in the ad valorem system and that's why they came up with the numbers, at least to get it set up and going, that you need at least as much as the ad valorem, no more and no less. If I am wrong, I would like to be corrected on that, is there anyone here who can answer that?

John LaFaver, Director, Department of Revenue said, my understanding was, and of course that system was changed in 1981, and that was before I was at Revenue, but my understanding was that the adjustment that was made to reflect the change to the system now was about 50 staff, so we are talking about -- in rough numbers, at least -- the same number of staff being added as were taken out when the system was changed to the fee system in 1981.

Representative Spaeth said, do we have a different understanding? Is there anyone here that can tell us that there were something less than 50.

Representative Rehberg said, I guess I can't refute your statement that perhaps there isn't proof for cutting it at 50%, but if Senator Smith, the sponsor of the bill, and a number of the assessors that are going to have to work with this, do not feel that 48 is an accurate number, I guess my question to you is, are you relying totally upon Mr. LaFaver's information that 48 is what absolutely has to be in place, and where is the justification for 48?

Representative Spaeth said, I think we can look at two different things. I just talked to Representative Kadas and he has probably been involved in Senate Bill 200 as much as anyone has and he indicated that his knowledge and information was that by cutting this by 24 it would be way too much, and if we were to make this cut, we would have trouble implementing it. If I remember correctly, one of the concerns I have is that at least 3 of us here at the table voted against Senate Bill 200, and I would hate to have us do this in our zeal to be non-supportive so Senate Bill 200 would fail in its implementation.

Senator Hammond said, I don't think we can sit here tonight and say exactly how many it is going to take. I think the counties are going to have to decide this down the road, and this money does go back to the counties. They collect it and it goes to the counties and I would hope that they will have to pick up some of the responsibilities for it. There will be some adjustments down the road. I don't think anybody is going to come up with the exact number right now, but I would hate to inflate the thing much over what we need.

Senator Regan asked, are you proposing then, that we do something where we put in a base number of Appraisers and contingency language so that others may be added? Is that what you are suggesting -- something that would give elasticity as the need develops?

Senator Hammond said, that is going to have to happen on the county basis if they have to have more. They will be doing that whether we put it in or not.

Representative Spaeth said, I was just going to ask you -- let's take my county, and we decide that we need somebody. Does Carbon County then have to go out and hire an additional person to implement it if we happen to be wrong on this. Let's say in Stillwater county they are able to get some assistance from one of the other counties that we couldn't get in Carbon County. That wouldn't necessarily be fair for us to pick up the tab while Stillwater or Yellowstone County wouldn't have any cost involved. I would have trouble with having an uneven distribution and an uneven cost spread out all over the state. I wonder how you would handle that?

Senator Hammond said, I am at a loss to understand how you are going to say we have to have 48 people. If we don't need those, what are you going to do about that?

Representative Spaeth said, I am just asking, the quandary that we may both be in. You feel that 48 is too much, but you haven't given me any more justification for 24 than I have for 48, and I am asking you, since we have a quandary, is there any way that we can resolve the numbers here in a better fashion than just making arbitrary cuts, and that is what we are doing -- maybe on both sides. Is there some way that you can give me information that we can get by with -- say 37 people or what? Is there some way we can avoid being arbitrary about what we are doing.

Senator Hammond said, yes, I think so. I certainly don't hire people until I need them, and I would start as low as I can and then if we need them that can be taken care of.

Senator Regan said, the problem is, when you put a new program in place, that's where you need them the most -- at the start-up, and then as the system gets built, you can take them off.

Representative Spaeth said, I have one more question. Let's say we pick 24 and we find on August 1 that we actually do need 48, then what do we do? We are not in session and we can't authorize those FTE's, so how do we get those additional people? Do we wait until the next session and have a program that is going to flounder? I would hope the Department of Revenue wouldn't hire people they didn't need. I would rather have the authorization for FTE's and assume that they build up, as opposed to the chances that you take in the other direction.

Representative Thoft said, this argument could go on all night, and I don't think it makes a lot of sense because Representative Spaeth obviously knows that we don't have any hard figures, and maybe we're both wrong. It was an issue I wanted to bring up to discuss, and if you don't want it, why don't you just tell us you don't want it.

Senator Jacobson said, I don't think we are telling you that we are not willing to do something. I think we are trying to find a justifiable figure without going out there and saying, "you're going to put a system into place that people aren't going to like", and then they are going to be standing in line and they are going to have all kinds of problems besides. What we need to do is find some kind of justification. If there is no justification, I guess we are going to be arbitrary.

Representative Rehberg asked Mr. LaFaver, with this program, you will be hiring senior appraisers? Mr. LaFaver said, no, what the \$800,000 entails is 48 grade 8. That is not a professional level.

Representative Rehberg asked, grade 8 what? Mr. LaFaver said, it is an office worker. I am not sure what the job description would be.

Representative Rehberg said, you're talking about an administrative assistant clerk to be in the counties? Mr. LaFaver answered yes. Representative Rehberg asked, all of them in the counties? He was told yes. He then asked, previously you had identified for us in an earlier proposal before the House Appropriations committee, nine counties that had Deputy Assessors paid for 100% by the state of Montana. Nine counties whose work load did not require full time Deputy Assessors. Would you assume then, a Deputy Assessor is paid higher than a grade 8? Mr. LaFaver answered, yes.

Representative Rehberg said, would you assume then, within those nine counties those Deputy Assessors could, since we are already paying them and they don't have full time work loads, do this work? John LaFaver answered, yes and I think that assumption is built into the numbers that we have here, because we are proposing 48 and we don't have enough for each county and some of the larger counties, of course, would need more than one, so we are looking toward utilizing those positions now to help implement Senate Bill 200.

Representative Rehberg said, assuming that there are other counties, that while they don't require a full time Deputy Assessor and they don't have half time, they might be somewhere in between, and there would be some in between -- like Broadwater that are not used to their full capacity -- that they could in fact be used for this function and that was not figured into your numbers.

John LaFaver said, I guess I would say that it probably is figured in the numbers. When you are looking at the larger counties, Yellowstone, Cascade, Missoula and Lewis and Clark, they are going to be receiving two or three positions and they need them, so when you are putting 48 up, there are going to be a number of counties under the \$800,000 that aren't going to receive any additional staff.

Representative Rehberg said, then you intend to have one person in each county? John LaFaver answered, no, that is not what we are planning. Representative Rehberg asked, then at what number of vehicles are you down to before you don't require this FTE in the county? John LaFaver answered, I can't answer that; there are obviously a number of counties. Based on the data that I have, as many as 15, that would receive no added staff under the \$800,000. If we go below that, of course there will be more counties that won't have added staff.

Representative Spaeth said, I would just like to ask one quick question. If we left House Bill 2 in it's present condition, do you feel that the House Bill directs and mandates you to hire 48 people whether you need them or not, or if you found that you needed less than 48 -- say in the neighborhood of 39 people or 37 people, would you hire any more than you needed? John LaFaver answered, no, I would love to come back in the next session and say that we can get the job done with 35. I don't think that's the situation, but I think that we'll let the work load show up and then fill the position. We aren't going to rush out and fill 48 positions on the first of the fiscal year.

Senator Jacobson said, maybe we should just think about this for a little bit, go on to the next one and then come back to it.



Senator Regan asked, who has the language for SRS? Representative Thoft said, it is just one word change.

Senator Regan asked, was this language that had previously been in the bill? Representative Thoft said, I think it is probably the Marks amendment. Representative Rehberg said, this language was not previously in the bill, this language would take out the Senate language and insert language that is similar to what is currently in statute. I don't have a copy of the statutes, but the difference would be that the Department of SRS shall set priorities.

Senator Jacobson asked, this is not the same amendment you offered last night.

Senator Hammond said, the amendment last night would take that amendment completely out. Representative Rehberg said, the language last night had no insertion. It was strictly to take out the Senate amendment. This inserts language.

Senator Regan said, the effect of this would be, if the funds are not available, there would be no supplemental and all optional services would be reduced or curtailed in some way, is that correct?

Representative Rehberg said, this language would require them to set priorities, that does not mean that they don't have to fund all bills that come in 100%. All we are asking them to do as a Legislature, is prioritize those optional services if money becomes short and they want to make the determination that they don't want to come in for a supplemental because it is getting out of hand. They would have the ability to set priorities. Proposal #2, attached.

Representative Spaeth said, I have the statute in front of me and I think the committee should be made aware that the language we have here is not the same as the statute. It is almost the same; after "shall" it is a repeat of the statute except after "shall" the statute has "shall have the authority to" set priorities. I wonder if we are going to repeat the statute, why this way? I have no trouble repeating the whole statute there and I could agree that we go with having the statutory language included in the bill, but I am wondering if we are setting out to agree with the authority that is set out in 141 (2). Is that what our intention is?

Representative Rehberg, as I said when I opened it was not the same, and there was language that was different. They currently do have the authority, but they have not done it. The language change is that they "shall" set priorities. It doesn't mean that they are not going to fund those services, it is just that they will set those priorities, and if they so choose, because funds are running short, and the program

is out of hand: it is out of hand, and we chose not to address it in this Legislature -- this will allow them some flexibility to set priorities.

Senator Jacobson asked, I guess we went through this last night, and it was my understanding when we came down here that we were talking about the same thing we were talking about last night. My concern with this is, we have taken the eye glasses, the hearing aids and the dentures out of there. What is left? We talked about this last night, and it is a lot of optional services that might be a lot less expensive than another alternative. I am concerned that we are forcing the Department into making cuts that are going to cost us more money in the long run, by putting this language into place. I don't have any problem in going back to what we did last night--I have problems with it, but I guess we have agreed that if that is a great concern of yours, we could agree to that. I think we could insert this language if you will put it in the way the statute is written, but to go this far, puts us in a situation where I am afraid we are actually end up in a worse deficit than we are now.

Senator Regan said, I would like the agency -- have they seen the language at all? Do you have any comments you'd care to make? Dave Lewis said, I was just looking at it at the present time. I understand from listening to Representative Spaeth, really the only difference between this and the statute is that the statute says that the Department shall have the authority to set priorities or whatever. In the current biennium the Legislature chose to include in the Appropriations act, language that said specifically that the Department should not expand or reduce the amount, scope and duration of medicaid services. Even though the statute very generally says we have the authority to do that, the current biennium in specific language in the Appropriations act says the Legislature does not want us to take those actions. The issue, I guess, in the coming biennium, would be to put this language in, but I would want to make sure that I know what the intent is. The difference in the language between the Appropriations Act and the statute, the fact that it is not exactly the same, I would assume that we are going to have some litigations if there are cut backs in those services. I think that is a fair guess, and the fact that there is language in the Appropriations Act which does not read consistent with the statute, I am not sure if that is a problem or not. I would have to sit down and think about that for a little bit and talk to some of our attorneys and I have not had an opportunity to do that. I had heard before, as we discussed in Finance and Claims, there are really three options here. The first is that the Legislature can simply eliminate all language and at that point the statute tells us what we should do, which is that we should have the authority to set

priorities and it is up to the Governor as to whether he wants to or not. Option 2 is to have, what we refer to as Representative Mark's language that was placed in the bill on the floor of the House which said that no matter what, we shall live within the appropriation, in which case we basically would have to eliminate the optional services. Option 3 is the language currently in the bill which says the Legislature has made a policy decision that the Department shall not expand or reduce the amount, scope and duration of medicaid services. This kind of throws a little different twist to it that I haven't really had a chance to think through or to talk to the attorneys about.

Representative Rehberg said, I do have the language. and brought it along; it was presented last night also. Attached as proposal #3.

Senator Regan said, this amendment that you are offering simply strikes any reference, and as Mr. Lewis says the statute takes over. That might be safer ground, and I think if I were to choose between one of the two, at least I would know what I was getting when I got the second amendment rather than the first amendment.

Representative Rehberg said, I think that might be the case, and I think we know certainly, what we would be getting if we left the bill as it is right now, and that is a pretty large supplemental when we come back; guaranteed without necessity of justification because it mandates, practically, the supplemental. This language would at least let the Legislature look at that supplemental and make a value judgment.

Representative Spaeth said, my understanding is that if we strike that language that the Senate added in there, then the statute would prevail? Mr. Lewis answered, yes.

Representative Spaeth said, since we have sort of 2 approaches, are you suggesting that we adopt both of them, or would you agree that we adopt the shortest of the 2, the second you handed out.

Representative Rehberg said, I would like to defer to Representative Thoft since I sort of stole his first amendment. Representative Thoft said, I think we could agree with that. I think you said that this first amendment would not hold up.

Senator Regan said, I am not comfortable with it, but I think I could buy off on the second one. Representative Thoft said, okay, that would be an awful lot better than the one that is in the bill at the present time.

Senator Regan said, we have one other issue and that is the funding of Ramirez's bill.

Representative Thoft said, one other thing I would like to discuss; house bill 912, I believe, we have another problem similar to this with the AFDC payment. I would like to have Representative Bardanouve discuss the content of his bill and the effect on House Bill 2.

Senator Regan said, certainly, we agreed to explore the issues, although you are bringing up more issues than we agreed to.

Representative Bardanouve said, I heard that was turned down in the Senate which means that this bill now is \$2,479,818 short and the Senate will have to consider receiving House Bill 912 or add almost \$2.5 million to this bill. My bill simply permits the Switzer amendment which is the law which passed the Finance and Claims, passed the House, passed the Senate and is in House Bill 2 now. This implements the Switzer amendment except, there was one small section of law that was overlooked and was not realized. A Tribune reporter wrote a story, and I got the bill, suspended the rules yesterday morning, had the bill prepared by the Council, the House had a hearing and we passed it through 2nd last night, 3rd reading this morning, and passed it over to the Senate. If the Senate does not accept it, this House Bill has to have that amount of money added to it or you will have a supplemental appropriation in '89 of \$2 million, so you would be deliberately, knowingly, creating a supplemental if you don't do that.

Representative Rehberg said, when we originally were talking about whether we were going to come down or not, and I understand it has been a bone of contention since the Conference Committee has been signed, and I just want it to be known to this committee that I was assured that if I signed that report and the House rejected it, that we would have an opportunity to come back and discuss it. At that time, I was not told that there was any restrictions as to what could or could not be talked about when we came down here. I am not trying to aggravate the situation, I just want it to be known that before I signed that report I had gone and talked to the staff about some of these things that I think are legitimate concerns to talk to you about, and I feel compelled to bring these up because one, I am not ready to give up on the spending side of the issue since I am one of those who believes that a tax increase is a last resort and until the 90th Legislative day is over, I feel incumbent upon those of us on the spending side to try to control state spending as much as possible, so I am not going to apologize for bringing these amendments in, I apologize if perhaps there was some mis-communication between the House and the Senate as to what we could talk about or not.

Senator Regan said, I don't think that you are limited, but it was our understanding from the Leadership when they met and talked that there were in essence, three issues that troubled you, and that is what we expected to be addressing, is those three issues, but I find it is a wider field and I don't want this field to keep widening. We all have concerns. I have a lot of concerns about this bill and a lot of amendments that I would like to offer too that would help control spending, and I offered to cut yesterday, but it was politically too much of a hot potato for you to take. I am talking about the veterans' bureau. Instead of having 8 field offices or 9, you could reduce them to 6 and have them cover a wider area. It is perfectly justifiable given modern day transportation and a hot line. Those are kind of side issues.

Representative Rehberg said, the issue to me though is that I never would have signed that conference committee if I had not been assured, and I was getting my information from your side, that we could come down here and talk about them.

Representative Rehberg handed out Proposal #4, attached, and Representative Spaeth said, I would request that Representative Rehberg explain what we are doing here. Representative Rehberg asked Representative Bardanouve if he had seen the amendment, and said as a result of Representative Bardanouve's 912 not passing, we had an amendment drafted, and I just throw this out as a way of perhaps, offsetting, within legal limits, to allow the Department of SRS to set different eligibility requirements and perhaps tighten up the AFDC and thereby lower the case load, so that when we get back in our supplemental it will not be \$2.4 million or higher.

Senator Regan asked, why is this necessary? Representative Bardanouve answered, I can't really comment on the amendment because I haven't seen it or know enough about it. There is another alternative, the Senate has been known to change it's mind, and with very few votes this would not be necessary. This may cause more problems than 912 would. HB 912 clearly spells out how to do it, and this leaves the Conference with no clear guide lines; at least they have clear guide lines in 912.

Representative Thoft said, I think it would be much simpler for the Senate to take into consideration if they want to save \$1,479,000, and if they do, they can reconsider and pass Representative Bardanouve's bill. It would be much cleaner and just part of the package.

Senator Jacobson said, I have problems with this.

Senator Regan said, I don't think the language does anything, that's my concern. It says SRS shall make changes

in the eligibility criteria allowed by Montana statute and federal regulations as are necessary to contain expenditures within the amount appropriated for Aid to Families with Dependent Children. I don't think that says anything.

Representative Rehberg asked Peter to answer, and Senator Regan said, say something to explain why this is necessary. Peter Blouke said, the intent of this amendment as the request was made to me is that, because current statutes specify the payment level that must be paid for general assistance recipients and, therefore indirectly AFDC recipients, there is not much the Department can do to adjust the payment level, however, there may be things the Department can do in establishing the need standard, the gross maximum income, that could potentially reduce the AFDC case load, and this would provide the specific legislative intent that the Department was to pursue whatever avenues that were available given the constraints of both the current state and federal regulations.

Representative Spaeth said, I think that that is a good proposal and if we can do that I would think we should go ahead and try and I would urge we agree and can move on this.

Senator Regan said, we apparently are accepting the language changes that are being proposed. The issue then, reverts back to the field appraisers and the amount of money. I guess the concern is money, we should take money out of the bill, and I would agree with that.

Representative Spaeth said, I would like to ask Representative Rehberg, and I agree completely, it has been our goal all along and it is a mutual goal that we reduce as much money out of House Bill 2 as possible. I would like to request -- have we set a sort of a dollar figure that you are shooting for or are we zeroing in on a particular program that we don't like. If we are just dealing with dollar amounts I think we can sit down and have some give and take. If we are dealing with programs that some people like and don't like, that would be another issue.

Representative Thoft said, I would like to comment on that. To me, it is dollars. I am not playing games here. Representative Rehberg said, it is not programs or a program. Representative Spaeth said, that probably makes it a little easier to resolve, and we all want to get as many dollars out of here as possible, but what kind of an objective are we shooting for.

Representative Thoft said, I made that argument last night and I hope you haven't forgotten it. I feel pretty strongly from what I've heard that I believe with Ramirez's bill funded for 2 years that we can, in fact, do away with at

least 1/2 of the field appraisers. The reason I feel that way is that the last appraisal cycle took 7 years, so the statute apparently is not a big issue. I think with the Ramirez bill, it is very possible that we can go to a 10 year cycle and probably have a better appraisal than we have today. Obviously the 7 years did not work, and they will be at least 2 years cleaning up the appeal mess. I just feel strongly that we can have a good system with that many less people, and the sampling that is in that bill.

Representative Rehberg said, in response to Representative Spaeth, on my part too, it is not an opposition with the program, because of course, as Chairman of the General Government subcommittee we dealt with the Department of Revenue continually. We know there is a problem. It bothered me when we had supplementals twice having to do with the appeal procedure. We know there is a flaw in the system that has locked us into a tax rate based on 5 years ago that people are pretty upset about. The Ramirez bill is an attempt to make things more current, to make them better, and perhaps to see a lessening of the tax appeal procedure. Representative Ramirez is not sure if this is going to work or not, but we are willing to take a chance that it will make the system better and the people won't be as adamant against paying their taxes and appealing it, and of course we pick up whatever tax appeal bill that the counties send us. Ramirez's bill is an attempt to change the system. As a result of that, we think there will be a cost savings in the appraisal cycle as Representative Thoft said. The statutes aren't a barrier to perhaps stretching out that appraisal cycle. There is language that could be placed in there in House Bill 2 to extend that to 7 years, or whatever, and then it certainly should be addressed in the next legislature. If you would rather leave the language out it would force us to address it in the next legislature. We don't want to hurt the system of appraisal, but we see a correlation between the Ramirez bill and the system being wrong, and let's try this. Let's get rid of half or a quarter or whatever we could agree to of the appraisers and try this system for a cost savings now that we really need.

Senator Regan said, the question of language. It is my understanding that in an Appropriation bill you cannot write language. I think it is obvious that kind of language cannot be put in this bill. I would urge that we not do that, simply because it is not proper. If we have an attorney here from Legislative Council, I am sure they can tell you that.

Representative Spaeth said, I would like to ask a couple of questions. I sort of like the idea that Representative Rehberg has put forward as far as the reappraisal problem we have, but I've looked at the system over there and I don't think that we can just necessarily cut it in half and extend

it by 5 years. We have about \$12 million over the biennium, but a certain percentage of that is devoted to the yearly reappraisals such as on personal services and items like that. This wouldn't necessarily change that part of the system, nor would Representative Ramirez's bill necessarily change that part of the system, and that is included in the \$12 million. I wonder if we have a figure as to how much that is. We also have the new appraisal such as new buildings, etc, and those would not be involved in the new appraisal but it is a part of the \$12 million that we have here and we couldn't reduce that as a result of the Ramirez proposal, so I think we are dealing with a sum, different than the \$12 million if we were to cut it in half, and I wondered if we had looked at some of the figures on that.

Representative Thoft said, Representative Spaeth is absolutely right. We would reduce by 50% the field appraisers, it would not affect the appraisal of new property or the central appraisal. I don't know the dollar figures, but I am sure someone can do that very easily.

Representative Spaeth said, maybe we could have someone take a look at that and see if it is a possibility and look at another issue that has been proposed.

Representative Rehberg said, in the spirit of cooperation, I had mentioned the 15% indirect in the University System and I would withdraw that proposal. At least from my perspective as an issue, because I would imagine there would be some opposition to that. I won't bring that up.

Senator Regan said, I would prefer not to address it but to let it be solved as a separate issue and it will be voted up or down by both bodies independent of this, and I think probably properly so. I appreciate your not bringing it up.

Representative Spaeth said, I am wondering if there are other issues, we are dealing with different sums, or go back to Senate Bill 200. It looks like we want to take \$800,000 as a result of Senate Bill 200. I guess one of the things that I would like to do when we look at Senate Bill 200, is we still have the problems as far as the Department of Justice is concerned that we didn't take a look at last night, and I would like us to reexamine that revenue in the Department of Justice. What we do with the Department of Justice, is they send out the cards but they don't get the computerized tapes, the folks don't know how much they have to pay, they have to go into the CCourthouse, but if they send out the cards and know what they are doing, they can still do a lot of this by mail, and I think it is very important that we allow the Department of Justice to go ahead and take care of their tape, it makes it very important in implementing this whole system. I have several amendments here. I think we should move on while I sort out



the amendments. Perhaps Senator Jacobson may have some suggestions.

Senator Regan said, the two areas still not addressed then are the field appraisers and the appraisers for Senate Bill 200. We have to settle them, accept or reject and that is sufficient.

Representative Rehberg asked, if he could ask their resident tax expert, Representative Ramirez if he has any numbers available and is looking at the issue of the sales assessment ratio annual. This is the appraisers and the correlation between Representative Ramirez's bill.

Representative Ramirez said, you can ask, but I really don't have the figures on that. I think you are on the right track. I think you can figure that out and the Department can give you some guidance on that. In getting back to 437, I believe you can stretch that out because the whole idea of the bill is to make a periodic reappraisal every year if it needs it. You will have that information plus the appraisals you make. You can make an adjustment every year if necessary. All your difficult appraisals become more or less, an adjustment or a verification of the appraisal on a periodic basis, and you don't have the urgency to have it every 5 years. You can do it every 7 years or 10 years, or what have you because your property will be adjusted on an annual basis. If you can expand the length of the cycle, you should be able to do it with less people, but you do have some people doing some work on specific work like new construction, etc. I rely on the Department for my information on this.

Senator Van Valkenburg made an announcement on behalf of himself and Senator Aklestad that they have advised the Senate they will stay out until 10:45 to see what progress this informal committee makes. It would be our hope if you could do your best in the next 10 minutes or so to get to the point where you find if you are in agreement on something or not, so that we could find out if changes might be made. We are obviously late here on the 90th day and decisions may have to be made faster than you would be comfortable with.

Senator Jacobson asked, could we go off the field appraisals because I think that issue is not going to get resolved here. I would like to throw out another amendment for you. Proposal #5 is attached. Back in the subcommittee we talked about this a little bit and I think it was on some of your lists over in the House. This would close one Agricultural Experiment Station. We specifically asked which one, and it is the Corvallis station. The reasons for it are these: Corvallis is the smallest of the Experimental Stations, --

Representative Thoft asked her if she were serious and Senator Jacobson answered yes, she was being serious and said, let me tell you the reasons why. You have discussed it in the House, we have discussed it in the Senate, we discussed it in the last Legislative Session that we were going to cut 2 Experimental Stations. I can change this and tell you to cut one if you want, but if you are going to close one, and we checked today, this is the one that makes the most sense for these reasons: It is the smallest one, it is engaged in weeds and berry research, all the weed research is duplicated in other stations, the station has the least impact on Montana Agriculture, and there is another station in Western Montana, so that research can be done in similar climate and soils. Those are the reasons you can do it. It would save \$467,812 in general fund money. Attached as proposal #5.

Senator Hammond said, these other attempts that we are making here are statewide. This is an attempt to take a shot at one person in one area, and nothing else and I don't think it is very fair or very appropriate.

Senator Regan said, the whole question of the Experimental Stations has been discussed. There was a discussion of closing 2 of them, if you remember 2 years ago. Senator Hammond said, they went into consolidation. Senator Regan said, yes, but that didn't deal with the Experimental Station per se.

Senator Jacobson said, Representative Rehberg just handed me another amendment which would save \$221,000 in general fund each year of the biennium, which is an amount equal to the average cost of 1 research center.

Representative Rehberg said, I had brought that amendment and was going to present it. This deals with the same thing only she picked the station and I had them come up with the average cost of the stations and then for them to pick and that is how much we would cut out. I guess my confusion is, is Corvallis the smallest and the cheapest or just the smallest. There seems to be a little difference in numbers here.

Representative Thoft asked, where did you get your information? Senator Jacobson said, I believe from Carrol Krause. Representative Rehberg said, he didn't recommend closing Corvallis? Senator Jacobson said, no, but he gave us the information. Carrol Krause, is this not your figures on the Corvallis station. Commissioner Krause answered, I am not sure what the figures are. I was asked today what the budget was for the Corvallis station. I think the response I gave was approximately \$220,000. I don't know what you have there.

Representative Thoft asked, will you answer where you got the information on what it does and why it does it. Senator Jacobson said, I am not sure who wrote this out. Representative Thoft said, I would greatly appreciate knowing. Senator Jacobson said, if you are going to get picky about that, would you like to just look at any station and the money involved? I did not mean to pick on you personally, I really didn't.

Representative Thoft said, I want to tell you why it is rather interesting. Welch and I had the same discussion about closing the Experiment Station, and I think I had some conversation with Dr. Tietz about it and they suggested, you know, that if they were going to do that Corvallis would be the logical choice. So, you see, we are just playing a game here and I think you got caught up in that game.

Representative Spaeth said, I think this represents that both sides are willing to make some cuts and both sides have some different places and maybe both sides find each of the cuts not as desirable as other cuts. I think we can come to some kind of conclusion on Senate Bill 200. I think we can make some cuts there. I suggest before we make the cuts here, I would like to throw out on Senate Bill 200, the Motor Vehicle Registrar's Bureau and getting that mailing up to date. I have an amendment here, it puts money from the Educational Trust back in for the Department of Justice, the Motor Vehicle Division. My proposal, if we adopt this, is that we go ahead and reduce the FTE's in the first year of the biennium by 12 FTE's and reduce the FTE's in the second year of the biennium by 10 FTE's. I have to admit, that is like the 24 that we were reducing, and it may be like the 48 we have. It is being arbitrary, it is being capricious, all of those things, but if we are going to get any kind of agreement, I suggest we find the middle ground, and that is where this is. I would move this amendment.

Senator Hammond said, you are saying 12 FTE's the first year and 10 additional the second year. Representative Spaeth answered, I would suggest we take 12 out, we wanted to reduce it by 24. I am just saying, go ahead, we will take it right in the middle of where it is at. We have already taken out 5 the second year, and that is why I am suggesting 10 the second year, that is a 15 FTE reduction the second year of the program.

Representative Rehberg asked, the \$60,000 administration -- it is under the federal special revenue account? He was told yes, then asked, that is what source then? Representative Spaeth answered, we would be putting Educational Trust as the source of funding and item 7 C is the local impact and education trust fund. That is what I asked the LFA to put together on this.

Representative Rehberg said that is fine, as long as I understand the \$120,000 for the implementation of this is coming from the education trust fund. The second part of your proposal is on the Motor Vehicle Registrar Bureau and I think you are looking for a reaction from us as to whether that would be acceptable. Representative Spaeth said, and I am not even sure that the other two people on our side of the aisle would agree with that. I think maybe the only problem I have is that maybe the 10 the second year might be a little deep to get it going, but I think we can take out 2 more the second year than we did the first year.

Representative Rehberg said, I can only speak for myself too, but I do find that acceptable. Senator Hammond said he did also.

Senator Regan asked if Representative Thoft would find it acceptable and he said, I think so, but would you clarify your numbers again? You are taking out 12 the first year.

Representative Spaeth said, and we have 10 the second year and we have 5, that would make 15. We would end up with 36 and we would end up with 33. I guess I would rather go with 34 the second year and 36 the first year.

Senator Regan said, instead of talking about it you are identifying the FTE level we would have.

Representative Spaeth said, we would end up with 36 the first year and 34 the second year. I have deep reservations about that, but I think that 11-10 the second year, if we can't compromise with this for the people of Montana, then I guess that is where I would be concerned.

Senator Hammond said, that isn't the way I understood the numbers to start with. You said you were going to take out 12 the first year, we said take out 24. You said 12 the first year and an additional 10 the second year and that's not the way it is coming out. Representative Spaeth said, the reason I don't like 23 -- I'd like to take out 9 the second year in addition to the 5. It would be down from 43. Senator Jacobson said, we funded down last night.

It was agreed by the members that this was okay, and they would have 36 the first year, 34 the second.

Senator Regan said, we have settled 3 of the 4 issues then. We have settled the medicaid language, we have apparently settled the Aid to Dependent Children language, we have adopted an FTE level at 36 and 34, and we have provided for some money from educational trust fund to implement the start-up of Senate Bill 200. Attached is proposal #6.

Representative Spaeth said, I have one other issue. When you mentioned start-up. The money that I have here in this other amendment is just the operational cost for once we get SB 200 going. I have another proposal that we use educational trust money for both. Since we are taking money out of the Department of Revenue, I think they do need the \$89,000 and the Department of Justice needs the \$56,000 to get it going, and along that same line, I have prepared an amendment that we would fund that \$89,000 and the \$53,000 with coal trust monies, and that is what you have here. Proposal #7 is attached to the minutes. Since we are cutting them back, I think we have to give them some lead-in money, and that's what I am proposing we do. It is not a lot of money here, and it is from the educational trust.

Senator Hammond asked, where was this left last night? Representative Spaeth said, we didn't put it in, but since we are chopping back, I think we need to allow them flexibility to slide into that a little easier so we don't have that huge start-up problem that we would on July 1.

Senator Jacobson said, I think the last thing we did last night was to suggest that the counties were going to eat it and we decided to let the Department eat it, but if you are going to cut that far back, then we may want to fund it.

Representative Thoft said, you are funding what? Senator Jacobson said, the start-up. Representative Spaeth said, the start-up so that by July 1, since we are taking out more positions on July 1, I think we have to slide them in a little gradually on that July 1 day, and that is what I am proposing here. I think that is the problem on the Motor Vehicle one, and that is what I am proposing here. It also makes good sense in the long haul because we have fewer FTE's to look at when we come back in the next biennium.

Representative Rehberg said, specifically, the \$89,000 in the Department of Revenue is FTE's? Representative Spaeth said, they would be FTE's coming on, yes. I would assume that they would be.

Representative Rehberg asked, would then these same FTE's be part of the total? Senator Regan said they will not be duplicated. We can put language in there to make it abundantly clear.

Representative Spaeth said, we are putting them on a couple months earlier. Representative Rehberg said, they will probably be in Helena, but then will become field staff. Senator Regan said, but they count as the first 36. Representative Spaeth answered, yes.

It was agreed the first half of the proposal was okay, and Senator Regan said the committee would go to the second half.

Representative Spaeth said, the second half again, is to try to get the computerized tapes in the Department of Justice on line and going before July 1 so that they can have the mail-outs ready to go on July 1, or shortly thereafter. I think that is important in Senate Bill 200, is to implement it right away.

Senator Hammond said, they take this right off the blue book, don't they? Representative Spaeth answered, yes. They just plug it into the Department tape, there is no FTE's there.

Senator Hammond asked, where did you get this amount of money? Representative Spaeth said, that was from what we had recommended to us from last night. I just came up with an alternate source of money for it.

Representative Thoft said, we did not fund this program last night? This money is educational trust money? Senator Jacobson answered, yes. Representative Rehberg said, last night we were considering general fund appropriation. Now we are considering education trust fund picking up this, so there is no general fund impact.

Senator Regan said, I think if we can sign off on this, we have settled 3 out of 4, and that isn't bad.

Representative Marks said, you started out this meeting being rather informal. I am wondering if you could formalize this, take some formal actions so that when you go back upstairs you could instruct the staff to prepare this work, and I think we could get cracking on this thing, and I would appreciate it if you could do it.

Senator Jacobson said, this is just what we were going to say, is that we agree to take care of this when we come back down, that each of us agrees to sign the Conference Committee report. Representative Rehberg said, I don't think we even have to come back down.

Senator Regan said, we want to make sure that we are in agreement. Representative Thoft said a few amendments can do it. Senator Regan said, all right, let's go into a formal meeting and call the meeting to order, and we will sit as the Joint Conference Committee now on House Bill 2. There are some concerns that we have to address and I will entertain a series of motions that hopefully bring us to resolve the problems we had.

Amendment #1. B-14, line 5. Representative Rehberg moved the amendment be adopted. He said this is the language referring to the eligibility criteria within the Aid to Families with Dependent Children, AFDC.

Senator Regan said, this has thoroughly been discussed?  
Voted, passed, unanimous.

Amendment #2. B-14, line 23. Motion by Representative Rehberg to adopt the amendment. This would strike the language that was added by the Senate, having to do with medicaid optional.

Voted, passed, unanimous.

Amendment #3. A-13, line 22. Motion by Representative Spaeth to adopt the amendment. This is the \$60,000 per year for the Department of Justice in Senate Bill 200.

Voted, passed, unanimous.

Amendment #4. Bp-4 and F-17. Motion by Representative Spaeth to adopt the amendment. Implementation and start-up costs in Senate Bill 200.

Voted, passed, unanimous.

Amendment #5. A-19, line 24. Motion by Representative Spaeth. This is the funds for 200 with changes to 36 FTE's in the first and 34 in the second year of the biennium and the figures to be changed.

Voted, passed, unanimous.

Amendment #6. A-16, line 18. Motion by Representative Spaeth. This puts the start-up in the Department of Justice so they will be on line for mailing on or shortly after July 1.

Voted, passed, unanimous.

Representative Rehberg said, can I assume that the appraiser is still available as an issue we could talk about real briefly?

Senator Regan said, I think that is a dead issue. I think we have reached 3 out of 4, we have done well, the hour is late, and I don't think we're going to be able to settle that, not if we stay until 4 in the morning.

Representative Rehberg said, I can't argue that.

Conference Committee HB2  
April 23, 1987  
Page 24

Judy Rippingale said, I think you need to approve all the amendments you made previous to this, except the ones that these over ride.


Motion by Representative Spaeth to approve all the amendments made previously except those over ridden by those approved tonight.

Voted, passed, unanimous.

Motion by Representative Spaeth that the Conference Committee report as amended and previously amended, be adopted.

Voted, passed, unanimous.

The Conference committee was adjourned..

  
\_\_\_\_\_  
Senator Regan, Chairman



# CONFERENCE COMMITTEE REPORT

Report No. .... One .....

..... 19 .....

MR. PRESIDENT

We, your \_\_\_\_\_ Free \_\_\_\_\_ Conference Committee on  
\_\_\_\_\_ House Bill No. 2 \_\_\_\_\_

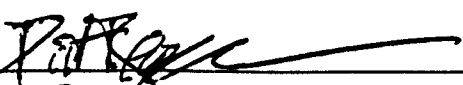
met and considered House Bill No. 2 \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

We recommend as follows: That House Bill No. 2, reference copy, be amended  
as follows:

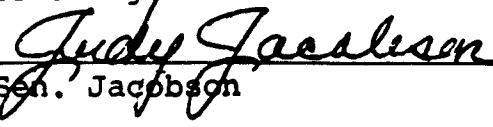
And that this Conference Committee report be adopted.

FOR THE SENATE

FOR THE HOUSE

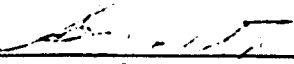
  
\_\_\_\_\_  
Sen. Regan

\_\_\_\_\_  
Rep. Thoft

  
\_\_\_\_\_  
Sen. Jacobson

  
\_\_\_\_\_  
Rep. Rehberg

\_\_\_\_\_  
Sen. Hammond

  
\_\_\_\_\_  
Rep. Spaeth

ADOPT REJECT

Amend House Bill 2  
Salmon reference copy

1. Page A-19, Line 24

Strike: 8,114,206

8,182,783

Insert: 8,526,306

8,553,344

LFA will amend totals

This amendment increases general fund \$412,100 in fiscal 1988 and \$370,561 in fiscal 1989, or \$782,661 for the biennium. This represents 50 percent of the increase approved by initial conference committee action.

This amendment provides funds for implementation of SB 200, and provides for 24 FTE in fiscal 1988 and 21.5 fte in fiscal 1989.

#5 am

adjust to allow 36 FTE's the  
first year, 34 in the second  
year of the biennium.

Proposal  
Conf. Com #2  
SENATE FINANCE AND CLAIMS  
EXHIBIT NO. 1  
DATE 4-23-87  
BILL NO. 2

Am #2  
Rh Passed  
Remain

Amend House Bill 2 (Salmon Reference Copy)

1. Page B-14, Line 23

Following: "APPROPRIATION" line 23

Strike: Remainder of line 23 through line 7 page B-15

Insert: "Consistent with 53-6-141 (2), If available funds are not sufficient to provide medical care for all eligible persons, the department shall set priorities to limit, reduce, or otherwise curtail the amount, scope, or duration of the medical care and services made available.

AMEND3:hb2b-14.

Conf Com #2  
SENATE FINANCE AND CLAIMS  
Proposed #2  
EXHIBIT NO. 2  
DATE 4-23-87  
H BILL NO. 2  
Amend #2

*ms am*

Amend House Bill 2 (Salmon Reference Copy)

1. Page B-14, Line 23

Following: "APPROPRIATION" line 23

Strike: Remainder of line 23 through line 7 page B-15

AMEND3:hb2b-14.

*Conf. Com # 2*  
~~SENATE FINANCE AND CLAIMS~~  
*Proposal*  
EXHIBIT NO. 3  
DATE 4-23-87  
H BILL NO. 2

*- Am #1  
file - Passed  
renew*

Amend House Bill 2

1. Page B-14, line 5.

Following: line 5

Insert: "SRS shall make all changes in eligibility criteria allowed by Montana statute and federal regulations as are necessary to contain expenditures within the amount appropriated for Aid To Families With dependent Children.

*Conf. Com #2*  
SENATE FINANCE AND CLERK  
*Proposed*  
EXHIBIT NO. 4  
DATE 4-23-81  
H. BILL NO. 2  
*Amendment #1*

*no am*

AMENDMENTS TO HB2 - REFERENCE BILL  
Section F - Higher Education

Page F-6:

Line 15

Strike:	6,204,968	1,998,303	6,257,135	1,998,303
Insert:	5,971,063	1,996,903	6,023,230	1,996,903

This eliminates the Agricultural Experiment Station western research center at Corvallis for a reduction of 8.72 FTE (2.44 faculty included), a reduction of \$233,905 of general fund and \$1,400 of state special revenue per year. Total reduction is \$235,305 per year, for a biennial savings of \$470,610 -- of which \$467,810 is general fund.

*Conf. Com #2*  
SENATE FINANCE AND CLAIMS  
*Proposal*  
EXHIBIT NO. 5  
DATE 4-23-87  
# FILE NO. 2

*Amend # 3 = #1  
passed in*

Amend House Bill 2  
Salmon reference copy

1. Page A-13  
Following Line 22  
Insert: c. Administration - Senate Bill 200  
60,000 60,000 (federal special revenue)
- #6 SP.*  
2. Page A-16  
Following Line 18  
Insert: The source of funding in item 7c is the local impact and  
education trust fund account.

This amendment funds the implementation of Senate Bill 200 in the Motor Vehicle Registrar Bureau of the Department of Justice using the education trust fund.

*Conf. Com #2*  
SENATE FINANCE AND ~~COM~~  
*Proposed*  
EXHIBIT NO. 6  
DATE 4-23-87  
H. BILL NO. 2  
*Am # 3 = #1*  
*Am # 6 = #2*

*Am #4*

Representative Spaeth  
Amend House Bill 2 (Salmon Reference Copy)

1. Page BP-1, Line 6  
Following: "1989"  
Insert: "and providing fiscal 1987 supplemental appropriations to fund implementation costs of legislation enacted by the 50th legislature"
2. Page BP-4, Following Line 24  
Insert: "Section 15. Fiscal 1987 supplemental appropriations. There is appropriated from the local impacts and education trust fund account, the following amounts for fiscal 1987, to implement Senate Bill 200.  
a. Department of Revenue, Property Assessment Division, \$89,055.  
b. Department of Justice, Motor Vehicle Registrar, \$53,000.  
Renumber subsequent sections.
3. Page F-17, Following Line 13  
Insert: Section 15 is effective on passage and approval.

AMEND3:bp1.

*Conf Com #2*  
**SENATE FINANCE AND CLERK**  
*Proposal*  
EXHIBIT NO. 7  
DATE 4-23-87  
H. BILL NO. 2  
*Amend #4*



1. Page BP-3, line 25.  
Following: " INDIVIDUALS,"  
Insert: "after January 1, 1988,"
2. Page BP4, line 1.  
Following: "sciences,"  
Insert: "the department of family services, the department of institutions,"
3. Page A-1, line 9.  
Strike: " 926,544"  
Insert: " 963,944"
4. Page A-1, line 25.  
Strike: "794,956"  
Insert: "788,773"
5. Page A-2, line 5.  
Strike: " 718,820"  
Insert: " 712,552"
6. Page A-4, line 22.  
Strike: "245,347" and "241,331"  
Insert: "243,618" and "239,609"
7. Page A-4, line 25.  
Strike: " 26,200"  
Insert: "101,200"
8. Page A-5, line 23.  
Strike: " 131,719 50,000 131,623 50,000"  
Insert: " 181,719 181,623" (general fund columns)
9. Page A-6.  
Following: line 16  
Strike: lines 17 and 18 in their entirety
10. Page A-8, line 24.  
Strike: "699,484 227,603" and "709,775 224,292"  
Insert: "510,157 383,930" and "521,931 379,136"
11. Page A-9, lines 14 and 15.  
Strike: lines 14 and 15 in their entirety
12. Page A-10, line 14.  
Strike: " 256,271" and " 256,039"  
Insert: " 238,271" and " 238,039"

13. Page A-11, line 5.

Strike: "716,740" and "714,064"

Insert: "696,740" and "694,064"

14. Page A-11, line 12.

Strike: "273,759" and "268,514"

Insert: "283,759" and "278,514"

15. Page A-15, line 13.

Strike: "  $\frac{143,835}{0}$   $\frac{633,964}{777,799}$   $\frac{143,232}{0}$   $\frac{629,368}{772,600}$ "

Insert: "  $\frac{143,835}{0}$   $\frac{633,964}{777,799}$   $\frac{143,232}{0}$   $\frac{629,368}{772,600}$ "

16. Page A-16, line 15.

Following: line 15

Insert: "The department shall purchase the modular facilities in Bozeman that currently house the Montana law enforcement academy. For the purpose of purchasing such facilities, the department is authorized to expend funds appropriated in item 10a."

17. Page A-17, line 8.

Strike: "437,791 77,550" and "436,834 75,354"

Insert: "412,791 102,550" and "411,834 100,354"

18. Page A-19, line 7.

Strike: "  $\frac{74,795}{230,728}$  and "  $\frac{120,455}{238,348}$ "

Insert: "  $\frac{74,795}{230,728}$  and "  $\frac{120,455}{238,348}$ "

19. Page A-19, line 24.

Strike: "  $\frac{8,114,206}{8,671,921}$  and "  $\frac{8,182,783}{8,657,816}$ "

Insert: "  $\frac{8,114,206}{8,671,921}$  and "  $\frac{8,182,783}{8,657,816}$ "

20. Page A-20.

Following: line 10

Insert: "e. Property Assessment -- House Bill 436  
500,789" (federal special revenue, fiscal 1989)

21. Page A-21.

Following: line 10

Insert: "The source of funding in item 7e is the local impact and education trust fund account."

22. Page B-5, line 19.

Strike: "125,000" and "125,000"

Insert: "216,760" and "216,760"

23. Page B-6.

Following: line 14

Insert: "1. New Horizons  
27,095 27,095" (general fund columns)

24. Page B-8.

Following: line 10

Insert: "Item 11 is contingent upon passage and approval of  
House Bill 460. If House Bill 460 is not passed and  
approved, general fund in item 1e is reduced to  
\$125,000 in fiscal 1988 and \$125,000 in fiscal 1989."

25. Page B-8, line 14.

Strike: "5,625,446" and "3,524,512"

Insert: "5,735,323" and "3,549,363"

26. Page B-8.

Following: line 20

Insert: "iii. Nonresident General Relief  
180,000" (general fund, fiscal 1988) "180,000"  
(general fund, fiscal 1989)

Renumber: subsequent subsections

27. Page B-10, line 20.

Strike: "6,540,607 6,606,013"

Insert: "7,168,000 7,349,000"

28. Page B-10, line 21.

Strike: " 19,130,953" and " 21,138,236"

Insert: " 18,503,560" and " 20,395,249"

29. Page B-12, line 14.

Strike: " 310,359" and " 938,622"

Insert: " 280,458" and " 908,722"

30. Page B-12, line 16.

Strike: "12,921,903"

Insert: "13,421,903"

31. Page B-12, line 17.

Strike: " 5,846,843" and " 13,517,746"

Insert: " 5,502,908" and " 13,396,869"

32. Page C-3, line 7.

Strike: " 223,505" and " 217,284"

Insert: " 594,830" and " 588,609"

33. Page C-5, line 24.

Strike: " 5,210,325"

Insert: " 5,154,352"

34. Page C-6.

Following: line 13

Insert: "The department shall consolidate support functions by July 1, 1988. If any relocation costs are incurred in consolidating functions, they must be financed from the forestry division's fiscal 1988 appropriation. The department shall report to the 51st legislature on the fiscal savings of the consolidation."

35. Page C-6, line 18.

Strike: " 1,801,255" and " 1,862,582"

Insert: " 1,805,955" and " 1,867,282"

36. Page C-7, line 18.

Strike: " 3,696,188" and " 3,697,824"

Insert: " 3,702,088" and " 3,703,724"

37. Page C-7, line 24.

Strike: " 2,662,150" and " 2,612,810"

Insert: " 2,677,150" and " 2,627,810"

38. Page C-8.

Following: line 5

Insert: "c. Wildlife Habitat  
3,600,000" (State special revenue, fiscal 1988)  
"d. Pheasant Enhancement Program  
987,000" (State special revenue, fiscal 1988)

39. Page C-8, line 11.

Strike: " 1,108,854" and " 1,084,442"

Insert: " 1,111,104" and " 1,088,942"

39A. Page C-9, line 11.

Strike: line 11 in its entirety

Insert: "Items 1b, 2c, 5c, and 5d are biennial appropriations."

40. Page C-9.

Following: line 13

Insert: "If this act and House Bill 599 are both passed and approved, the \$100,000 appropriation provided in section 1 of House Bill 599 is void and the department of fish, wildlife, and parks shall transfer \$150,000 to the university of Montana. The funds so transferred are appropriated for the use of the biological station at Yellow Bay for the purposes of House Bill 599."

41. Page C-12.

Following: line 8

Insert: "Of the funds appropriated in item 4a, not more than \$584,788 for each year of the biennium may be used for adjudication of pre-July 1, 1973, water rights."

42. Page C-12, lines 11 through 13.  
Strike: lines 11 through 13 in their entirety

43. Page C-13, line 12.  
Strike: "539,626" and "536,444"  
Insert: "513,626" and "510,444"

44. Page C-12.  
Following: line 13  
Insert: "Enactment of House Bill 642 and House Bill 831 satisfies the emergency provisions of 17-7-403, and the department may request a budget amendment to spend the fees collected under the authority of the bills."

45. Page C-13, line 19.  
Strike: " 686,692 30,114" and " 683,219 59,257"  
Insert: " 636,692 130,114" and " 633,219 159,257"

46. Page C-14, line 10.  
Strike: "4,575,215" and "4,672,834"  
Insert: "4,475,215" and "4,572,834"

47. Page C-14, line 25.  
Strike: "b. Local Government Block Grant"  
Renumber: subsequent subsections

48. Page C-15, line 5.  
Strike: line 5 in its entirety

49. Page C-15, line 9.  
Strike: " 2,500,000" and " 2,500,000"  
Insert: " 2,286,259" and " 2,373,870"

50. Page C-16, line 17.  
Strike: " 1,323,267" and " 1,360,660"  
Insert: " 1,311,931" and " 1,348,021"

51. Page C-17, line 11.  
Strike: " 2,999,805" and " 3,025,405"  
Insert: " 658,411" and " 597,247"

52. Page C-19.  
Following: line 21  
Insert: "If the revenues deposited to the general fund through the implementation of Senate Bill 200 are less than the appropriation for district court reimbursement, the department shall reduce the reimbursement to equal the revenues generated."

53. Page D-5, line 25.

Strike: " 7,503,511" and " 7,576,576"

Insert: " 7,516,081" and " 7,589,146"

54. Page D-6, line 24.

Strike: " 2,848,740   510,722   2,873,834   510,722"

Insert: " 2,833,740   525,722   2,858,834   525,722"

55. Page D-8.

Following: line 15

Insert: "If House Bill 460 is not passed and approved,  
general fund in item 2b is reduced to \$7,503,511 in  
fiscal 1988 and \$7,576,576 in fiscal 1989."

56. Page E-2, line 12.

Strike: " 702,295" and " 707,991"

Insert: " 686,096" and " 691,805"

57. Page E-3, line 17.

Strike: " 870,397" " 873,767"

Insert: " 849,051" " 852,423"

58. Page E-4.

Following: line 18

Insert: "Item 3 includes \$150,271 in fiscal 1988 and  
\$150,282 in fiscal 1989 of general fund and \$179,925 in  
fiscal 1988 and \$179,938 in fiscal 1989 of federal  
funds, contingent upon the board of regents contracting  
with the office of public instruction to administer and  
supervise K-12 vocational education programs, services,  
and activities in accordance with House Bill 39."

59. Page E-5, lines 6 and 7.

Strike: lines 6 and 7 in their entirety

Renumber: subsequent subsections

60. Page E-5, line 9.

Strike: "147,523" (fiscal 1989 only)

Insert: " 33,821" (general fund, fiscal 1989 only)

113,701" (state special, fiscal 1989 only)

61. Page E-5, line 22.

Strike: line 22 in its entirety

62. Page E-5, line 23.

Strike: "7"

Insert: "6"

63. Page E-6.

Following: line 6

Insert: "All revenues received under the provisions of 20-9-343 for state equalization aid are appropriated to the superintendent of public instruction for the biennium ending June 30, 1989, for public school support other than special education.

If House Bill 904 does not pass, there is appropriated from the general fund \$93,000,000 for the biennium ending June 30, 1989, to be used to the extent funds appropriated under the provisions of 20-9-343 are insufficient to finance the maximum general fund budget schedules for public schools, excluding special education."

64. Page E-6, line 11.

Strike: "3,350,000" and "3,350,000"

Insert: "1,025,000" and "1,025,000"

65. Page E-6.

Following: line 21

Insert: "Item 2 is contingent upon the board of regents contracting with the office of public instruction to administer and supervise K-12 vocational education programs, services, and activities in accordance with House Bill 39."

66. Page E-7, line 7.

Strike: " 514,290 455,811 514,290 455,811"

Insert: " 552,545 417,556 590,773 379,328"

67. Page E-7, line 14.

Strike: "125,975 260,157" and "54,092 332,075"

Insert: "133,026 253,106" and "64,279 321,888"

68. Page E-8, line 5.

Strike: " 530,859 270,961 530,859 270,961"

Insert: " 563,073 238,747 595,265 206,555"

69. Page E-8, line 12.

Strike: "212,830 137,425" and "166,404 183,881"

Insert: "218,767 131,488" and "174,982 175,303"

70. Page E-8, line 25.

Strike: " 492,189 331,408 492,189 331,408"

Insert: " 524,403 299,194 556,595 267,002"

71. Page E-9, line 10.

Strike: "220,421 156,686" and "171,217 205,924"

Insert: "226,358 150,749" and "179,795 197,346"

72. Page E-9, line 23.

Strike: " 820,684 482,024 820,684 482,024"  
Insert: " 873,033 429,675 925,345 377,363"

73. Page E-10, line 8.

Strike: "316,347 99,550" and "162,758 253,177"  
Insert: "325,996 89,901" and "176,698 239,237"

74. Page E-10, line 21.

Strike: " 643,444 516,719 643,444 516,719"  
Insert: " 689,752 470,411 736,028 424,135"

75. Page E-11, line 6.

Strike: "146,816 274,262" and "282,779 138,338"  
Insert: "155,351 265,727" and "295,110 126,007"

76. Page F-2.

Following: line 21

Insert: "3. Vocational Education Grants  
2,325,000 2,325,000" (federal special revenue)

Renumber: subsequent subsections

77. Page F-3, line 5.

Strike: " 901,687 883,947" and " 901,687 684,981"  
Insert: "1,161,470 624,164" and "1,436,131 150,537"

78. Page F-3, line 8.

Strike: " 1,656,141 277,477" and " 1,415,429 611,292"  
Insert: " 1,933,618 0" and " 1,949,929 41,792"

79. Page F-3, line 16.

Strike: "300,450" and "300,450"  
Insert: "276,450" and "276,450"

80. Page F-4.

Following: line 24

Insert: "General fund support of the family practice  
program does not extend beyond fiscal 1988."

81. Page F-5, line 7.

Strike: "709,912" and "713,832"  
Insert: "695,424" and "699,264"

82. Page F-5, line 9.

Strike: "8,820"  
Insert: "8,640"

83. Page F-5, line 12.

Strike: "1,646,996" and "1,656,090"  
Insert: "1,613,384" and "1,622,292"



84. Page F-5, line 14.

Strike: "8,820"

Insert: "8,640"

85. Page F-5, line 17.

Strike: "731,209" and "735,247"

Insert: "716,286" and "720,242"

86. Page F-5, line 19.

Strike: "8,820"

Insert: "8,640"

86.a. Page F-5, line 23.

Strike: "49%"

Insert: "48%"

86.b. Page F-5, line 25.

Strike: "49%"

Insert: "48%"

Strike: "51%"

Insert: "52%"

87. Page F-6, lines 22 through 24.

Strike: lines 22 through 24 in their entirety

Insert: "General fund support for startup of the spring wheat breeding and biotechnology program at the agricultural experiment station is for the 1989 biennium only. Other funds will be required to continue the program beyond the 1989 biennium."

88. Page F-7, line 7.

Strike: " 1,954,375" and "1,955,847"

Insert: " 1,866,964" and "1,868,436"

89. Page F-7, lines 10 and 11.

Strike: lines 10 and 11 in their entirety

90. Page F-9, lines 4 and 5.

Strike: lines 4 and 5 in their entirety

91. Page F-9, line 20.

Strike: " 120,000" and " 120,000"

Insert: " 100,000"

92. Page F-10.

Following: line 14

Insert: "General fund support of the museum of the rockies does not extend beyond the 1989 biennium. It is expected that private funds will replace general fund support beginning in the 1991 biennium. Item 4c is a biennial appropriation."

LFA will adjust totals accordingly.

	- - - 1989 Biennium - - -	- - - Other Funds
General Fund		

Amend No.	Bill Page	Nar. Page	Pink	Description	General Fund	1989 Biennium - - -	Other Funds
1	BP-3	---		Delays the date 6 months for developing written plans to coordinate services.	Language	-0-	
2	BP-4	---		Adds the Department of Family Services and Department of Institutions to the list of agencies who are required to develop written plans for coordinating services with those agencies providing similar services.		-0-	
3	A-1	A-1		Additional spending authority for the Legislative Auditor to audit the Department of Family Services and the Science and Technology Bond Program.		-0-	37,400
4,5	A-1	A-3		Increases vacancy savings for the Fiscal Analyst's office from 1 percent to 2 percent.	(12,451)	-0-	
6	A-4	A-13		Increases vacancy savings for the Environmental Quality Council from 1 percent to 2 percent.	(3,451)	-0-	
7	A-4	A-14		Adds \$75,000 for the biennium to the Environmental Quality Council for water adjudication study. This is state special revenue water development funds.		-0-	75,000
8,9	A-5	A-18		Restores funding for Judiciary Boards to 100 percent general fund. This reverses the senate floor action which had appropriated \$50,000 each year from fees to be charged by the boards to help fund a portion of the budget related to law profession regulation.	100,000		(100,000)
10	A-8	A-38		Transfer Uniform Commercial Code records management in the Secretary of State's Office from the general fund to state special revenue. This implements provisions of House Bill 837. This also eliminates requirements that the state reimburse counties for Ag. Lien filing fees.	(377,171)		311,171

# SUMMARY OF CONFERENCE COMMITTEE AMENDMENTS TO HOUSE BILL 2

		Pink		- - - 1989 Biennium - - -	
<u>Amend No.</u>	<u>Bill Page</u>	<u>Nar. Page</u>	<u>Description</u>	<u>General Fund</u>	<u>Other Funds</u>

11	A-9	A-41	This amendment removes contingent language related to the passage of House Bill 901 for the Secretary of State. House Bill 901 passed; therefore, the language is unnecessary.	Language	-0-
12,13,14	A-10, A-11	A-44	This amendment eliminates 1 FTE from the Central Management Division and 1 FTE from the Insurance Division of the State Auditor's Office. One was a data processing technician and the other a hearings officer. The function of the hearings officer will be provided by a \$20,000 per year increase in contract services. The duties of the data processing technician will be absorbed by other positions within the office.	(36,000)	(20,000)
15	A-15	A-88	This amendment replaces the general fund appropriation in the Forensic Science Division with alcohol treatment rehabilitation state special revenue funds, in an amount similar to prior bienniums.	(287,067)	287,067
16	A-16	A-75	Language was approved that requires the Department of Justice to purchase the modular facilities in Bozeman that currently house the law enforcement academy using funds from the law enforcement academy operations budget.	Language	-0-
17	A-17	A-91	This amendment transfers \$25,000 each year of the Board of Crime Control's budget from general fund to state special revenue funds. These funds are to come from fees charged by the program for technical assistance provided to local law enforcement agencies.	(50,000)	50,000
18	A-19	A-104	The Department of Revenue will provide the investigation and enforcement required for Keno and Video Poker in House Bill 863. This amendment provides the operating expenses for this function.	-0-	273,826

# SUMMARY OF CONFERENCE COMMITTEE AMENDMENTS TO HOUSE BILL 2

Amend No.	Bill Page	Pink Nar. Page	Description	1989 Biennium		
				General Fund	Other Funds	
19	A-19	A-117	The state share of funding for the deputy county assessors was reduced from 100 percent to 70 percent.	(532,575)	-0-	-0-
9	A-19	A-117	This amendment provides the Department of Revenue with 48.0 FTE in fiscal 1988 and 43.0 FTE in fiscal 1989 plus operating expenses to implement the provisions of Senate Bill 200, property tax on motor vehicle licenses.	1,565,323	-0-	-0-
20,21	A-20		This amendment appropriates funds in fiscal 1989 from the educational trust fund to implement House Bill 436, requiring the Department of Revenue to annually determine correct assessment levels for similar properties.	-0-	500,789	
22,24	B-5	B-58	Adds general fund totaling \$91,760 each year for the Displaced Homemakers Program in accordance with House Bill 460, which raises the marriage dissolution fee from \$30 to \$100. This program's share of that fee rises from \$25 to \$40. The amendment also includes language to reduce this appropriation should House Bill 460 not pass.	183,520	-0-	-0-
23,24	B-6	---	Adds general fund totaling \$27,095 each year for the new New Horizons Program, which provides day care for former AFDC clients who are employed, in accordance with House Bill 460. This program's share of the increased marriage dissolution fee totals \$5. The amendment also includes language to remove these funds should House Bill 460 not pass.	54,190	-0-	-0-
25	B-8	----	This amendment would provide federal funds to SRS to purchase a semi-tractor/trailer for delivery of food commodities, add one FTE, and pay fuel costs to operate the additional vehicle.	-0-	134,728	

# SUMMARY OF CONFERENCE COMMITTEE AMENDMENTS TO HOUSE BILL 2

Amend No.	Bill Page	Pink Nar. Page	Description	- - - 1989 Biennium - - -		
				General Fund	Other Funds	
26	B-8	B-77	This amendment would add \$180,000 of general fund each year of the biennium for nonresident general assistance and nonresident emergency medical assistance. Of the \$180,000 per year, only \$30,000 is to be used for nonresident general assistance and the balance used for medical assistance.	360,000	-0-	
27,28	B-10	B-74	This amendment incorporates the estimate in HJR 41 of the revenue from the 12 mill property tax levy collected in the 12 counties where the state has assumed responsibility for operation of the county welfare program.	(1,370,380)	1,370,380	
29,30,31	B-12	B-108	This amendment would eliminate the Specialized Support Organization which was a modified request to expanded community based services for developmentally disabled persons. The program would have established 4 group homes in a metropolitan area to serve 30 severely disabled individuals.	(373,836)	(650,777)	
29,30,31	B-12	---	This amendment provides additional federal medical spending authority for the Developmental Disabilities Program. The federal funds would be matched with existing general fund for expansion of community based programs for the developmentally disabled.	-0-	1,000,000	
32	C-3	C-15	This amendment appropriates \$371,325 per year for noxious weed control. House Bill 102 created a 50 cent per vehicle registration fee which is to be allocated for noxious weed control. This amendment appropriates the revenues which HB 102 generates.	-0-	742,650	

# SUMMARY OF CONFERENCE COMMITTEE AMENDMENTS TO HOUSE BILL 2

<u>Amend No.</u>	<u>Bill Page</u>	<u>Nar. Page</u>	<u>Description</u>	<u>1989 Biennium</u>		
				<u>General Fund</u>	<u>Other Funds</u>	<u>Other Funds</u>
33	C-5	C-29	This amendment reduced the Forestry Division's fiscal 1989 general fund by \$55,973. The conference committee eliminated two administrative positions.	(55,973)	-0-	-0-
34	C-6	C-29	This amendment adds boilerplate language which requires the Department of State Lands to consolidate support functions by July 1, 1988.	Language	-0-	-0-
35	C-6	C-43	This amendment appropriates \$4,700 per year from license revenues to establish landowner preference for elk drawings. This amendment implements SB 219.	-0-	9,400	9,400
36	C-7	C-50	This amendment appropriates \$5,900 per year to establish landowner preference for elk drawings. This amendment implements SB 219.	-0-	11,800	11,800
37	C-7	C-52	This amendment appropriates \$15,000 per year for the non-game checkoff program created by SB 177.	-0-	30,000	30,000
38, 39a	C-8	C-52	This amendment appropriates a biennial appropriation of \$3,600,000 of hunting and fishing license revenues which House Bill 526 will generate. The funds will be used to purchase wildlife habitat.	-0-	3,600,000	3,600,000
38, 39a	C-8	C-52	This amendment adds a biennial appropriation of \$987,000 for implementation of SB 331. Senate Bill 331 is the pheasant enhancement program.	-0-	987,000	987,000
39	C-8	C-57	This amendment appropriates \$2,250 in fiscal 1988 and \$4,500 in fiscal 1989 for safety education in the use of All Terrain Vehicles (ATV's). This amendment was added to implement HB 813.	-0-	6,750	6,750

# SUMMARY OF CONFERENCE COMMITTEE AMENDMENTS TO HOUSE BILL 2

Amend No.	Bill Page	Pink Nar. Page	Description	- - - 1989 Biennium - - -		
				General Fund	Other Funds	
40	C-9	C-59	This amendment adds boilerplate language which supersedes an appropriation in House Bill 599. The language would replace the \$100,000 of general fund appropriated in HB 599 to the University of Montana Yellow Bay biological station, with revenues from the Department of Fish, Wildlife and Parks.	Language	-0-	
41	C-12	C-70	This amendment reinstates the boilerplate language which the House had approved limiting the amount appropriated for the adjudication of pre July 1, 1973 water rights.	Language	-0-	
42	C-12	C-64	Technical amendment to remove boilerplate language which related the funding of DNRC's Centralized Services Division to the passage of House Bill 621.	Language	-0-	
44	C-12	C-69	This amendment states that the emergency requirements of the budget amendment statute are met if House Bills 642 and 831 are enacted. House Bill 642 requires the DNRC to publish a notice of requests to extend the time to put water right permits to use. House Bill 831 requires that the Board of Water Well Contractors license drillers of monitoring wells. The board may assess a fee for this service.	Language	-0-	
43	C-13	C-88	This amendment reduces the Department of Commerce's Transportation Division's general fund by \$26,000 per year.	(52,000)	-0-	
45	C-13	C-91	This amendment reduces the Business Assistance Program's general fund by \$50,000 per year and replaces the loss with \$100,000 per year of accommodation tax revenues.	(100,000)	200,000	



# SUMMARY OF CONFERENCE COMMITTEE AMENDMENTS TO HOUSE BILL 2

Amend No.	Bill Page	Pink Nar. Page	Description	1989 Biennium		
				General Fund	Other Funds	
46	C-14	C-92	This amendment reduces the Montana Promotion Division budget by \$100,000 per year. The accommodation tax revenues are used in the Business Assistance Division Program.	-0-	(200,000)	
47,48	C-14	C-99	This amendment eliminates the Local Government Block Grant program in compliance with Senate Bill 200.	-0-	(18,250,000)	
49	C-15	C-99	This amendment reduces the appropriation to the district court reimbursement to reflect the estimated revenue which Senate Bill 200 will provide for the program.	(339,871)	-0-	
50	C-16	C-110	This amendment reduces the indirect cost allocation appropriation of the Board of Investments. There is reduced \$11,336 of proprietary funds in fiscal 1988 and \$12,639 in fiscal 1989.	-0-	(23,975)	
51	C-17	C-116a	This amendment does two things. First because House Bill 863 made the payment to local governmental units from video poker revenues a statutory appropriation the amendment reduces the appropriation by \$2,695,061 in fiscal 1988 and by \$2,722,457 in fiscal 1989. Second the amendment appropriates \$353,667 in fiscal 1988 and \$294,299 in fiscal 1989 to implement the licensing and testing of electronic keno machines.	-0-	(4,769,552)	
52	C-19	C-98	This amendment adds boilerplate language which would limit the expenditures for district court reimbursement to available revenues, if the available revenues are less than the district court reimbursement appropriation.	Language	-0-	

# SUMMARY OF CONFERENCE COMMITTEE AMENDMENTS TO HOUSE BILL 2

Amend No.	Bill Page	Pink Nar. Page	Description	- - - 1989 Biennium - - -	
				General Fund	Other Funds
53, 55	D-5	D-39	Adds general fund of \$12,570 each year to the Big Brothers and Sisters Program in accordance with the allocations of the increase in the marriage dissolution fee from \$25 to \$100 contained in House Bill 460. This program receives \$30 of that fee. The amendment also includes contingency language to remove these additional funds should House Bill 460 not pass.	25,140	-0-
54	D-6		The school's interest and income revenue estimate is increased \$15,000 each year with a corresponding decrease in general fund.	(30,000)	30,000
56	E-2	E-2	The vacancy savings for the Student Services Program at the School for the Deaf and Blind was changed from 1 percent to 4 percent.	(32,385)	-0-
57	E-3	E-17	Reduces general fund by \$21,346 in fiscal 1988 and \$21,344 in fiscal 1989 in the Indirect Cost Pool of the Office of Public Instruction. It is assumed that the office will have fewer administrative costs due to the transfer of all administration of the vocational technical centers to the Board of Regents.	(42,690)	-0-
58, 61, 62, 65	E-4, 6	E-16, 21	Adds technical language that states that the appropriation for certain vocational education activities K through 12 is contingent upon the Board of Regents contracting with OPI to provide those services, as House Bill 39 transfers responsibility for vocational education from OPI to the Board of Regents.	Language	-0-
64	E-6	E-21	Reduces federal discretionary vocational education funds in OPI for grants other than K through 12 education, as House Bill 39 designates the Board of Regents the administering agency of these funds.	-0-	(4,650,000)

# SUMMARY OF CONFERENCE COMMITTEE AMENDMENTS TO HOUSE BILL 2

Amend No.	Bill Page	Pink Nar. Page	Description	1989 Biennium	
				General Fund	Other Funds
59	E-5	E-21	Eliminates the grants to offset excess secondary vocational education costs to schools.	(800,000)	-0-
60	E-5	E-21	Replaces Education Trust interest funds for Adult Basic Education grants to schools with general fund due to the impact of House Bills 39 and 904 and Senate Bill 228.	33,821	(33,821)
63	E-6	---	Adds language appropriating all funds received for state equalization aid for public school support to the Superintendent of Public Instruction.	Language	---
63	E-6	---	Adds contingency language appropriating \$93,000,000 for the school foundation program if House Bill 904 does not pass.	---	-0-
66, 67, 68, 69 70, 71, 72, 73 74, 75	E-7	E-11	General fund is increased and state special revenue funds are decreased by a like amount. This reflects the loss of interest earnings from the education trust fund which has been decreased by Senate Bill 228, House Bill 39, House Bill 904.	694,603	(694,603)
76	F-2	F-4	Appropriates \$2,325,000 each year for all vocational education grants, except K-12 programs. OPI grant funds were reduced by a like amount.	-0-	4,650,000
77, 78	F-3	F-5	Replaces Education Trust interest earnings for WICHE and WAMI with general fund due to the impact of House Bill 39, House Bill 904, and Senate Bill 228.	1,641,204	(1,641,204)
78, 80	F-3	F-5	Eliminates general fund support for the Family Practice Residency Training Program in fiscal 1989 and indicates that general fund support will not continue beyond fiscal 1988.	(35,000)	-0-

# SUMMARY OF CONFERENCE COMMITTEE AMENDMENTS TO HOUSE BILL 2

Pink

- - - 1989 Biennium - - -  
General Fund Other Funds

Amend No.	Bill Page	Nar. Page	Description	General Fund	Other Funds
79	F-3	F-5	Reduces the College Work Study Program to the fiscal 1987 appropriated level of \$276,450 each year of the 1989 biennium. The program was established during the 1985 biennium due to anticipated declining federal funds, but federal funding has increased each year.	(48,000)	-0-
81-86b	F-5	F-15	The percentage of state support for both the community college unrestricted budget and audit costs is reduced from 49 percent to 48 percent.	(126,934)	-0-
87	F-6	F-21	Language is added to stipulate that general fund support for the spring wheat breeding and biotechnology program is for the 1989 biennium only and that other funds will be required to continue the program beyond the 1989 biennium.	Language	-0-
88,89	F-7	F-24	Eliminates the new 1.00 FTE communications specialist and the appropriation for improved communications which were to have used some of the administration consolidation savings at the cooperative extension service.	(220,204)	-0-
88	F-7	F-24	Takes 4 percent vacancy savings rate for all extension service employees. This amendment changes the rate for extension specialists and county agents from 2 percent to 4 percent.	(94,754)	-0-
91,92	F-9	F-33	Reduces funding for 4.0 new FTE at the Museum of the Rockies at MSU and sunsets their general fund support at the end of the 1989 biennium. The remaining \$100,000 becomes a biennial appropriation.	(140,000)	-0-
90	F-9	F-36	Removes fiscal 1989 phasedown funding in the Instruction Program at Montana State University.	(456,470)	-0-
Total				(959,411)	(16,725,971)

# SUMMARY OF SENATE FLOOR AMENDMENTS TO HOUSE BILL 2

		- - - 1989 Biennium - - -			
<u>Amend No.</u>	<u>Bill Page</u>	<u>Nar. Page</u>	<u>Description</u>	<u>General Fund</u>	<u>Other Funds</u>
A-1	A-5	A-18	Replace G/F with State Spec Fd for Judiciary Brds	\$(100,000)	\$100,000
A-4	A-7	A-26	Increase Uniform State Laws Comm, travel, Gov Ofc	8,380	-0-
A-11	A-16	A-88	Eliminate lang. to find new space for For. Science Lab	-0-	-0-
B-1	B-10	B-90	Restore state medical costs	6,000,000	14,650
C-1	C-3	C-24	Additional grain laboratory equipment	-0-	-0-
C-4	C-15	C-99	Restored District Court Reimbursement	4,133,326	-0-
C-4	C-19	C-98	Removes contingency lang. for Dist Court Reimb	language	(42,690)
E-1	E-3	E-17	Technical Amendment - Reduce Indirect Costs	language	-0-
F-1	F-6	F-21	Spring Wheat Breeding Program	160,000	
Total				\$10,201,706	\$ 71,960

# SUMMARY OF SENATE FINANCE AND CLAIMS AMENDMENTS TO HOUSE BILL 2

Amend No.	Bill Page	Nar. Page	Description	1989 Biennium		
				General Fund	Other Funds	
A-1	A-1	A-1	Funding for audits of new programs added this session	-0-	\$ 48,750	
A-26	A-4	A-14	Eliminate funds for water adjudication study	-0-	(100,000)	
A-2	A-5	A-19	Rescind consolidation of Law Library/State Library	1,013,421	77,113	
A-11	A-10	A-46	Reinstate 2 FTE, State Auditor's Office, Central Mgt	77,090	-0-	
A-27	A-12	A-59	Eliminate MONTCLIRC, a legal research service	(145,850)	(36,460)	
A-3	A-12	A-61	Replace G/F with Motor vehicle funds, Driver Svs	(153,166)	153,166	
A-5	A-12	A-61	SB212 - Commercial vehicle operator's license (admin)	94,350	575,700	
A-6	A-12	A-61	SB181 - Suspended Drivers License Administration		60,000	
A-4	A-12	A-63	Reinstate Highway Patrol "Bear in the Air"	-0-	-0-	
A-10	A-15	A-70	Rescind HP Communications funding gas tax to user fee	-0-	108,900	
A-7	A-13	A-72	HB730 - Boat Registration (Administration)	-0-	-0-	
A-12	A-16	A-75	Eliminate language re: purchase of Law Enf. Academy	-0-	-0-	
A-8	A-15	A-54	Elim.contingency language re: HB492, use MV fund	(1,493,350)	1,493,350	
A-9	A-15	A-89	Eliminate Alcohol Rehab funds, For. Science, use G/F	287,067	(287,067)	
A-13	A-15	A-88	Delete lang. to lower cost of bldg. space Forensic	-0-	-0-	
A-14	A-17	A-106	Enforcement of HB66 Provisions	-0-	64,560	
A-15	A-18	A-116	Increase assessors' salaries to 70% state funding	683,479	-0-	
A-16	A-18	A-117	Increase dep. assessors' salaries 100% state funding	532,575	-0-	
A-17	A-20	A-127	Add 1.5 FTE to Accounting Division	82,785	-0-	
A-20	A-19	A-112	Delete sunset lang. 13 FTE Income Tax Division	-0-	-0-	
A-22	A-21	A-135	Equipment and contract svs. Info. Services Division	69,116	631,000	
A-23	A-24	A-152	Add general fund to Personnel Training Division	(61,480)	-0-	
A-24	A-25	A-157	Reduction Tax Appeals Brd biennial appropriation	-0-	7,845	
A-25	A-25	A-158	Additional costs Public Employees Retirement Division	-0-	85,000	
B-2	B-1,4	B-31	Increase local boards inspection account	70,000	-0-	
B-3	B-1,4	B-16	Increased AIDS testing - Language	-0-	59,515	
B-4	B-1,2	B-10	Film library consolidation	-0-	(8,000)	
B-1	B-4	B-51	Employment Agency Act transfer	-0-	1,038,546	
B-6	B-5,4,10	B-47,51,68	Implement SB315 - Workers' Compensation Bill	(14,441)	12,000	
B-7	B-5	B-68	Implement HB249 - Administration fee	-0-		
B-9	B 6,7,14	B-59	Federal funds for work training program	Language		
B 12	B 13	B-88	No reduction in medicaid services	Language		
B 13	B 14	B 88	Limit medicaid reimb. for youth to psych. centers	Language		
C 2		C 15	Restore deputy director position	50,008	36,016	
C 3		C 15	Private funds for local weed mgmt. programs	-0-	11,416	
C 4		C 24	Apiary research and testing	10,380	-0-	

# SUMMARY OF SENATE FINANCE AND CLAIMS AMENDMENTS TO HOUSE BILL 2

Amend No.	Bill Page	Nar. Page	Description	- - - 1989 Biennium - - -	
				General Fund	Other Funds
C-1	C-3	C-27	Restore crop reporting service	127,420	20,000
C-3	C-3	C-27	Agricultural product marketing	10,000	-0-
C-6	C-5	C-39	Restore timber sale modification	236,828	-0-
C-7	C-6	C-43	Implement HB298 - limit one grizzly kill	-0-	7,800
C-7	C-6	C-43	HB535: Greater nonresident deer license	-0-	20,000
C-7	C-7	C-50	HB658: Enforcement of motorboat certification fee	-0-	35,000
C-7	C-7	C-50	Fund Bd. of Outfitters until 10/1/87	-0-	12,020
C-7	C-7	C-52	SB159: Action of one moose permit	-0-	12,000
C-7	C-7	C-57	HB64: Bowhunter safety education	-0-	39,992
C-7	C-7	C-57	Restore audio/visual library	-0-	21,118
C-7	C-7	C-59	Additional funds for conservation reserve prgm	-0-	100,000
C-8	C-11	C-69	Removes water right adjudication funding limit	Language	
C-10	C-12	C-84	Competency testing of optometrists - SB170	-0-	8,975
C-11	C-12	C-84	Assisting impaired physicians prgm - HB555	-0-	116,260
B-1	C-12	C-84	Transfer of Employment Agency Act from Dept. of Labor	-0-	8,000
C-9	C-12	C-87	Administration of aircraft regis. fee - HB512	-0-	97,162
C-12	C-12	C-87	Restore audio/visual library	-0-	3,392
C-17	C-12	C-91	Restore gen. fund to Business Assistance	1,369,911	(1,817,585)
C-17	C-15	C-111	Eliminate university grants and research - HB862	-0-	(1,829,913)
C-14	C-16	C116a	Licensing of video poker manufacturers and dist. - HB66	-0-	179,960
C-13	C-18	C-109	Provides Bd of Investments with use of desig. comm.	Language	
C-15	C-18	C-109	Extends Mt. Economic Dev. Bd. loan	Language	
D-1	D-1	D-5	Federal Alcohol and Drug Funding increase	-0-	377,892
D-3	D-3	D-31	Restore 1.5 FTE food service workers at Eastmont	49,657	-0-
D-5	D-5	D-39	Increase In-Home health care	60,000	-0-
D-6	D-5	D-39	Correct Workers Compensation rates	60,306	20,274
D-2	D-6	D-47	Decrease interest and income funds/increase gen fund	30,000	(30,000)
D-4	D-7	D-39	Foster care boiler plate transfer from Section B	-0-	-0-
D-7	D-9	D-62	Adjust vacancy savings funding allocation	19,519	(18,519)
D-8	D-9	D-62	Eliminate vacancy savings on non-general positions	(827,960)	32,348
A-2	D-8		Return Law Library to Judiciary	97,825	(77,113)
E-1	E-1	E-1	Accreditation study (HJR16) - Board of Pub. Ed.	32,385	-0-
E-4	E-2	E-6	Reduce School for Deaf & Blind vacancy savings 10 1%	5,000	-0-
E-5	E-2	E-14	Reverse consolidation of film libraries	(193,138)	(29,081)
E-6	E-3,11	E-16	Transfer vo-tech administration from OPI	-0-	(229,829)
C-17	E-3	E-16	Remove vo-tech training funds (HB862)	-0-	(1,219,942)
E-3	E-3	E-17	Additional OPI indirect cost pool	42,690	-0-

# SUMMARY OF SENATE FINANCE AND CLAIMS AMENDMENTS TO HOUSE BILL 2

		- - - 1989 Biennium - - -	
Amend No.	Bill Page	General Fund	Other Funds
E-6	F-2	175,484	306,484
C-17	F-4	-0-	(1,219,942)
F-5	F-6	94,754	-0-
F-8	F-8	Language	-0-
F-6	F-9	240,000	-0-
F-2	F-9,11	Language	-0-
F-3	F-10	605,840	-0-
Description			
Transfer vo-tech admin to Comm. of Higher Ed.			
Remove econ. dev. capital & study (HB862)			
Return extension svc. faculty vac. savings to 2%			
Scope of university funding study			
MSU Museum of the Rockies - 4.0 FTE			
Supplemental for nonresident fee revenue - UM, MSU			
Return to UM support program cost of 13 printers			
Total		\$3,338,505	\$(1,021,897)



# SUMMARY OF HOUSE FLOOR AMENDMENTS TO HOUSE BILL 2

- - - 1989 Biennium - - -					
Amend No.	Bill Page	Nar. Page	Description	General Fund	Other Funds
A-36	A-1	A-3	Reduce Legislative Finance Committee travel	\$ (5,000)	\$ -0-
A-35	A-2	A-9	Reduce legislative travel and cut Capital Bldg. Comm.	(17,500)	-0-
A-22	A-5	A-19	Transfer law library to State Library	(1,013,421)	(77,113)
A-32	A-9	A-46	Eliminate 2 FTE, State Auditor's office	(77,090)	-0-
A-1	A-6	A-28	Eliminate increase in Governor Air Transportation	(10,919)	-0-
A-28	A-11	A-63	Reduce highway patrol cars by 5	-0-	(130,865)
A-2	A-11	A-63	Elimination of Bear in the Air	-0-	(60,000)
A-3	A-11	A-68	MCSAP Funding Switch - Technical Amendment	-0-	-0-
A-4	A-14	A-70	Highway Patrol Comm. funding gas tax to property	-0-	-0-
A-5	A-15	A-75	Law Enforcement Academy purchase options	Language	
A-6	A-17	A-111	Video Poker Licensing transfer to Commerce	-0-	(256,413)
A-7	A-18	A-116	Fund elected assessors at 49%	(683,479)	-0-
A-9	A-18	A-117	Reduced vehicle funds - property assessment	(56,000)	-0-
A-11	A-19	A-95	Reduce liquor net profit requirement to 10%	Language	
A-12	A-19	A-126	Reduce Governor-elect budget	(20,000)	-0-
A-37	A-23	A-148	Transfer Board of Investments to Commerce	-0-	(1,783,166)
A-38	A-24	A-155	Technical Amendment - personnel training	-0-	(69,116)
A-21	A-24	A-155	Replace G.F. for training with user fees	(69,116)	69,116
A-14	A-25	A-157	SB122-Tax Appeal Board	122,960	-0-
A-15	A-26	A-122	Use capital projects funds for debt payments	(1,150,000)	1,150,000
B-30	B-1	B-10	Consolidate film library	-0-	(34,994)
B-30	B-2	B-33	Reduce film library tran. due to consolidation	-0-	(17,144)
B-30	B-2	B-41	Reduce film library tran. due to consolidation	-0-	(7,377)
B-20	B-3	B-1	Clarify MCH block grant disbursement	-0-	
B-21	B-6	B-68	Reduce silicosis benefit numbers	Language	
			Supersedes the B-3 amendment		
B-2	B-6	B-68	Adds audit (internal) costs	-0-	(20,693)
B-3	B-6	B-68	Shifts silicosis admin. to G.F. - Reduce benefit numbers	-0-	198,532
B-4	B-6	B-59	Language federal funds for GA Training	(23,7017)	(41,600)*
B-8	B-8	N/A	Adjust audit fees	Language	
B-16	B-8	B-78	Reduce GA payment levels to 41%, 40%	(3,285)	(1,915)
B-16	B-6	B-79	Reduce AFDC payment levels to 41%, 40%	(630,912)	-0-
B-9	B-9	N/A	Separately line item elderly\disabled waiver	(1,848,906)	(4,662,153)
B-11	B-9	B-91	Shift 1/2 of state medical to assumed counties	-0-	-0-
B-11	B-9	B-91	Limit medicaid emergency room visits to 2	(6,000,000)	-0-
B-11	B-9	B-95		(154,623)	(359,890)

- - - 1989 Biennium - - -				General Fund		Other Funds	
Amend No.	Bill Page	Nar. Page	Description				
B-19	B-10	B-108	Expand community based services for DD	373,836	650,777		
B-25	B-13	B-88	SRS may not overexpend the medicaid approp.	Language			
B-24	B-13	B-88	Assistance to find funds-personal care workers	Language			
B-15	B-13	B-88	Restrict medicaid for youth psychiatric services to psychiatric treatment centers	Language			
C-5	C-3	C-15	Restore agriculture attorney	12,367	8,873		
C-6	C-3	C-26	Crop reporting elimination	(127,420)	(20,000)		
C-18	C-3	C-19	Wheat Research & Marketing description	-0-	-0-		
C-20	C-4	C-29	Oil and gas lease auditor for state lands	64,000	-0-		
C-19	C-5	C-41	50% reduction in timber sale modification	(236,828)	-0-		
C-26	C-7	C-50	Transfer Bd. of Outfitters to Commerce	-0-	(96,156)		
B-30	C-7	C-57	Consolidate film library	-0-	(21,118)		
C-23	C-8	C-55	Prohibit parks funds for purchase of Wildlife Habitat	Language			
C-1	C-9	C-63	Funding shift in DNRC - Central Services	-0-	-0-		
C-11	C-9	C-72	Reserved Water Rights Compact Comm. line itemed	-0-	-0-		
C-12	C-11	C-74	Appropriation of BPA and MPC grants	Language			
C-2	C-11	C-63	DNRC - funding correction	Language			
C-13	C-12	C-84	Dietician and Nutritionists - HB471	-0-	11,276		
C-14	C-12	C-84	Private Investigators - HB68	-0-	2,990		
C-26	C-12	C-84	Transfer Bd. of Outfitters from FW&P	-0-	96,156		
B-30	C-12	C-87	Consolidate film library	-0-	(3,392)		
C-15	C-12	C-91	Replace Business Assistance G.F. - HB862	(1,369,911)	1,389,585		
C-15	C-12	C-91	Business Packaging Grants- HB862	-0-	195,000		
C-15	C-13	C-91	Montana Ambassador's loaned executive - HB862	-0-	158,000		
C-15	C-13	C-91	Value-Added Commission - HB862	-0-	50,000		
C-15	C-13	C-91	One-stop Business Licensing - HB862	-0-	5,000		
C-15	C-13	C-91	Business Recruitment Project - HB862	-0-	20,000		
C-16	C-14	C-99	District Court Reimbursement HB890	-0-	-0-		
C-15	C-15	C-91	University Research & Development Grants - HB 862	(4,133,326)	-0-		
A/C-1	C-15	C-109	Board of Investments transfer from Dept of Admin.	-0-	1,829,913		
B-8	C-16	C-114	Lottery Audit	-0-	2,783,991		
C-3	C-16	N/A	Video Poker from Department of Revenue	-0-	-0-		
C-4	C-16	C-104	Define use of mitigation - arbitrator funds	Language	5,845,250		
C-27	C-16	C-118	County printing eliminated	(1,950)	-0-		
C-17	C-17	C-89	McCarthy Farm minimum of \$95,000/year	Language			
C-26	C-17	C-84	Board of Outfitters budget amendments	Language			
C-15	C-18	C-91	Business Assistance HB862 contingency	Language			
C-16	C-18	C-98	District Court HB890 contingency	Language			
B-8	C-18	D-4	Adjust audit fees	11,143	1,433		
D-1	C-18	D-31	Delete 1.5 FTE food service workers-Eastmont	(49,657)	-0-		

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Amend No.	Bill Page	General Fund	Other Funds
B-8	D-5	3,538	2,062
B-8	D-5	(9,240)	-0-
B-8	D-6	(12,096)	-0-
D-2,7	D-6	(30,000)	30,000
A-22	D-8	827,960	77,113
E-3	E-2	46,000	(46,000)
E-1	E-2	1,360	-0-
B-30	E-2	(5,000)	29,081
E-2	E-3	10,000	-0-
C-15	E-3	-0-	1,219,942
E-8	E-4	Language	
E-4	E-7	801,500	(801,500)
F-1	F-2	Language	
F-2	F-2	1,803,374	(1,803,374)
F-3	F-2	(136,000)	-0-
F-4	F-3	70,000	-0-
F-5	F-4	-0-	630,000
F-6	F-4	-0-	1,219,942
F-7	F-6	(94,754)	-0-
F-10	F-8	3,513,265	-0-
F-11	F-10	(605,840)	-0-
Total		<u>\$(10,914,677)</u>	<u>\$ 7,401,653</u>

\*Superseded by B-21