

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 51st LEGISLATURE - REGULAR SESSION

SUBCOMMITTEE ON HEALTH & HUMAN SERVICES

Call to Order: By Rep. Dorothy Bradley, on February 20, 1989, at 7 a.m.

ROLL CALL

Members Present: All members were present with the exception of Rep. Cody.

Members Excused: Rep. Cody

Members Absent: None.

Staff Present: Taryn Purdy, LFA
Lois Steinbeck, OBPP

Announcements/Discussion: Executive Action, DFS Foster Care Program, Mountain View School and Pine Hills School

HEARING ON FOSTER CARE AND DAY CARE PROGRAMS

Ms. Purdy discussed the family foster care and day care provider modified budget to provide a 2 percent per year incremental increase for foster family providers and for day care providers (see attachment, exhibit 1).

Doug Matthies discussed the provider rate increases, 2 percent each year of the biennium. In reply to an inquiry from Rep. Grinde, Mr. Matthies reported there are approximately 2500 providers that are licensed or registered in the state and approximately 1800 foster or day care children.

A080

Sen. Van Valkenberg asked if there were any difference in rates paid under SRS or under DFS programs for day care. Mr. Matthies said at the present time the rates are the same but with federal welfare reform, this will no doubt change when DFS will be lower. Sen. Van Valkenberg stated that this then would make slots for DFS harder to get, to which Mr. Matthies agreed.

A120

Mr. Mathies then discussed the day care funding options (see attachment, exhibit 2).

Rep. Cobb inquired as to who sets the rates and developed the options. Ms. Purdy replied that the options had been developed by the department, and that she and the department had determined the amounts; the options are just for your information; and there

are no changes in the executive level of the 2 percent provider rate increase.

A209

Mr. Mullen and Ms. Steinbeck discussed the modified day care licensing budget. Mr. Mullen said this program requires 2.5 FTE's at the present time but with the new federal welfare reform, additional FTE's will no doubt be required to handle the volume of licensing.

A222

Mr. Mullen presented subcommittee with handout on day care licensing and registration (see attachment, exhibit 3).

Discussion followed on licensing and the mandate at the federal level that family members of day care recipients can become licensed day care providers.

A436

Sen. Keating reported that the licensing of family members was done in order to avoid an army of regulators and to keep overall costs down.

Discussion then turned to potential income generation by requiring those licensed by the department to pay a fee. Chairman Bradley pointed out that this works a hardship for the day care centers who are operating on a margin.

A500

Ms. Purdy presented information on the modified budget for battered spouses/domestic violence, which is funded by 50 percent of the fines imposed for domestic abuse and one percent of all justic court fines.

In-Home Services for the Elderly, a modified budget which would fund additional in-home services for the elderly. This sum of \$50,000 per year is in addition to the levy approved. This is one of the recommendations from the Priorities for People process and a recommendation of Legacy Legislature.

A688

Dangerous Drug Tax revenues are used to fund the youth evaluation and chemical abuse aftercare programs, Ms. Purdy stated. The executive is seeking language which would allow the department to seek a budget amendment to expend revenue received.

A754

Athletic competition, MVS, was discussed by Mr. Unger. He stated this funding would allow the school to choose one sport, e.g., either cross country skiing, track or basketball. Sen. Van Valkenberg asked if Pine Hills had only one sport. Mr. Unger stated he thought they had 2-3; Sen. Van Valkenberg expressed a need to fund both schools equitably for sports.

Senators Keating, Van Valkenberg and Hofman had to be excused to

attend an 8 a.m. meeting. During their absence, the house members of the subcommittee will make recommendations on DFS programs just reviewed on the issue sheets.

Mr. Unger discussed the modified budget for substitute teachers whereby MVS requires a substitute teacher rather than asking one teacher to cover for another when teachers are on leave; also teachers contracts require that each is entitled to preparation time.

The modified for direct care staff was discussed by Mr. Unger in Maple Cottage, MVS. He stated it was for the safety of personnel. Without these two cottage life attendants, there is only one staff person on duty during the evening to supervise 30 girls.

Chairman Bradley referred house members, Reps. Cobb and Grinde, to attachment, exhibit 3, for budgets dealing with Mountain View School and to attachment, exhibit 4, for budgets dealing with Pine Hills School and to exhibit 1 dealing with community services.

EXECUTIVE ACTION

A857

Personal Services, MVS: Rep. Cobb made a motion or recommendation that the committee accept the executive level budget for personal services, Mountain View School. Recommendation accepted unanimously.

In addition, Rep. Cobb made a motion or recommendation to accept upgrade funding for cottage life attendants. Recommendation accepted unanimously.

A929

Operating Expenses, MVS: USDA food program will be phased out; so Rep. Grinde made a motion or recommendation to accept executive level budget for ministerial services.

Recommendation carried with Rep. Cobb dissenting.

A950

Equipment, MVS: Rep. Cobb made a motion or recommendation that the executive level budget be accepted.

Recommendation carried with Rep. Grinde dissenting.

A985

Funding, MVS: Rep. Cobb made a motion or recommendation to accept the executive level budget for funding.

Mr. Unger reported the boarder reimbursement program does not provide an ongoing method of funding; there are not too many

girls for which they are reimbursed with federal boarder funds at MVS.

Recommendation carried unanimously.

A095

Athletic Competition, MVS: Rep. Cobb made a motion or recommendation to accept the modified athletic competition level budget.

Recommendation carried unanimously.

A110

Substitute Teachers, MVS: Rep. Cobb made a motion or recommendation to accept the modified budget for substitute teachers.

Recommendation carried unanimously.

A119

Direct Care, MVS: Rep. Cobb made a motion or recommendation to accept the modified direct care budget.

Recommendation carried unanimously.

A147

Personal Services, PHS: Rep. Cobb made a motion or recommendation to accept the executive level budget for personal services.

Recommendation carried unanimously.

Operating expenses, PHS: Rep. Grinde made a motion or recommendation to accept the executive level budget for operating expenses.

Recommendation carried unanimously.

Equipment, PHS: Rep. Cobb made a motion or recommendation to accept the executive level budget for equipment.

Recommendation carried unanimously.

Funding, PHS: Rep. Grinde made a motion or recommendation to accept the executive level budget for funding.

Recommendation carried unanimously.

Recess declared at 8:30 a.m. Human Services Subcommittee will reconvene at 12 noon.

B001

Testimony heard from Chris Deveny in support of HB 200 (see attachment, exhibit 5); also in support of FTE's to handle the licensing and registering of day care providers.

Testimony heard from Marty Nelson of St. Thomas Child & Family Center, Great Falls, in support of funding for an increase of FTE's for enforcement of licensing and registration of child daycare providers in Montana. (see attachment, exhibit 6).

Written testimony from Billie Warford of the Montana Alliance for Better Child Care, Bozeman, in support of full funding for the Department of Family Services. (see attachment, exhibit 7).

B118

Testimony from Kathy Campbell, of Montana Association for the Education of Young Children, in support for resource and referral in the community and licensing and registering child daycare providers.

B230

Testimony from Virginia Jellison, Montana Low Income Coalition, supports a sliding scale fee for child daycare providers; also supports HB200.

B252

Testimony from Nancy Griffin, Montana Womens Lobby, supporting the licensing and registering of child daycare providers. She stated that 41 percent of women are in the workforce and this represents 32,000 children in Montana. She also reported that these figures will undoubtedly rise by 1990.

Chairman Bradley asked subcommittee to take executive action on PHS, MVS and community services budgets.

Motion by Rep. Grinde to accept the executive level budget for the day care program.

Motion carried UNANIMOUSLY.

Motion by Sen. Van Valkenberg to accept the executive level budgets for Pine Hills School and Mountain View School.

Motion carried UNANIMOUSLY.

Motion by Sen. Van Valkenberg to increase athletic competition budget to \$8551 for 1990 and \$6315 in 1991.

Motion carried with Rep. Cobb dissenting.

Motion by Rep. Cobb to accept budgets for substitute teachers and direct care staff, MVS.

Motion carried UNANIMOUSLY.

Motion by Sen. Van Valkenberg to adopt the following language for Dangerous Drug Tax administration:

The Department of Family Services is authorized to request

a budget amendment to expend fines collected under the Dangerous Drug Tax Act, Title 15 Chapter 25, MCA.

Motion carried UNANIMOUSLY.

Motion by Sen. Van Valkenberg to approve modified for in-home services for the elderly.

Motion did not carry with the following dissenting: Sen. Hofman, Sen. Keating, Rep. Cobb, Rep. Grinde.

Motion by Sen. Van Valkenberg to approve the modified budget for battered spouses/domestic violence, of the community services division.

Motion carried with Sen. Hofman dissenting.

Motion by Sen. Van Valkenberg to accept the modified budget for day care licensing, community services division.

Motion carried with Rep. Bradley and Sen. Hofman dissenting.

Motion by Rep. Cobb to delete \$60,000 per year the biennium from the day care licensing budget.

Motion failed with Rep. Grinde, Rep. Cobb, Sen. Hofman and Sen. Keating dissenting.

ADJOURNMENT

Adjournment At: 1 p.m.



REP. DOROTHY BRADLEY, Chairman

DB/dib

4323.min

DAILY ROLL CALL

HEALTH & HUMAN SERVICES

SUB COMMITTEE

DATE 2-20-89

[illegible]

EXHIBIT 1
DATE 2-20-89
HB _____

MODIFIED BUDGET
DEPARTMENT OF FAMILY SERVICES
COMMUNITY SERVICES DIVISION

Provider Rate Increases

This modified budget is the revised executive budget to provide a 2 percent per year incremental increase for foster family providers and for day care providers.

Family Foster Care Providers	<u>1990</u>	<u>1991</u>
Non-Operating Expenses	\$61,054	\$123,330
<u>Funding</u>		
General Fund	\$45,717	\$ 92,349
Federal Funds	<u>15,337</u>	<u>30,981</u>
Total Funding	\$61,054	\$123,330

Day Care Providers	<u>1990</u>	<u>1991</u>
Non-Operating Expenses	\$10,600	\$21,294
<u>Funding</u>		
General Fund	\$6,300	\$12,666
Federal	<u>4,300</u>	<u>8,628</u>
Total Funding	\$10,600	\$21,294

Committee Issues

Committee Action

Executive Budget Reference: Page 376

**MODIFIED BUDGET
COMMUNITY SERVICES DIVISION**

Day Care Licensing

This modified budget would add staff in response to workload increases and involvement in federal welfare reform. In addition, grants are added to be used at the discretion of the department to facilitate the development of and access to day care resources. The personal services figures given below include a vacancy savings rate of 0 percent.

	<u>1990</u>	<u>1991</u>
FTE	2.5	2.5
Personal Services	\$55,632	\$55,661
Operating Expenses	13,131	13,102
Non-Operating Expenses	<u>60,000</u>	<u>60,000</u>
Total Expenses	\$128,763	\$128,763
 <u>Funding</u>		
General Fund	\$126,090	\$126,090
Federal	<u>2,673</u>	<u>2,673</u>
Total Funding	\$128,763	\$128,763

Committee Issues

Committee Action

Executive Budget Reference: Page 376

**MODIFIED BUDGET
COMMUNITY SERVICES DIVISION**

Battered Spouses/Domestic Violence

This modified budget would add state special revenue to allow expenditure of revenue generated by the passage of two bills by the 1987 legislature for which the department was not given spending authority. Fiscal 1990 includes the fund balance in addition to on-going revenues of \$35,000.

	<u>1990</u>	<u>1991</u>
Non-Operating Expenses and State Special Revenue	\$70,000	\$35,000

Committee Issues

Committee Action

Executive Budget Reference: Page 377

**MODIFIED BUDGET
COMMUNITY SERVICES DIVISION**

In-Home Services for the Elderly

In response to recommendations from the Priorities for People process, this modified would fund additional in-home services for the elderly.

	<u>1990</u>	<u>1991</u>
Non-Operating Expenses and General Fund	\$50,000	\$50,000

Committee Issues

Committee Action

Executive Budget Reference: Page 376

**MODIFIED BUDGET
COMMUNITY SERVICES DIVISION**

Dangerous Drug Tax

The executive includes the recommendation that language be added to the appropriations act allowing the department to request a budget amendment as state special revenue funds generated by the dangerous drug tax enacted by the 1987 legislature become available. Revenues from the tax are used to fund the Youth Evaluation and Chemical Abuse Aftercare programs. The executive does not include any funds for dangerous drug tax revenue.

Committee Issues

Committee Action

Executive Budget Reference: Page 377

February 20, 1989

2-20-89
Exhibit 2

EXHIBIT 2
DATE 2-20-89
HB _____

HUMAN SERVICES SUBCOMMITTEE

DAY CARE FUNDING OPTIONS

The following are various options for increasing day care funding from the LFA current level and executive levels in the 1991 biennium. All figures are the increase over actual fiscal 1988 expenditures.

Day care providers are currently paid a rate per day based upon the setting in which the service is provided: \$8.00/day in family care, \$8.50/day in group care, and \$9.00/day in day care center care. In addition, providers can receive additional funds for a special needs child, and hourly rates are available.

Option 1: 10 Percent Rate Increase Per Year

<u>Funding</u>	<u>Fiscal 1990</u>	<u>Fiscal 1991</u>	<u>Biennium</u>
General Fund	\$33,846	\$ 71,072	\$104,918
Federal Funds	<u>23,848</u>	<u>50,078</u>	<u>73,926</u>
Total	\$57,694	\$121,150	\$178,844

Option 2: 20 Percent Rate Increase Per Year

<u>Funding</u>	<u>Fiscal 1990</u>	<u>Fiscal 1991</u>	<u>Biennium</u>
General Fund	\$ 67,688	\$148,909	\$216,597
Federal Funds	<u>47,694</u>	<u>104,923</u>	<u>152,617</u>
Total	\$115,382	\$253,832	\$369,214

Option 3: \$.50 Per Day Increase Per Year

<u>Funding</u>	<u>Fiscal 1990</u>	<u>Fiscal 1991</u>	<u>Biennium</u>
General Fund	\$19,426	\$38,849	\$58,275
Federal Funds	<u>13,688</u>	<u>27,373</u>	<u>41,061</u>
Total	\$33,114	\$66,222	\$99,336

Option 4: \$.50 Per Day Increase Each Year Since Fiscal 1987

<u>Funding</u>	<u>Fiscal 1990</u>	<u>Fiscal 1991</u>	<u>Biennium</u>
General Fund	\$ 77,694	\$ 97,117	\$174,811
Federal Funds	<u>54,744</u>	<u>68,429</u>	<u>123,173</u>
Total	\$132,438	\$165,546	\$297,984

DEPARTMENT OF FAMILY SERVICES
MOUNTAIN VIEW SCHOOL

<u>PERSONAL SERVICES</u>	<u>1990</u>	<u>1991</u>
Executive FTE	63.19	63.19
LFA Current Level FTE	<u>62.69</u>	<u>62.69</u>
Difference	.50	.50
Executive	\$1,541,873	\$1,545,483
LFA Current Level	<u>1,486,145</u>	<u>1,489,729</u>
Difference	\$ 55,728	\$ 55,754

- - - - - Personal Services Issues - - - - -

LFA current level originally included a vacancy savings rate of 4 percent, while the executive included a rate of 2 percent. Figures shown in the above comparison include a 0 percent vacancy savings rate.

1. Appropriations Committee Policy

	<u>1990</u>	<u>1991</u>
Positions Deleted: None		
Positions Flagged due to Recruiting Problems: None		
Vacancy Savings Added:		
Executive	\$29,079	\$29,109
LFA Current Level	\$57,887	\$57,951

2. There are two reasons for the difference between LFA current level and the executive:

a) the executive includes .50 FTE janitor costing \$9,003 in fiscal 1990 and \$9,007 in fiscal 1991.

LFA Current Level Reference: Page D-91
Executive Budget Reference: Page 377

b) the executive funds upgrades for cottage life attendants, social workers, and security guards totaling \$46,726 in fiscal 1990 and \$46,748 in fiscal 1991.

2. Committee Issues

Committee Action

LFA Current Level Reference: Page D-91
Executive Budget Reference: Page 377

OPERATING EXPENSES

	<u>1990</u>	<u>1991</u>
Executive	\$302,520	\$307,208
LFA Current Level	<u>292,565</u>	<u>297,042</u>
Difference	\$ 9,955	\$ 10,166

- - - - -Operating Expenses Issues - - - - -

1. The difference between the LFA current level and the executive is due primarily to two factors:

a) the executive adds \$3,988 each year due to the potential loss of donated USDA foods, and

b) the executive adds \$4,800 each year to expand the contract for ministerial services.

2. Committee Issues

Committee Action

LFA Current Level Reference: Page D-91
Executive Budget Reference: Page 377

<u>EQUIPMENT</u>	<u>1990</u>	<u>1991</u>
Executive	\$ -0-	\$13,736
LFA Current Level	<u>1,500</u>	<u>1,500</u>
Difference	\$(1,500)	\$12,236

- - - - -Equipment Issues - - - - -

1. LFA current level funds the fiscal 1988 appropriated equipment level, which would allow the purchase of the second and third items on the priority list: a mobile radio and a hand-held radio. The executive funds a van in fiscal 1991.

2. Committee Issues

Committee Action

LFA Current Level Reference: Page D-91
Executive Budget Reference: Page 377

FUNDING

1990

1991

	<u>Exec</u>	<u>LFA</u>	<u>Exec</u>	<u>LFA</u>
Donations	\$ 213	\$ 408	\$ 213	\$ 408
Boarder Reimb.	15,000	36,400	15,000	36,400

- - - - - Funding Issues - - - - -

1. Federal boarder reimbursement is received for each day a resident under federal jurisdiction resides at the school. LFA current level maintains reimbursements at the fiscal 1988 level. The executive includes reimbursements at the agency request.

2. Committee Issues

Committee Action

LFA Current Level Reference: Page D-81
Executive Budget Reference: Page 377

**MODIFIED BUDGET
MOUNTAIN VIEW SCHOOL**

Athletic Competition

This modified budget would allow the school's residents to participate in interscholastic competition.

	<u>1990</u>	<u>1991</u>
Contracted Services and General Fund	\$6,000	\$4,000

Committee Issues

Committee Action

Executive Budget Reference: Page 378

MODIFIED BUDGET
MOUNTAIN VIEW SCHOOL

Substitute Teachers

This modified budget would allow the school to pay for substitute teachers when MVS teachers are on leave, as required by an arbitration settlement.

The personal services figures given below contain a vacancy savings factor of 0 percent.

	<u>1990</u>	<u>1991</u>
FTE	.58	.58
Personal Services and General Fund	\$8,084	\$8,084

Committee Issues

Committee Action

Executive Budget Reference: Page 378

**MODIFIED BUDGET
MOUNTAIN VIEW SCHOOL**

Direct Care Staff

This modified budget would allow the school to continue expanded coverage in Maple Cottage begun in fiscal 1989 to ensure staff safety, as two cottage life attendants had been injured during breakouts from the cottage. The fiscal 1987 legislature added 4.8 FTE to the school in anticipation of a population rise to an average daily population of 70, which did not materialize. The school used 2.0 FTE of this 4.8 FTE to expand coverage.

The personal services figures given below contain a vacancy savings factor of 0 percent.

	<u>1990</u>	<u>1991</u>
FTE	2.0	2.0
Personal Services and General Fund	\$35,390	\$35,408

Committee Issues

Committee Action

Executive Budget Reference: Page 378

DEPARTMENT OF FAMILY SERVICES
PINE HILLS SCHOOL

<u>PERSONAL SERVICES</u>	<u>1990</u>	<u>1991</u>
Executive FTE	118.77	118.77
LFA Current Level FTE	<u>118.77</u>	<u>118.77</u>
Difference		
Executive	\$2,894,819	\$2,903,759
LFA Current Level	<u>2,803,418</u>	<u>2,813,095</u>
Difference	\$ 90,751	\$90,664

- - - - - Personal Services Issues - - - - -

LFA current level originally included a vacancy saving rate of 4 percent, while the executive included a rate of 2 percent. The figures shown in the above comparison include a rate of 0 percent.

1. Appropriations Committee Policy

	<u>1990</u>	<u>1991</u>
Positions Deleted:		
Administrative Officer III	\$37,030	\$37,074
Maintenance Worker II	<u>21,025</u>	<u>21,035</u>
Total	\$58,055	\$58,109
Positions Flagged due to Recruiting Problems:		
Psychologist III	\$37,500	\$37,520
Vacancy Savings Added:		
Executive	\$55,224	\$55,338
LFA Current Level	\$105,750	\$105,959

LFA Current Level Reference: Page D-92
Executive Budget Reference: Page 379

2. The executive includes \$90,751 in fiscal 1990 and \$90,788 in fiscal 1991 for social worker, security guards, and cottage life attendants upgrades.

3. Committee Issues

Committee Action

LFA Current Level Reference: Page D-92
Executive Budget Reference: Page 379

OPERATING EXPENSES

	<u>1990</u>	<u>1991</u>
Executive	\$656,856	\$663,732
LFA Current Level	<u>649,283</u>	<u>655,047</u>
Difference	\$ 7,573	\$ 8,685

- - - - -Operating Expenses Issues - - - - -

1. The difference in operating expenses is due to two factors:

a) the executive has added \$4,303 in fiscal 1990 and \$4,463 in fiscal 1991 to replace the potential loss of USDA donated commodities; and

b) several positions and operating expenses are supported with federal Department of Education funds. Because the executive took vacancy savings on the grant supported positions, the executive has added \$2,349 each year to supplies in order to fully appropriate the federal grant. LFA current level did not take vacancy savings on the positions. If vacancy savings are maintained at 0 percent, the executive budget over allocates the federal education grants.

2. Committee Issues

Committee Action

LFA Current Level Reference: Page D-92
Executive Budget Reference: Page 379

<u>EQUIPMENT</u>	<u>1990</u>	<u>1991</u>
Executive	\$ 3,315	\$10,215
LFA Current Level	<u>5,309</u>	<u>5,309</u>
Difference	\$(1,994)	\$ 4,906

----- -Equipment Issues - -----

1. The executive funds the agency requested equipment, including one automobile, a base radio, two television sets, and a washer and dryer. LFA current level funds the average of fiscal 1986, 1987, and 1988 appropriations, which would allow the purchase of the first two items on the equipment priority list: the automobile and the base radio.

The difference between the executive and the LFA current level totals \$2,912 over the biennium.

2. Committee Issues

Committee Action

LFA Current Level Reference: Page D-92

Executive Budget Reference: Page 379

FUNDING

1990

1991

	<u>Exec</u>	<u>LFA</u>	<u>Exec</u>	<u>LFA</u>
Donations	\$1,639	\$2,500	\$1,639	\$2,500
School Foods	110,868	106,000	110,868	106,000
Boarder Reimb.	68,000	59,082	68,000	59,082
Int. & Income	266,000	270,000	272,000	270,000

----- Funding Issues -----

1. The executive school foods estimation is based upon adjusted data supplied by the school. LFA current level includes the original requested level.

Boarder reimbursements are received for each day a student under federal jurisdiction is at the school. The executive maintains reimbursements at the fiscal 1988 level, while LFA current level includes the five year average.

Interest and Income is received on various sources through the Department of State Lands, including oil and gas, cabin, forest, and agricultural leases. LFA current level maintains funding at the requested level, or actual fiscal 1988 expenditures. The executive level is based upon estimations of income produced by the Office of Budget and Program Planning.

2. Committee Issues

Committee Action

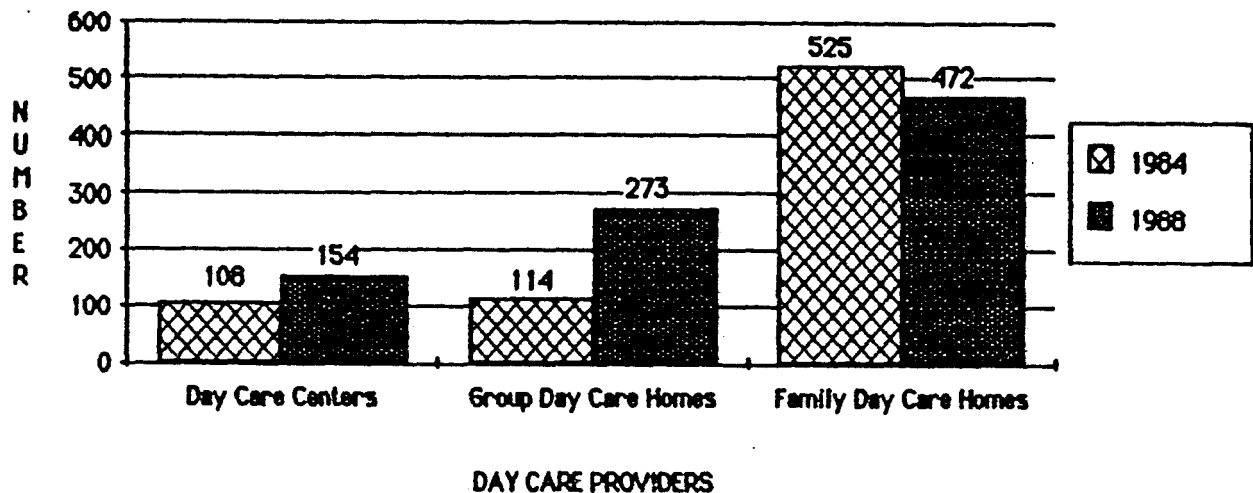
LFA Current Level Reference: Page D-93

Executive Budget Reference: Page 379

DEPARTMENT OF FAMILY SERVICES
DAY CARE LICENSING AND REGISTRATION

The Department of Family Services is the state agency required by law to license and register day care facilities in Montana.

Licensed & Registered Day Care Providers
FY84-FY88 Comparison



o Since 1984 there has been a **43% increase** in the number of **licensed day care centers** --- from 108 centers in March, 1984 to 154 centers in March, 1988.

o Since 1984 there has been a **139% increase** in the number of **registered group day care homes** --- from 114 group day care homes in March, 1984 to 273 group day care homes in March, 1988.

o In March, 1984 there were 525 **registered family day care homes** in Montana. The department requires that as liability insurance be maintained as a condition of licensing and registration. Because of the extreme increase in the cost of liability insurance, the number of registered family homes fell to a low of 419 in January, 1987. Since January, 1987 there has been a **13% increase** in the number of registered family day care homes --- from 419 in January, 1987 to 472 registered family day care homes in March, 1988.

During this period of time there has been no increase in the number of staff to license and register day care providers.

BUDGET NARRATIVE

2.5 FTE's for day care statewide \$65,000

The Department has seen an increase over the past biennium in the number of licensed/registered day care facilities, from 769 facilities in January, 1987 to 1,005 facilities in December, 1988. The licensing/registering of these facilities is being done by 3.0 FTE's statewide. Three FTE's are not sufficient to adequately cover over 1,000 facilities. The Montana Alliance for Better Child Care (MABC), worked with the Department to analyze the need for day care staff. MABC is an alliance of several state organizations interested in the child care issue, including, the League of Women Voters, the Montana Child Care Association, the Montana Association for the Education of Young Children, the Women's Lobbyist Fund and others. The recommendation of MABC was that DFS designate a minimum of 1.0 FTE in each DFS district office for day care for a total of 8.0 FTE's for day care statewide. The Department requested an additional 5.0 FTE's in the executive budget to bring the total day care FTE's to eight. Through the executive budget process, that number of additional staff was reduced to 2.5 FTE's.

Welfare reform. With the passage of national welfare reform legislation, the next biennium will see another increase in the demand for licensed/registered day care facilities in the state. More recipients of Aid to Dependent Children will be participating in job training and job placement. The federal legislation requires all recipients to work who have children over age three, and, when the parents are working, the children must be cared for in regulated facilities.

The additional 2.5 FTE's would be allocated by adding:

1.0 FTE - Missoula Region

.5 FTE - Each to Helena, Great Falls, and Billings Regions

Justification:

The Great Falls region is a large geographic area with 171 licensed/registered day care facilities and only .3 FTE dedicated to day care activities. It is next to impossible to cover the Hi-line from Browning to Harlem out of the Great Falls office with one worker. That worker must also cover Cascade and all of the other counties in between.

The Helena region requires additional staff because there are 163 licensed/registered day care facilities in the region and less than .25 FTE designated for day care activities. The area has three major service areas in Butte, Helena, and the Bozeman/Livingston area.

The Missoula region has 322 licensed/registered day care facilities over an area from south of Missoula to Idaho in the West and Canada on the North. There is .5 FTE currently designated for all day care activities in the region.

The Billings region has 173 licensed/registered facilities with .6 FTE designated for day care. The region extends from north of Livingston to the Wyoming border.

The 2.5 FTE will certainly be of benefit to the Department in trying to provide statewide coverage for day care activities, however, there remains a short-fall of 2.5 FTE if the Department is to provide 1.0 FTE per region for day care purposes.

BUDGET NARRATIVE

Day Care Resource and Referral \$60,000

Resource and referral services assist parents in finding care for their children and develop child care services for families where there is a shortage of available, affordable child care.

Funding would enable the Department to contract with local private non-profit corporations for child care resource and referral services. The non-profit agency cannot be a child care provider. Resource and referral programs that receive state funding are required to:

- maintain a data base of child care services in the community that the organization continually updates, including day care and pre-schools .

- advise parents of the availability of registered and licensed child care services within the local area and maintain a referral program for parents

- develop a local plan for child care services for the area

- meet State requirements for non-profit board membership

- provide training to child care providers and education for parents on selecting quality child care.

In the past, the only funding available to the Department for resource and referral services has been a \$20,000 federal grant. With that funding the Department has contracted with local R & R providers in Bozeman, Billings, Helena, Missoula and Great Falls. Those contracts average \$4,000 each, which has not adequately met the parents' requests for assistance.

State funding is required to enable the Department to purchase additional services in communities that currently have a resource and referral program, and to purchase services from newly-established programs in communities now without child care resource and referral services. The intent of additional funding is to make services available to parents statewide.

The \$60,000 will be allocated among the five Department of Family Services regions based upon the number of licensed and registered facilities in each region.

BUDGET MOD ALLOCATION

CHILD CARE RESOURCE AND REFERRAL

<u>REGION</u>	<u>POP 0 - 4</u>	<u>POP/RANK</u>	<u># LIC/REG</u>	<u>% TOT FAC</u>	<u>ALLOC.</u>
Western	16,035	1	322	32%	\$19,200
Southwestern	14,071	3	261	26%	\$15,600
Southcentral	14,270	2	173	17%	\$10,200
Northcentral	11,839	4	171	17%	\$10,200
Eastern	10,251	5	78	8%	4,800
	<u>66,466</u>	<u>5</u>	<u>1,005</u>	<u>100%</u>	<u>\$60,000</u>

Since two of the major roles of resource and referral programs are a. assisting parents in selecting quality child care, and b. providing training to child care providers, the greatest predictors of the workload of a resource and referral program are a. the number of parents that request assistance in seeking child care, and b. the number of available facilities.

The budget has been allocated by multiplying the regions' per cent of the total facilities in the State times the total resource and referral budget modification for the State. (The previous DFS experience with child care resource and referral programs supports the assumption that the per cent of parents that request services in a particular region would not differ greatly from the per cent of total statewide facilities available in the region.)



ST. THOMAS CHILD AND FAMILY CENTER

416 - 23rd St. North Great Falls, Mt. Phone (406) 761-6538

2-20-89
Exhibit
EXHIBIT 6

DATE 2-20-89

HB

Feb. 20, 1989

To: Members, House Appropriations Committee,
Rep. Dorothy Bradley, Chair
From: Marty Nelson, Administrator
St. Thomas Child & Family Center
Re: Consideration of FTE's for licensing and registering child daycare in Montana.

St. Thomas has served children and families in Great Falls and the surrounding area in various capacities since 1910. At this time, besides offering a full curriculum in family life education, we are licensed to provide daycare for 148 children.

Traditionally, we have supported licensing or registering daycare both by our belief and our behavior. Besides doing everything in our power to provide the highest quality of care at St. Thomas, we support in any way possible the efforts of the Department of Family Services to assure the same high quality for all children in our region and in the state.

Unfortunately, there currently exists a woeful understaffing in the DFS to license and monitor facilities which provide daycare for our children in Montana. In addition to this the federal Welfare Reform Act requires licensed daycare for the increasing numbers of preschool children who will need placement. Under consideration by this committee is funding for an increase in personnel to do the crucial job of licensing and monitoring those of us who care for Montana's children.

Quality of care is not only an issue which affects the well-being of our children (who cannot vote). It is also a family issue AND its importance as a economic issue becomes clear as we try to establish a favorable climate to attract business to Montana.

For the safety of our children, for the peace of mind of parents, for the efforts under way to attract business to our state, I urge you to support funding for an increase of FTE's for enforcement of licensing and registration of child daycare providers in Montana.



A United Way
Member Agency

Doonesbury

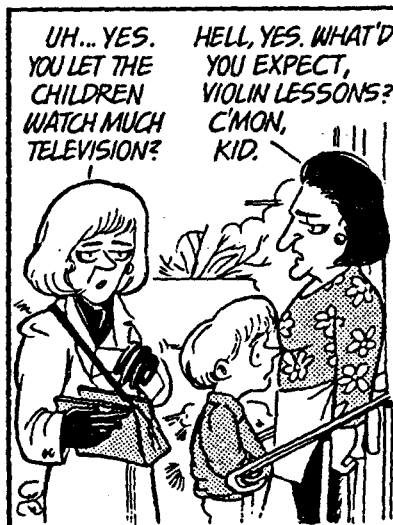
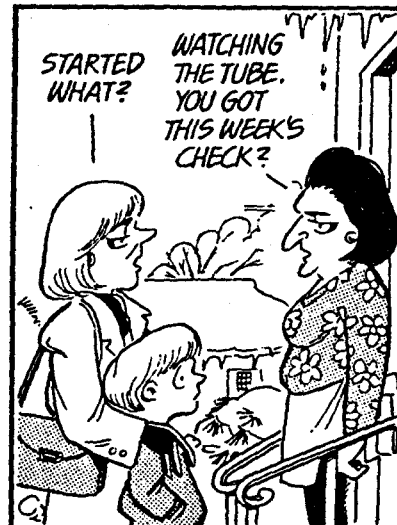


EXHIBIT 7

DATE 2-20-89

P.O. BOX 8484

HB
BOZEMAN, MT 59772

Billie Warford, President
10 West Cleveland
Bozeman, Montana 59715

Dear Chairman Bradley and members of Human Services
Appropriations Subcommittee:

I would like to urge your committee to support full funding for the Department of Family Services budget. MABC has worked with representatives of Family Services cooperatively for the past two years to address the concerns of child day care in our state. The proposed budget reflects a minimal level of funding for the department. The importance of family services at a time of financial strain for many Montana families cannot be denied. Your committee holds the responsibility for providing the funding necessary for their operation. As a new department they need the support of the legislature to refine their role and perform the necessary function of protecting children in out-of-home care.

The major areas I would like to address include:

1) Additional 2.5 FTE for staff

The number of licensed providers has grown by over 22% since 1986 but there has been no increase in the number of DFS staff responsible for regulation. With federal welfare reform legislation in place the need for licensed and registered child care will continue to grow. In addition, transitional child care programs now in place and tax credits for child care require the use of regulated care.

Currently there are 3.0 FTE responsible for licensing and regulation of over 850 facilities in Montana. The original request from MABC was for 5 additional FTE. This was cut to 2.5 in the current budget request and falls far short of what is needed to do an adequate job of regulation and enforcement, but is realistic in light of current budget considerations.

2) Removal of the freeze on day care reimbursement rate

The 1981 legislature had established an automatic annual \$.50 / day per child increase for the day care rate paid by the state. In July 1986 this rate was frozen. The last increase was in 1985 when rates rose from \$8.50 to \$9.00/day in centers; \$7.50 to \$8.00/day for family day care; and \$8.00 to \$8.50 for group homes. The state pays less per day for child care services than the private sector. Many providers refuse to care for state-paid children.

With welfare reform mandating child care be available for working mothers, finding places for these state-paid children will become much more difficult. Removing the freeze and allowing an increase in the rate would allow the supply of care for these children to increase.

3) Support for child care resource and referral services

Every child deserves the right to high quality child care experiences in his/her formative years. As more women enter the workforce, child care becomes a major issue for families. Montana figures for 1987 indicate there are 84,000 children under five, 50% of whom have mothers working outside the home. As more children will be cared for by someone other than their parents during the work day, we must begin to upgrade the present quality, accessibility, and affordability of child care in Montana.

In 1988 we find families and child care providers with minimal resources to assist them in their pursuit of child care. Resource and referral programs can provide an important linkage for families and child care in their communities. As welfare reform is implemented, assisting parents to locate care will become an additional responsibility of the agency providing services. Local resource and referral programs can be an important support for these programs by recruiting and training providers and assisting these parents in choosing quality programs for their children.

Contained in Governor's Schwinden's budget for DFS was \$60,000 a year to support a community grants program for developing resource and referral services. This small amount of money can be an important step for Montana communities seeking to coordinate child care and allow us to more cost-effectively meet welfare reform standards.

Our recommendation:

On behalf of the Montana Alliance for Better Child Care I urge the committee to recommend full funding for the Department of Family Services day care budget. It's the least we can do for the children of Montana who cannot speak for themselves.

Thank you,
Billie Warford



House Bill 100
House Appropriations Committee
Human Services Sub-committee
February 20, 1989
LWVM Contact: Chris Deveny
442-2617

Madam Chair, members of the committee, my name is Christine Deveny, here today representing the League of Women Voters of Montana.

The League supports the allocation of \$128,763 per year to the Department of Family Services for day care, as included in the Governor's modified budget. These funds will be used for the implementation of House Bill 200, The Montana Child Care Act, which has received a "do pass" recommendation from the House Human Services Committee. HB 200, is sponsored by House Speaker John Vincent and Senator Halligan, with support from a broad coalition of child care providers, parents, and other child care advocates including the League of Women Voters.

If funded, HB 200 will do several things that will greatly improve the quality of child care in Montana. It sets up the Department of Family Services as the coordinator of child care services, now involving five state government departments. It provides an additional 2.5 FTEs to DFS for assisting day care facilities with obtaining licensure and registration. Through licensing and registration, day care providers gain access to federal nutrition programs, and child care resources; and parents are more assured that their children are in facilities that meet health and safety requirements. The addition of 2.5 FTE's will likely not be enough staff to ensure that all day care providers receive enough attention from the DFS; however, it will be a great improvement over the current situation where just three FTEs handle approximately 1000 licensed facilities statewide.

The \$60,000 per year non-operating expense in the Governor's budget modification is for child care Resource and Referral programs. Resource and Referral services assist parents in finding care for their children, and develop child care services for families where there is a shortage of available, affordable child care. This is done by maintaining community child care service data bases, advising parents of the availability of registered and licensed facilities within their community, developing community child care service plans, and providing training for child care providers.

The need for quality affordable child care in Montana and in the U.S. continues to grow as our work force changes to meet the demands of economic necessity and the challenges of careers. The League of Women Voters supports an active partnership among parents, child care providers, private employers and government to meet these needs. We feel the programs established under HB 200, and being considered for funding today, are a positive step in that direction. We urge your support of the modified budget for day care. Thank you.

PINE HILLS SCHOOL - MILES CITY

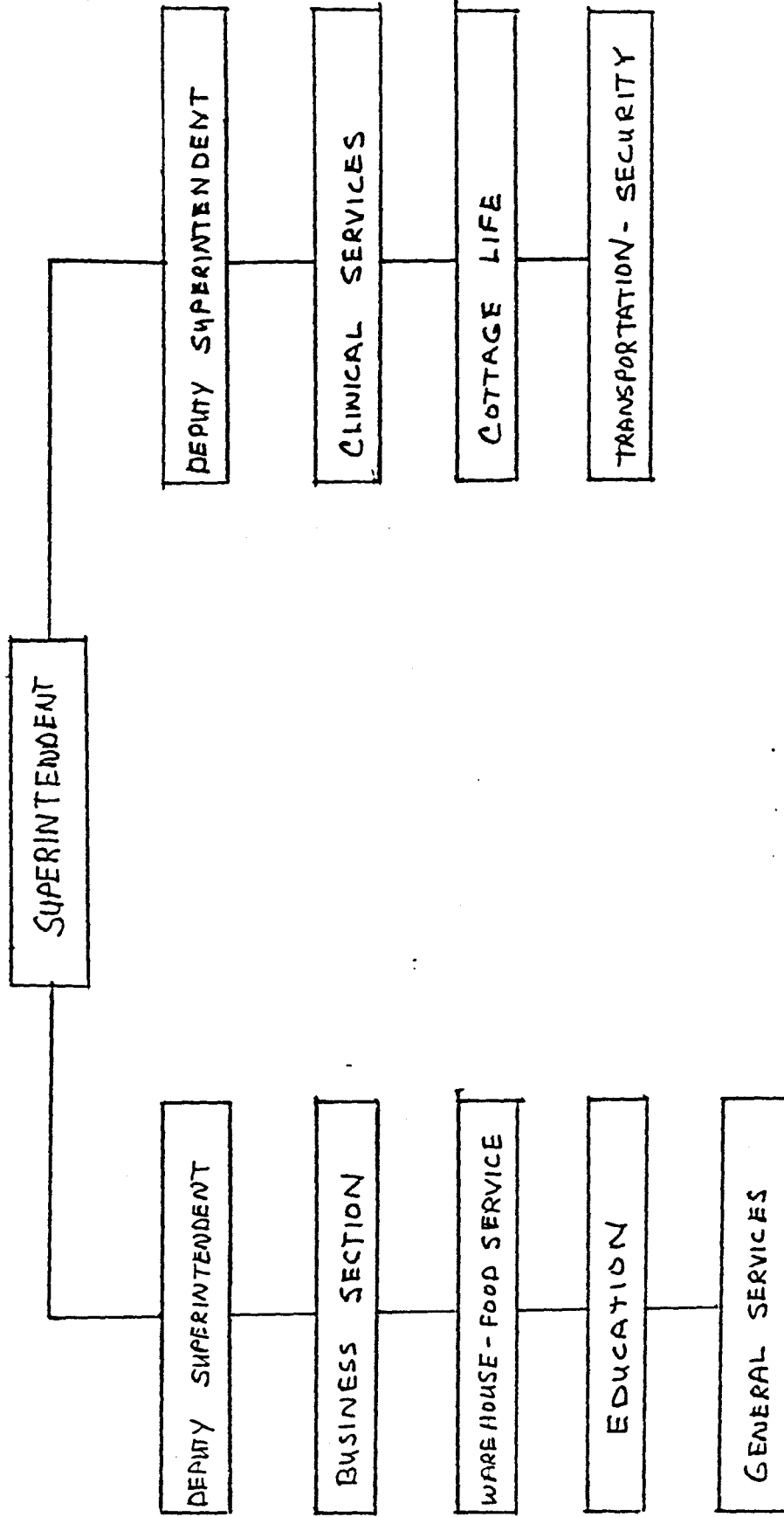
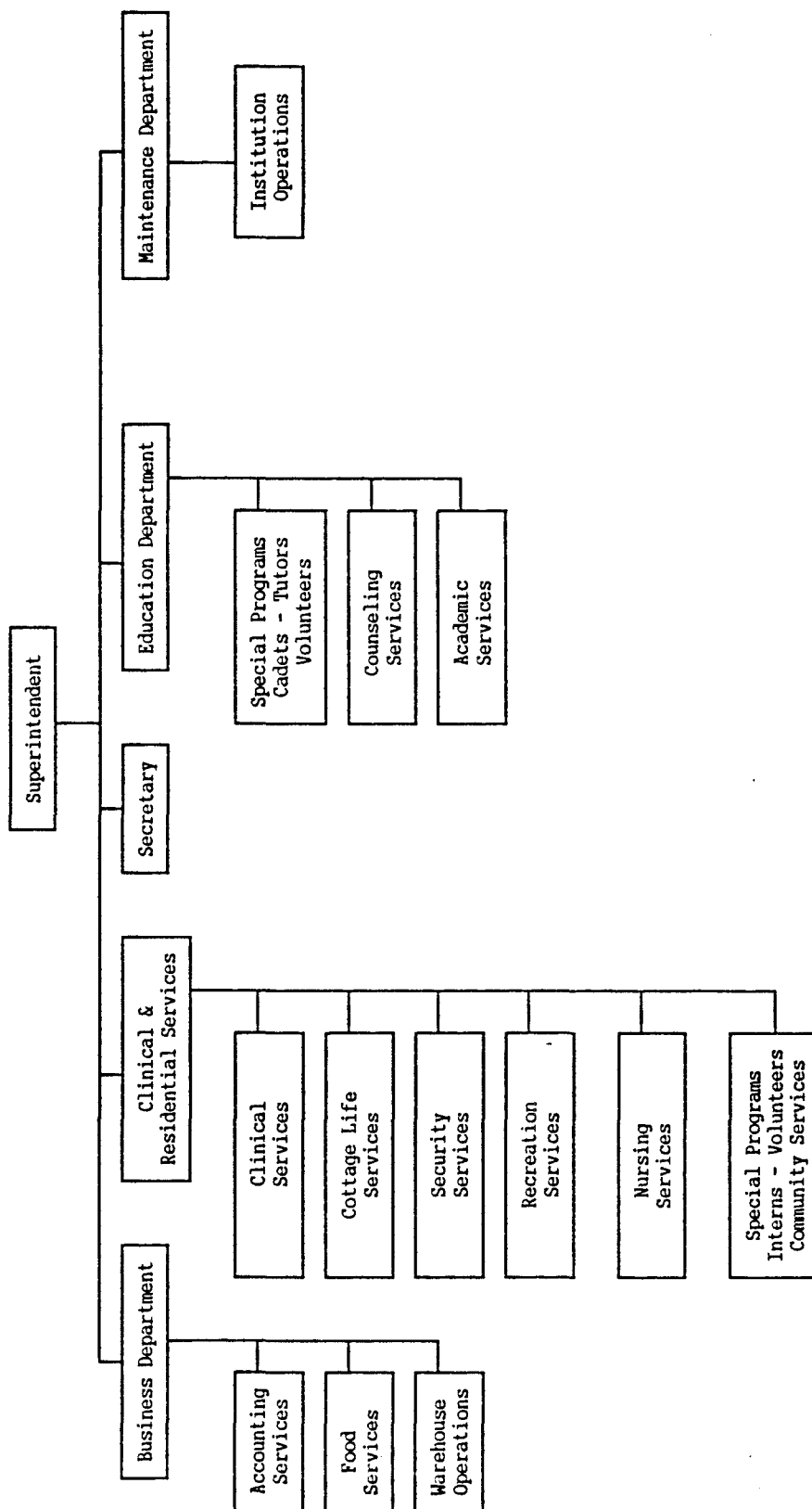


EXHIBIT 9
DATE 2-20-89
HB

PROPOSED

OCT 1988

MOUNTAIN VIEW SCHOOL ORGANIZATIONAL CHART
DECEMBER 1988



Health & Human Services COMMITTEE

DATE _____

Feb. 20, 1989

SPONSOR _____

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

PC-22