

## MINUTES

### MONTANA HOUSE OF REPRESENTATIVES 52nd LEGISLATURE - REGULAR SESSION

#### SUBCOMMITTEE ON INSTITUTIONS & CULTURAL EDUCATION

**Call to Order:** By CHAIR WILLIAM MENAHAN, on January 10, 1991, at 9:00 A.M.

#### ROLL CALL

**Members Present:**

Wm. "Red" Menahan, Chair (D)  
Dick Manning, Vice Chair (D)  
Gary Aklestad (R)  
Tom Beck (R)  
Dorothy Cody (D)  
Chuck Swysgood (R)  
Eleanor Vaughn (D)

**Members Excused:** NONE

**Staff Present:** Sandra Whitney (LFA), Mary LaFond OBPP, and Mary Lou Schmitz, Secretary

**Please Note:** These are summary minutes. Testimony and discussion are paraphrased and condensed.

#### **Announcements/Discussion:**

The next meeting will be Friday, January 11, 1991, at 7:30 A.M.

Chairman Menahan welcomed the Subcommittee and agencies and introduced the staff. He asked each Agency Director to introduce his staff.

#### **Tape No. 1**

Curt Chisholm, Director Department of Institutions, presented his staff:

Keith Wolcott, Deputy Director  
Janet Bouchee, Administrative Assistant  
Jim Currie, Administrator, Management Services Division  
Dan Russell, Administrator, Corrections Division  
Dan Anderson, Administrator, Mental Health Division  
Bob Anderson, Administrator, Special Services Division  
Darryl Bruno, Administrator, Alcohol and Drug Abuse Division

Mr. Chisholm stated that the division Administrator positions reflect the current vesting of authority in the Department which is different from two years ago. The Department was reorganized

to better define its roles and responsibilities as a human services agency. The staff will explain how and why the Department systems were changed before presenting budget information.

Richard Miller, Montana State Librarian, said the Governor's Conference on Library and Information Services was recently held. Sixty people attended representing government officials, librarians, trustees and friends statewide of the library. A series of resolutions was developed and passed at this conference which will be presented to this committee. Also a Blue Ribbon Panel finished its work on "Libraries at Risk" and the committee has already received their annual report. Mr. Miller introduced Jackie Wrigg, from Accounting.

Also attending were Brian Cockhill, Administrative Officer for the State Historical Society; Larry Sommer, Director of the State Historical Society; Kathy McGowan, Montana Council of Mental Health Centers, the State Psychological Assn. along with Jim Smith; Gloria Hermanson, Chief Lobbyist for the Montana Cultural Advocacy, which is a coalition of the State Library, Montana Historical Society and the Montana Arts Council; David Nelson, Executive Director of the Montana Arts Council, and his Assistant Accountant, Carleen Layne.

REP. MENAHAN explained the format of the meetings: executive overview, Agency presentation and current level overview.

REP. MENAHAN asked how the committee feels about leaving proxies and they agreed there would be a need for them.

Sandy Whitney, LFA, explained they have an electronic worksheet that shows the executive and current level and the difference. She will show underneath that table the base differences between current levels and the issues relating to those departments or programs. Following that will be the executive modifications, other language, and other bills involved with that area. There will be essentially a two-page worksheet to work from for the executive action.

REP. CODY asked how much information they were to carry around and what to do with all of it? Copies of the LFA Institutions' information will be in the binders. Mary LaFond has done the same for the portion of the executive and that will be in the folders. The only thing she is asking is that the Institutions and Cultural Ed. portions of the Executive Narrative be brought to committee and this will be bound with a clamp and left in the committee room.

REP. SWYSGOOD asked how the modifieds would be handled on the worksheet and if they were figured into a base. Ms. Whitney explained the Executive Budget, without the modifieds, will be shown in the electronic sheet compared to the current level. Then the modifieds themselves and the amounts will be listed

below for their individual attention.

REP. MENAHAN explained they would be working from the 1990 budget, not the 1991. Ms. Whitney said the budget analysis and the executive budget pieces that came out in December will be in the notebooks.

REP. MENAHAN said the House Appropriations Committee met and reviewed Vacancy Savings. A copy will be distributed. The Appropriations Committee will operate from that.

SEN. AXLESTAD asked if all Subcommittees will be operating with No Vacancy Savings and if the Executive Budget is using Vacancy Savings. SEN. AXLESTAD asked if the current level is actually the level in 1990, not 1991? Ms. Whitney stated the operating expenses are 1990 based. In general, the 1991 FTE are used so the pay plan and everything that was put in effect for 1991 is reflected. Sen. Aklestad asked if the financial part is 1990 and the FTE is 1991 and Ms. Whitney stated that with very little difference, that is correct. Sen. Aklestad asked if the 1989-1990 budget would be reflected on the new method and Ms. Whitney said no. The actual 1990 FTE will be on there.

INFLATION AND FIXED COSTS: Ms. Whitney stated it was the Chairs suggestion that the full committee meet to decide issues of inflation and fixed costs.

SUPPLEMENTALS: Ms. Whitney said the supplementals for each individual area will be handled in the subcommittee.

HB2: Ms. Whitney said the HB 2 format proposals changes have been made. The issue in this committee will be the re-organization of the Department and consideration of how it will appear in the Bill.

BUDGET MODIFICATIONS: Ms. Whitney said the Budget Modifications will be listed individually on the worksheet with explanations from the Budget Analyst in their binders. Then they will have to go back to the full Committee.

FTE BY GRADE AND STEP: Ms. Whitney explained the technical issues involved in the use of the computer system. For instance, if the LFA eliminated one FTE and it needed to be put back, the motion should read FTE by grade and step instead of dollar amount. That allows the system to calculate from the pay matrix and benefits matrix instead of using actual dollars. REP. SWYSGOOD asked if information on the grade and step would be provided. Ms. Whitney stated yes. Operating Expense uses the same technical process. The LFA and Budget Office have included inflation factors on some items. If the subcommittee, for example, wants to increase gasoline \$2000, increase the base and let the inflation factor calculate the final amount.

FUNDING: Programs have a number of funding sources. If the

Committee has made changes and approves the funding, could they approve the state and federal funds, by amount, then include in the motion a request to balance with General Fund, that will let the system compute the General Fund after individual changes are made. **SEN. AKLESTAD** asked if it is not General Funding then they specify what the other Fund is rather than a dollar amount. Ms. Whitney said if they have something that is funded entirely with Alcohol Funds, for instance, yes, they would have to fund that with the Alcohol Funds balanced to the changes they have made. **SEN. AKLESTAD** asked if the Federal Tax is paid on state vehicles where state tax is not and is that reflected in the budget analysis? Ms. Whitney will find out.

**REP. SWYSGOOD** said if the Subcommittee is working on current level and an increase did not come into effect until January, there could be some misconception. **SEN. AKLESTAD** said where state tax does not reflect motor pool then federal tax does.

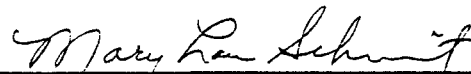
**REP. MENAHAN** reviewed some of the Subcommittee's major issues: the Department of Institutions' reorganization into six divisions; the HPI Pharmacy contract; Galen; changes in the Montana Development Center; Joint Hearing on the Developmentally Disabled with Human Services' Subcommittee; Executive Modifications; and, the new units at the Men's and Women's Prisons. Travel dates will be scheduled to visit Agencies.

ADJOURNMENT

Adjournment At: 9:45 A.M.



WILLIAM MENAHAN, Chairman



MARY LOU SCHMITZ, Secretary

WAM/mls