

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 52nd LEGISLATURE - REGULAR SESSION

COMMITTEE ON APPROPRIATIONS

Call to Order: By FRANCIS BARDANOUVE, on March 11, 1991, at 8:00 A.M.

ROLL CALL

Members Present:

Francis Bardanouve, Chairman (D)
Ray Peck, Vice-Chairman (D)
Dorothy Bradley (D)
John Cobb (R)
Dorothy Cody (D)
Mary Ellen Connelly (D)
Ed Grady (R)
Larry Grinde (R)
John Johnson (D)
Mike Kadas (D)
Berv Kimberley (D)
Wm. "Red" Menahan (D)
Jerry Nisbet (D)
Mary Lou Peterson (R)
Joe Quilici (D)
Chuck Swysgood (R)
Bob Thoft (R)
Tom Zook (R)

Staff Present: Terry Cohea, Legislative Fiscal Analyst
Sylvia Kinsey, Committee Secretary

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

HEARING ON HB 300

Eliminating state financing of sales of state lands - Department of State Lands

Presentation and Opening Statement by Sponsor: REP. MARK O'KEEFE, HD 45, Helena said this Bill is an act to eliminate sales of state lands on an installment basis requiring cash sales. At the present time state lands can be bought by private lessees or other private individuals and the state finances the sale for 10% down over 33 years. In the interest of getting the state out of the banking business, giving the business to the banks and allowing the state to reinvest, the proposal is that the state no longer sell or finance land.

Proponents' Testimony: Dennis Casey, Commissioner, Dept. of State Lands said in recent years the present Land Board and Leasing Land Boards have not sold state lands to any extent, only small parcels and packages. As a result of the last legislature and rules that have been adopted recently, forms will be available in the near future. They anticipate there will be several sales of cabin and home sites in the next two years.

Questions From Committee Members: REP. BARDANOUVE asked about the result of the sales passed in the last session. Mr. Casey said the rules for those sales have recently been finalized and they are in the process of sending application forms to those lessees who have indicated a desire to have the properties put up for sale. Under the rules, the application must be made by the lessee. The Board of Land Commissioners gives a preliminary approval, the properties are appraised, advertised for sale and there is an open competitive bidding. The lessee has the opportunity to meet the high bid. They have not sold any of those properties or had any for sale yet.

REP. CODY asked how many parcels have been sold or how many are they still signing deeds in the past 33 years. Mr. Casey said the last major sales of state land occurred in the late 50s. Since statehood about one million acres have been sold, but for the last twenty to thirty years very little land has been sold.

REP. BARDANOUVE asked if there is a formula used to charge interest. Mr. Casey said the Board of Land Commissioners meets on a yearly basis to determine the interest rate and the rate at the time the transaction occurs would be the rate of interest for the 33 years.

REP. CODY asked how much is left to be finalized. Mr. Casey said he does not know how many are left of those sales from thirty years ago but they can't accelerate them. REP. BARDANOUVE asked if they have the option to pay early and Mr. Casey said they do.

Closing by Sponsor: REP. O'KEEFE closed.

HEARING ON HB 393

Long-term loans to special revenue funds - Dept. of Administration

Presentation and Opening Statement by Sponsor: REP. JOHN COBB, HD42, Augusta said many state agencies participate in programs where percentages of the expenditures are not reimbursed by the Federal government, private source or another state agency. At times they might have to borrow cash from some other entity because they are waiting for money to come in.

Proponents' Testimony: Chuck Virag, Administrator, Accounting Management Support Division, Dept. of Administration said this

legislation addresses a problem that a number of agencies have. When agencies are participating in reimbursement type programs that continue for more than one year, the current law does not allow legislative authorization to approve loans from other accounts unless there are unusual circumstances. **EXHIBIT 1.**

Questions From Committee Members: **REP. BARDANOUVE** suggested a safe-guard because it almost became an on-going appropriation by not having to repay loans on time. The money is appropriated for long term without any penalty and warned about a loophole being created.

REP. PECK asked if this is anticipated federal revenue only, or if it would apply in other cases. **Mr. Virag** said the amendment applies to agreed upon reimbursements from federal sources, other state sources and private sources. If an agency has a contract with a private entity, which is fairly common, and that contract extends over one year they could approve a longer term loan in that situation. **REP. PECK** asked what is causing this request for change in legislation. **Mr. Virag** said it is primarily because of federal revenue.

REP. THOFT asked if these federal funds are always guaranteed. **Mr. Virag** said the way the amendment reads they could only approve a loan if there is an agreement providing for the reimbursement.

REP. KADAS said prior to this the only case which arose was with SRS. Now the situation arises with Public Service Commission, DNRC and State Lands, what has caused that change? **Mr. Virag** said SRS was the first agency that recognized they had a problem with the current statute. The Department of Fish, Wildlife and Parks, over the last two Bienniums, has had corporation language allowing for such loans. The other agencies have had this situation for a number of years and the Dept. of Administration has allowed them to come in and request new loans. In effect these were loans used to repay the old loans and that situation has gone on for a number of years.

REP. CODY asked about the cash reserve that will be used to loan out to the Institutions, what if there is more than one that needs it and the cash reserve fund is depleted? **Mr. Virag** said the majority of their inter-entity loans to the federal accounts they presently have are from state special revenue and general funds.

REP. BARDANOUVE asked if these are non-interest bearing loans and **Mr. Virag** said they were not. **REP. BARDANOUVE** said they would be losing some interest out of the short term investment pool.

Closing by Sponsor: **REP. COBB** said there has to be an agreed upon reimbursement and the total loan balance cannot exceed the total receivable. The receivables have to be billed on a timely basis.

HEARING ON HB 70State jail standards - Board of Crime Control

Presentation and Opening Statement by Sponsor: REP. BILL STRIZICH, HD 41, Great Falls said this Bill puts in statute a basis for reviewing how county jails are operated and environmental considerations, such as building construction. Amendments to HB 70 were distributed, EXHIBIT 2.

Proponents' Testimony: Don Crabb, Staff person, Montana Board of Crime Control spoke on behalf of the original Bill and the Amended Bill. HB 70 is the most desirable approach to take in establishing standards for jails throughout the state, putting in place a mechanism for review and consideration of the facilities as well as the operation. The amended version does two things. First, it takes out the words "minimum mandatory" standards, leaves in place "minimum" and takes out "mandatory". Secondly, it takes out the rule-making responsibilities of the Board of Crime Control. The second piece of legislation is aimed at the overall mission of the Board of Crime Control as it is today and that is to provide technical assistance to Criminal Justice Agencies throughout the state. The monies that are attached to these provisions vary considerably. The original Bill is \$188,000 for FY92 and the proposed budget reduces it by 1/4, EXHIBIT 3.

Questions From Committee Members: REP. THOFT said the amendments are good but when the jail is built an architect is hired who works with the NICA standards. Mr. Crabb said the problem is the architect may work with NICA standards, ACA standards or any number of standards which are probably all acceptable but in many cases they are different so the sheriffs and peace officers would like to consolidate the standards. REP. THOFT said these standards would have to be revised on a regular basis.

REP. KADAS asked if this is accepted will there be a common point of view in Court. REP. STRIZICH said yes and before an architect makes up blueprints there is an understanding of what is acceptable in Montana and the basic humanitarian considerations.

REP. PECK asked if there was opposition to the Bill in any other Committee Hearing. REP. STRIZICH said no.

REP. QUILICI asked if the new amended version of the Bill still calls for a nine-member Detention Center Committee and staff. REP. STRIZICH said the standards remain the same. The only thing that changes is the staffing pattern and that is where the money is. They have reduced the necessity to have people in the field doing the kinds of inspections required in the previous Bill. REP. QUILICI asked if this amended version passes how many new staff will be required? Mr. Crabb said one. In the original Bill there were four so this would be a reduction of three.

REP. MENAHAN said there are no architects in Montana who specialize in jails or prisons so this will have to be contracted for. REP. STRIZICH said they will be dealing with basic health, safety and operational kinds of things.

REP. KADAS said the basic difference between the two versions of the Bill are a set of standards created and approved by the Board. In one version those standards will be voluntary and will have inspections upon request. In the other version the standards are mandatory and annual inspections will be required.

Closing by Sponsor: REP. STRIZICH closed.

HEARING ON HB 385

Reallocate penalty and interest income from past-due UI contributions - Department of Labor

Presentation and Opening Statement by Sponsor: REP. JERRY DRISCOLL, HD 92, Billings said this Bill takes the penalty and interest money from the UI trust or collections. Presently they go back into the trust fund and this Bill would allow the Department of Labor to hire investigators. HB 704 takes the same money and puts it in the Apprenticeship Bureau.

Questions From Committee Members: REP. BARDANOUVE asked if this Bill should be combined with HB 704. REP. DRISCOLL said yes HB 385 should be killed and the policy decision made for HB 704.

REP. CODY asked if there are no investigators now for fraud and unemployment. In the 1979 or 1981 session there was a resolution requiring the Department of Labor to submit a quarterly report on criminal convictions and the number of fraud cases submitted to County Attorneys to the Legislative Auditor. Is this being done or ignored. REP. DRISCOLL said the Unemployment Insurance (UI) has an agreement with the Federal Social Security and a computer tape is checked against Social Security paid and UI collected.

REP. BRADLEY said the Human Services Subcommittee approved \$100,000 which is needed for the apprenticeship, then REP. DRISCOLL said the need is half UI admin and half penalty interest so in this Committee it will be taken down to \$50,000. Is the UI admin needed now? REP. DRISCOLL said \$120,000 a year is needed from an ongoing revenue source to pay for the apprenticeship.

REP. BARDANOUVE asked if the amount will vary? REP. DRISCOLL said it will but this will probably be one of the lowest years and it will be about \$150,000. HB 704 asks for \$120,000 and HB 385 just says how many investigators are allowed to come out of that money. REP. BARDANOUVE said a situation could arise where there could be enough money one year to hire three investigators but the following year there might not be enough money to keep three on.

Closing by Sponsor: REP. DRISCOLL closed.

HEARING ON HB 124

Require employee tax to be used to pay expenses of public employment offices - Department of Labor

Presentation and Opening Statement by Sponsor: REP. BOB GILBERT, HD22, Sidney said this Bill requires the Department of Labor and Industry to maintain a balance of funds in the Unemployment Insurance Administration accounts sufficient to pay the expense of administering public employment offices at the funding level established in 1990 and 1991 fiscal year. The Bill has a small change from current law on Page 3, Line 19, "Administrative purposes except as provided in 5, on Page 4, Line 3-7. Based on estimation of federal funding for each Biennium the Department shall maintain a balance of funds in the Assessment account sufficient to guarantee the level of funding established in the 1991 fiscal year to maintain services in public employment offices". The problem is that there is an Admin tax assessed on employers in the state and earmarked. The purpose was to keep the Job Service offices open in case federal funding is lost, EXHIBIT 4.

Informational Testimony: REP. BARDANOUVE said he would like to have the Legislative Auditor, LFA and all parties concerned give the Committee a careful analysis as there seem to be problems beyond this particular Bill. There are pieces in the Senate, in this Committee and in Subcommittees that will have an overall impact and a total analysis should be made.

Questions From Committee Members: REP. BARDANOUVE asked for clarification of the fiscal note. REP. GILBERT said the fiscal note no longer applies to the Bill. The original Bill said the state is paying an administrative tax to fund job service offices and we want you to fund them with that money. That would have diverted the .01 which is \$2,700,000 from any other use it has.

REP. BARDANOUVE asked if some projects have been funded for the Human Service Committee. REP. GILBERT said yes, starting in 1990. REP. BARDANOUVE said if they change it they will have to put some general fund money into projects the Subcommittee has approved. REP. GILBERT said the decision is whether the money should be spent for something that is earmarked for something else just to keep it open.

REP. BARDANOUVE asked REP. BRADLEY to clarify the money funded for the subcommittee. She read from Language, EXHIBIT 5

REP. QUILICI referred to the premium increase and asked if all employers in the state pay this tax. REP. GILBERT said yes. REP. QUILICI asked if the Job Service handles Project Work exclusively. Bob Mullen said there is some coordination, such as Project Work, a program that coordinates with SRS. REP. BRADLEY

said other entities help deliver these services all for the purpose of solving unemployment and getting people jobs.

REP. BARDANOUVE asked REP. GILBERT what his reaction is to the proposal REP. BRADLEY has. Referring to the second sentence "The amount of unappropriated funds for deposit into the reserve shall be determined after all other Unemployment Insurance Administrative Tax appropriations are funded" he asked if this means that what goes into that account would be less than \$300,000 a year. If that is the case not much money is being placed in a reserve account to keep it open unless they intend to transfer part of that \$3,000,000 currently in the account. On an ongoing basis, once an account is established, it is not being built up. Terri Perrigo, Associate Fiscal Analyst, said approximately \$4,100,000 would be deposited into the Job Service Reserve Fund which was established by the Human Services Subcommittee at the end of fiscal 1992. The \$4,100,000 balance does take some of the \$6,200,000 reserve at the end of the year. REP. BARDANOUVE asked if the \$4,100,000 was established by a subcommittee. Ms. Perrigo said the subcommittee did not establish the fund, instead they appropriated money to a reserve account. REP. GILBERT said if the department does not use the money for what it is intended it should automatically go to the UI trust. It has not been sent automatically to that trust so the money has built up several million dollars.

REP. COBB said the money is to be used for administrative purposes but does that qualify them under the Jobs for Montana's Graduates (JMG) program. Mr. Mullen said the JMG program would fall outside that administrative purpose. REP. COBB asked if the administration was used for displaced homemakers and would part of Project Work be covered. Mr. Mullen said part of Project Work is a contract between SRS and his Department to do the training services required, EXHIBIT 6.

REP. BARDANOUVE said Mr. Micone must run a very careful projection about the future levels of funding and asked what the analysis show? Mr. Micone said they run projections on a weekly basis. Their most recent numbers show a trust fund balance of \$91,100,000 at the end of the year. They think there will be an expansion of unemployment insurance benefits during the year which will probably drive the trust fund balance down somewhat.

REP. ZOOK asked, if the projections are run weekly, why is the printout dated Jan. 8, 1991? Mr. Mullen said the printout indicates what the trigger amounts are for staying at a particular schedule in the Unemployment Insurance Trust.

REP. QUILICI asked about some federal funds being curtailed, how many of these funds are available and how many funds are from the employers. Mr. Mullen said approximately 98% of the budget is made up of special revenue and federal funds. Less than 2% of the Department's budget is made up of general fund.

Brian McCullogh said he would like to clarify two items; first the concern about the General Fund. The way it has been amended there would not be an impact on the General Fund. The second item is relative to Administrative purposes and certain functions and asked if this would be an allowed use. As far as the G and G program or PWP are concerned those questions were asked of the Legislative Auditor. The Legislative Auditor's definition of Administration was as long as it's not used to pay benefits directly to participants in programs; if it's used to pay salaries, operating expenses and equipment it will not be considered as Administrative costs. The concern is on Page 1, Line 21, Administration of this Chapter, and it could be amended to agree with the Legislative Auditor to identify and as appropriated by the Legislature.

Mr. Mullen said they do not feel there is any inadequacy in the Trust or any solvency problems in the future. Since the Administrative tax has been implemented approximately \$8,600,000 has moved from the Admin tax to the UI Trust Fund. Had that not happened they would be a Schedule 3 today.

REP. QUILICI asked if there is a chance that subcommittee action will raise the rates on employers in the state. Mr. Micone said his analysis is that they will be raising rates if funds are not deposited to the Trust. REP. BARDANOUVE said it is not just this particular Bill but also other Bills and the economic impact. REP. BRADLEY said a Subcommittee worked out this whole scheme of what a fair allocation was and when the report came back the conclusion was very clearly laid out that those rate schedules move up and down regardless of the UI Admin tax and that is what they are supposed to do. What the Subcommittee did had nothing to do with those rates going up next year. They were predicted to go up regardless.

Closing by Sponsor: REP. GILBERT said there are programs being funded with this money that take away from security of the Trust and take away from the security of keeping Job Service Offices open. He disagreed with new programs added on to the ones they have now that would further take away and jeopardize the trust.

Motion/Vote: REP. QUILICI moved to accept REP. BARDANOUVE'S proposal for the Fiscal Analyst, Legislative Auditor and agencies concerned to make a careful overall review and comprehensive report. MOTION CARRIED UNANIMOUSLY.

Discussion: REP. CODY said there is a need to clarify to the public that if the rates go up it will not be because of this one Admin tax but because of other factors involved and the letter from the Department included this in the request.

HEARING ON HB512

Balanced state budget based upon previous years state revenues

Presentation and Opening Statement by Sponsor: REP. DICK SIMPKINS, HD 39, Great Falls said this Bill involves a

Constitutional issue to hold the line on state expenditures. When 69% of the budget goes to Education and 20% to Human Services there is only 16% to deal with in government. This Bill is a very understandable concept and has one minor change to take into consideration; changing it from calendar year to fiscal year. The Department of Revenue said it should be kept on fiscal year basis. This would provide a fixed amount of money that would concentrate energies where the priorities are for that money to be allocated.

Proponents' Testimony: Forest Boles, Montana Chamber of Commerce, said through surveys they have done across the state and in the survey done by the Tax Reform Coalition one of the main concerns of voters is if taxes are reformed can they be assured state spending will not go up by whatever amount the new tax is. The voters should be allowed to state their views and get some confidence in the tax system.

Questions From Committee Members: REP. QUILICI said it sounds good but there could be some problems. The budget may not exceed state revenues for the preceding two fiscal years. With the inflation factor the budget has to be raised. Is it the intent of this legislation for all agencies effected by the inflation factor, to go down in revenue? REP. SIMPKINS said if there is a good system and a good economy rates on taxes should never have to be changed. If the tax rate has to be changed to earn more money because the tax base hasn't changed enough eventually it will run out. REP. QUILICI asked how it can be kept the same when a diverse state like Montana is losing population instead of gaining. REP. SIMPKINS said he agrees but how long can taxes continue to be increased and still maintain the same tax base. REP. MENAHAN said with inflation, sales taxes grow automatically so the government automatically gets bigger, but under the present system, when wages dropped, collections dropped. REP. SIMPKINS said if the economy is good you should not have to raise the rates on taxes. Government should grow at the rate the consuming public grows. REP. MENAHAN said what has happened in states that have followed along with Coalition is their inflation went up and the money followed with it and they spent. Now they have had to change their sales tax rates to meet their expenditures.

Closing by Sponsor: REP. SIMPKINS said if federal funds are available that were not anticipated the idea is how to turn it around and automatically appropriate the expenditure of that money without involving other state plans. People want some type of reform.

HEARING ON HB 257

Death benefits for public safety officers killed on duty - Board of Crime Control

Presentation and Opening Statement by Sponsor: REP. BOB GILBERT,

HD 22, Sidney said this Bill is a \$25,000 death benefit package and \$500,000 statutory appropriation for public safety officers killed in the line of duty. The payout on this Bill would be on the average of one a year based on past history. There have been seven officers killed since 1974 by felonious means; 88 officers killed since 1863. The Bill has been amended on pages 3 and 4 and was going to be administered by the Department of Administration but the Department of Justice said they could administer it without the charge of \$9,000 each year.

Questions From Committee Members: REP. CODY asked REP. GILBERT if he checked into the Crime Victims' Fund to see if there would be a possibility of using any of that. He said he would prefer that to be used for crime victims from the general public. These people are paid for what they do.

REP. KADAS asked what defines a volunteer? REP. GILBERT said a public safety officer is defined as a sheriff, law enforcement officer employed by an incorporated city or county, police officer, highway patrol officer, state game warden, an employee or volunteer for an emergency medical service, public or non-profit licensed by the Department of Health and Environment Sciences.

REP. BARDANOUVE asked the fiscal analyst, if they statutorily appropriate \$500,000 general fund money, does that show in the annual fund balance. Jim Haubein said the only thing showing an annual fund balance is what is actually spent out of this or what they are projecting to spend. The fiscal note projects one debt to be paid so there will be \$25,000 paid out of this. It will show a \$50,000 Biennial expenditure.

Closing by Sponsor: REP. GILBERT closed.

Mr. Haubein referred the Committee to the 2nd page of the handout, EXHIBIT 7, and said there is a negative general fund revenue impact with HB 548. This is the Bill that would use the crime victim's money and whenever that money is used there will be less going to the general fund. There is an amended fiscal note for it if the Committee wants to consider it.

EXECUTIVE ACTION

Motion/Vote: REP. KIMBERLEY MOVED HB 913 DO PASS. Motion carried with Reps. Swysgood, Grinde, Peterson and Thoft voting no.

Motion/Vote: REP. THOFT MOVED HB 954 BE TABLED. Motion carried with Reps. Cobb, Quilici, Johnson and Peck voting no.

HEARING ON HB 321

Requiring interest and penalty on individual and corporate license tax to general fund

Presentation and Opening Statement by Sponsor: REP. REAM, HD 54, Missoula said this Bill makes it a matter of public policy when interest and penalties are paid on various revenues that they go into the general fund rather than being apportioned out to the various accounts in which the taxes themselves go. The state agencies do that processing on interest and penalties and on auditing; it should be the state that collects the money.

Questions From Committee Members: REP. QUILICI said the State Treasurer shall deposit to the credit of the state general fund but there is no State Treasurer.

Jim Haubein said that is part of the Department of Administration, Centralized Services Treasury group and Ray Hoffland is in charge of the Treasury. It was absorbed back into the Department of Administration several years ago.

REP. KADAS said in HB 28 last session some of this language in the earmarking to the school equalization account, was inadvertently repealed but is seen in this language. How will this Bill fit with SB 17 that replaces the earmarking? Mr. Haubein will check it out.

Closing by Sponsor: REP. REAM closed.

EXECUTIVE ACTION

Motion: REP. THOFT MOVED HB 511 DO PASS

Discussion: REP. PECK said this is not justified because the finance committee meets often enough to get their budget amendments lined up. REP. COBB said sometimes they let the funds build up and over a certain amount should go to the general fund.

REP. THOFT withdrew his motion in favor of looking at an amendment.

Motion/Vote: REP. CODY MOVED HB 798 DO PASS. Motion carried with Reps. Peck, Grinde, Cobb and Bardanouve voting no.

Motion: REP. THOFT MOVED HB 548 BE TABLED. Vote carried unanimously.

Motion: REP. CONNELLY MOVED HB 251 DO PASS.

Motion/Vote: REP. QUILICI MADE A SUBSTITUTE MOTION THAT THE HB 251 AMENDMENT DO PASS which will change the word "may" rather than "shall". Motion carried with Reps. Bardanouve, Grinde, Swysgood and Thoft voting no.

Motion/Vote: REP. CONNELLY MOVED HB 251 DO PASS AS AMENDED. Motion carried with Reps. Grinde and Swysgood voting no.

Motion: REP. MENAHAN MOVED HB 953 DO PASS.


Motion/Vote: REP. KADAS MADE A SUBSTITUTE MOTION THAT HB 953 AMENDMENT DO PASS, EXHIBIT 7. Motion carried unanimously.

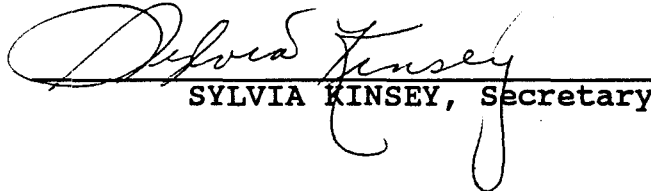
Motion/Vote: REP. MENAHAN MOVED HB 953 DO PASS AS AMENDED. Motion carried unanimously.

REP. BARDANOUVE postponed HB 692 until the amendments can be looked at.

ADJOURNMENT

Adjournment: 11:08 A.M.


FRANCIS BARDANOUVE, Chair


SYLVIA KINSEY, Secretary

FB/SK

HOUSE OF REPRESENTATIVES

APPROPRIATIONS COMMITTEE

ROLL CALL

DATE

3/11/91

NAME	PRESENT	ABSENT	EXCUSED
REP. FRANCIS BARDANOUVE, CHAIRMAN	✓		
REP. RAY PECK, VICE-CHAIRMAN	✓		
REP. DOROTHY BRADLEY	✓		
REP. JOHN COBB	✓		
REP. DOROTHY CODY	✓		
REP. MARY ELLEN CONNELLY	✓		
REP. ED GRADY	✓		
REP. LARRY GRINDE	✓		
REP. JOHN JOHNSON	✓		
REP. MIKE KADAS	✓		
REP. BERV KIMBERLEY	✓		
REP. WM. "RED" MENAHAN	✓		
REP. JERRY NISBET	✓		
REP. MARY LOU PETERSON	✓		
REP. JOE QUILICI	✓		
REP. CHUCK SWYSGOOD	✓		
REP. BOB THOFT	✓		
REP. TOM ZOOK	✓		

HOUSE STANDING COMMITTEE REPORT

March 11, 1991

Page 1 of 1

Mr. Speaker: We, the committee on Appropriations report that House Bill 913 (first reading copy -- white) do pass .

Signed: Francis Bardanouve
Francis Bardanouve, Chairman

HOUSE STANDING COMMITTEE REPORT

March 23, 1991

Page 1 of 1

Mr. Speaker: We, the committee on Appropriations report that
House Bill 511 (first reading copy -- white) do pass .

Signed: Francis Bardanoue
Francis Bardanoue, Chairman

HOUSE STANDING COMMITTEE REPORT

March 11, 1991

Page 1 of 1

Mr. Speaker: We, the committee on Appropriations report that
House Bill 798 (first reading copy -- white) do pass .

Signed: B. Bardanouve
Francis Bardanouve, Chairman

HOUSE STANDING COMMITTEE REPORT

March 12, 1991

Page 1 of 1

Mr. Speaker: We, the committee on Appropriations report that House Bill 251 (second reading copy -- yellow) do pass as amended .

Signed:


Francis Bardanouve, Chairman

And, that such amendments read:

1. Page 2.

Following: line 2.

Insert: New Section. Section 1. Provision of professional actuarial consulting services. The joint select committee on workers' compensation may consult with a professional actuary in determining the liability for claims for injuries resulting from accidents that occurred before July 1, 1990, on an annual basis following the close of the fiscal year ending June 30, 1991.

Renumber: subsequent sections

2. Page 2, line 6.

Strike: "\$15,000"

Insert: "\$70,000"

3. Page 2, line 8.

Following: "to"

Insert: "provide professional actuarial consulting services and"

HOUSE STANDING COMMITTEE REPORT

March 12, 1991

Page 1 of 1

Mr. Speaker: We, the committee on Appropriations report that House Bill 953 (first reading copy -- white) do pass as amended

Signed: Bardanoue
Francis Bardanoue, Chairman

And, that such amendments read:

1. Page 1, line 17.

Following: "department"

Insert: "in cooperation with the board"

①
EXHIBIT

DATE

3-11-91

HB

393

TESTIMONY
DEPARTMENT OF ADMINISTRATION
HB 393

TITLE: "AN ACT ALLOWING THE DEPARTMENT OF ADMINISTRATION TO APPROVE LONG-TERM LOANS TO ACCOUNTING ENTITIES IN THE FEDERAL AND STATE SPECIAL REVENUE FUNDS UNDER SPECIFIED CIRCUMSTANCES; AUTHORIZING THE DEPARTMENT TO APPROVE THE LOANS IF THE LOANS ARE NECESSARY TO PROVIDE CASH FOR DISBURSEMENTS MADE PENDING RECEIPT OF REIMBURSEMENT FROM FEDERAL, PRIVATE OR OTHER GOVERNMENTAL ENTITY SOURCES; AMENDING SECTION 17-2-107, MCA; AND PROVIDING AN EFFECTIVE DATE."

PURPOSE

This legislation allows the Department of Administration to approve loans from one accounting entity to another that extend beyond one year if: 1) the loan is to an accounting entity in the federal or state special revenue fund; 2) the loan is necessary due to the timing of the receipt of agreed upon reimbursements from federal, private or other governmental entity sources for disbursements made; and 3) the requesting agency can demonstrate that the total loan balance does not exceed total receivables and receivables have been billed on a timely basis.

TESTIMONY

Many State agencies participate in programs where all or a percentage of the expenditures incurred are reimbursed by the federal government, a private source or another State agency. Because State agencies are prohibited from having a negative cash balance in an accounting entity for more than 7 consecutive working days, agencies participating in reimbursed programs often need to borrow cash from another accounting entity to support the disbursements pending the receipt of reimbursement. Because many of these programs continue for many years, an agency may need a cash loan for an extended period of time.

The Department of Administration is authorized under Section 17-2-107 (2)(a), MCA, to approve loans to accounting entities when disbursements are required and the cash balance is not sufficient. The repayment schedule for these loans cannot exceed one year from the date approved, unless unusual circumstances exist or there is specific legislative authorization. Under unusual circumstances the Department may approve an extension of up to one additional year.

Ex. 1
3-11-91
HB 393

TESTIMONY
DEPARTMENT OF ADMINISTRATION
HB 393
(Continued)

The one year loan repayment requirement creates a problem for those agencies participating in reimbursed programs that are of a long-term nature. Some of the agencies affected, including the Department of Social and Rehabilitation Services and the Department of Fish, Wildlife and Parks have pursued statutory or other legislative provisions allowing for long-term loans to accounting entities receiving reimbursements. Other agencies, including the Public Service Commission, the Department of Military Affairs and the Department of Natural Resources and Conservation have recently requested loan extensions beyond the one year allowed.

The Department of Administration supports this legislation as it provides an efficient process by which all agencies participating in reimbursed programs can comply with statutes that restrict the time duration an accounting entity can maintain a negative cash balance and that require accountability for inter-entity loans.

2) 3/11/91
EXHIBIT 2
DATE 3-11-91
HB 70

Amendments to House Bill No. 70
Second Reading Copy (Yellow)

Requested by Rep. Strizich
For the Committee on Appropriations

Prepared by Valencia Lane
March 9, 1991

1. Title, line 7.
Following: "ADOPT"
Insert: "VOLUNTARY"

2. Page 1, line 13.
Strike: "12"
Insert: "9"

3. Page 1, lines 14 through 21.
Following: "adopt" on line 14
Strike: remainder of line 14 through "adopt" on line 21

4. Page 1, line 21.
Strike: "minimum"
Insert: "voluntary"

5. Page 1, line 22.
Following: "AND"
Insert: "voluntary"

6. Page 2, line 4 through page 3, line 4.
Strike: line 4 on page 2 through page 3, line 4 in their entirety

7. Page 3, line 9.
Following: "state"
Strike: "conform to"
Insert: "voluntarily comply with"

8. Page 5, line 3.
Strike: "(1)"

9. Page 5, line 4.
Strike: "(a)"
Insert: "(1)"
Following: "rule"
Insert: "voluntary"

10. Page 5, line 6.

Following: ";"

Insert: "and"

11. Page 5, lines 7 through 9.

Strike: subsection (b) in its entirety

12. Page 5, line 10.

Strike: "(c)"

Insert: "(2)"

13. Page 5, lines 12 through 23.

Strike: subsections (2) through (4) in their entirety

14. Page 5, line 24.

Following: "The"

Insert: "voluntary"

15. Page 6, line 1.

Following: "to"

Insert: "voluntary"

16. Page 6, line 11.

Following: "The"

Insert: "voluntary"

17. Page 8, line 4.

Strike: "(1)"

Following: "The"

Insert: "voluntary"

18. Page 8, lines 9 through 12.

Strike: subsection (2) in its entirety

19. Page 8, line 14.

Strike: "The"

Insert: "Upon request, the"

Following: "board"

Strike: "shall annually visit and"

Insert: "may"

20. Page 8, line 16.

Following: "with"

Insert: "voluntary"

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21. Page 8, line 20.

Following: "must"

Strike: "specify those areas"

Insert: "assess the degree"

22. Page 8, line 21.

Strike: "does not comply"

Insert: "complies"

23. Page 8, line 23 through page 10, line 18.

Strike: sections 8 through 10 in their entirety

Renumber: subsequent sections

24. Page 10, line 19.

Strike: "applicable"

Insert: "available"

25. Page 10, line 20 through page 11, line 14.

Strike: line 20 on page 10 through page 11, line 14 in their
entirety

Insert: "The board shall adopt the voluntary standards and make
them available for use by July 1, 1993."

EX. 2

3-11-91 HB

21

52nd Legislature

HB 0070/02

HB 0070/02

APPROVED BY COMMITTEE
ON JUDICIARY

1 HOUSE BILL NO. 70

2 INTRODUCED BY STRIZICH

3 BY REQUEST OF THE JOINT INTERIM SUBCOMMITTEE

4 ON ADULT AND JUVENILE DETENTION

5
6 A BILL FOR AN ACT ENTITLED: "AN ACT AUTHORIZING THE BOARD
7 OF CRIME CONTROL TO ADOPT ^{VOLUNTARY} STANDARDS FOR THE DESIGN
8 ENVIRONMENT, MAINTENANCE, AND OPERATION OF JAILS AND
9 LOCKUPS; PROVIDING FOR THE IMPLEMENTATION OF STANDARDS; AND
10 PROVIDING AN EFFECTIVE DATE."

11
12 STATEMENT OF INTENT

13 The intent of [sections 1 through 14] is to authorize
14 the board of crime control to adopt ~~standards, review~~
15 ~~applicable design, ENVIRONMENTAL or renovation plans, review~~
16 inspections for compliance with standards, and assist
17 governing bodies to comply with standards for jails and
18 lockups. It is intended that the board and its staff serve
19 to help jails and lockups comply with standards, rather than
20 ~~society enforce the standards.~~

21 ~~the board shall adopt~~ by rule ^{VOLUNTARY} ~~minimum~~ ENVIRONMENTAL
22 STANDARDS AND standards of design ^{VOLUNTARY} FOR THE maintenance and
23 operation for OF jails and lockups. The standards are
24 intended to be an outline of the mandatory minimum necessary
25 for the design ENVIRONMENT, maintenance, and operation of

1 constitutionally acceptable jails and lockups based on the
2 "evolving standard of decency" provided in statute and case
3 law.

4 ~~It is intended that the board and its staff inspect~~
5 jails and lockups for compliance with standards. When a jail
6 or lockup is found to be noncompliant with certain
7 standards, it is intended that any threat to life of inmates
8 or staff be immediately remedied. In cases where
9 noncompliance is not life-threatening, it is intended that
10 governing bodies work with the board to develop an action
11 plan to remedy the problem within a reasonable time period.
12 If, however, no action plan is developed and no corrective
13 action is taken, it is intended that the board may take
14 appropriate court action, including closure of the facility
15 It is intended that the board will retain the right to
16 evaluate each design ENVIRONMENTAL or renovation plan on a
17 individual basis. The design ENVIRONMENTAL PLAN an
18 specifics will be worked out among the board, the local
19 governing body, the respective project architect, AN
20 appropriate building code inspectors, and the state
21 architect. It is not intended that the standards conflict
22 with or supersede existing building codes, health and safety
23 codes, or fire codes.

24 Finally, it is intended that standards be adopted by
25 July 1, 1992, but that no facility be closed for

SECOND READING

1 ~~noncompliance with design ENVIRONMENTAL standards within 3~~
 2 years of the adoption of the design ENVIRONMENTAL standards.
 3 This is because ~~design--involves~~ ENVIRONMENTAL STANDARDS
 4 ~~involve much time in planning, bonding, and bidding.~~

5
 6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

7 NEW SECTION. Section 1. Declaration of policy. It is

8 the policy of the state of Montana that all jails and
 9 lockups for adult inmates in the state ~~conform to~~ ^{*voluntarily comply with*} certain
 10 minimum standards--~~of--design--~~^{*of--design--*}--maintenance; ENVIRONMENTAL
 11 STANDARDS AND STANDARDS OF MAINTENANCE and operation. The
 12 board and its staff shall regulate and assist jails,
 13 lockups, and governing bodies in achieving minimum
 14 standards.

15 NEW SECTION. Section 2. Definitions. As used in

16 [sections 1 through 12], the following definitions apply:

17 (1) "Board" means the board of crime control
 18 established in 2-15-2006.

19 (2) "Detention officer" means a person or a peace
 20 officer who has full-time or part-time authority and
 21 responsibility for maintaining custody of inmates and who
 22 performs tasks related to the operation of a jail or lockup.

23 (3) "ENVIRONMENTAL STANDARDS" MEANS SPECIFIC STANDARDS
 24 FOR THE JAIL OR LOCKUP ENVIRONMENT, INCLUDING BUT NOT
 25 LIMITED TO THE NUMBER OF SQUARE FEET PER INMATE AND THE AIR

1 TEMPERATURE IN CELLS AND OTHER ROOMS.

2 {3}{4} "Governing body" means the entity having
 3 authority to establish and maintain a jail or lockup.

4 {4}{5} "Inmate" means an adult who is confined in a
 5 jail or lockup.

6 {5}{6} "Jail" means a confinement facility for adult
 7 inmates:

8 (a) established and maintained by a city;

9 (b) established and maintained by a county;

10 (c) established and maintained by two or more local
 11 governments; or

12 (d) privately owned or operated for one or more units
 13 of local government.

14 {6}{7} "Jail administrator" means the sheriff, chief of
 15 police, administrator, superintendent, director, or other
 16 individual serving as the chief executive officer of a jail
 17 or lockup.

18 {7}{8} "Jail staff" means detention officers and
 19 personnel whose duties include:

20 (a) ongoing supervision of the inmates in a jail or
 21 lockup; or

22 (b) support of the jail or lockup operation.

23 {8}{9} "Lockup" means a facility for the temporary
 24 detention of an arrested person for up to 72 hours,
 25 excluding holidays, Saturdays, and Sundays. The period of

2x 2
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1 time a person is held in a lockup may not exceed 96 hours.

2 NEW SECTION. Section 3. Powers and duties of board --

3 standards -- rulemaking. ~~+++~~ The board shall:

4 (1) ~~+++~~ establish by rule ^{voluntary} standards for the design
5 ENVIRONMENT, maintenance, and operation of jails and
6 lockups; ~~and~~

7 ~~(b) perform other duties as may be necessary to~~
8 implement and enforce standards adopted pursuant to
9 ~~subsection (1)(a), and~~

10 (2) ~~+++~~ assist governing bodies in the development of jails
11 and lockups that comply with the standards.

12 ~~(2) (a) The board shall study, develop, and implement~~
13 standards for the design ENVIRONMENT, maintenance, and
14 operation of jails and lockups by July 1, 1992.

15 (b) A facility covered by these standards shall comply
16 with state, local, and federal requirements relating to
17 construction, equipment, fire protection, health, and
18 safety.

19 (3) The board may enter into agreement with other
20 agencies or authorities to provide for joint inspections of
21 jails and lockups.

22 (4) The board shall adopt rules to implement (sections
23 ~~through 12~~).

24 NEW SECTION. Section 4. Maintenance standards. The voluntary

25 standards adopted for maintenance of jails and lockups must

1 include but may not be limited to standards for:

2 (1) maintenance of the physical plant, including the
3 structure, its furnishings, and equipment;

4 (2) maintenance of all security systems, such as locks
5 and related hardware, surveillance and detection systems,
6 and communication systems;

7 (3) maintenance of fire safety systems and equipment;
8 and

9 (4) procedures for maintenance of adequate levels of
10 jail and lockup sanitation and housekeeping.

11 NEW SECTION. Section 5. Operation standards. The
12 ^{voluntary} standards adopted for the operation of jails and lockups
13 must include but may not be limited to standards for:

14 (1) establishment of written policies and procedures to
15 govern jail and lockup operations;

16 (2) staffing levels of jails and lockups;

17 (3) selection, training, assignment, and supervision of
18 jail staff;

19 (4) admission and release of inmates;

20 (5) classification and reclassification of inmates,
21 including procedures for assignment to housing, programs,
22 and related activities;

23 (6) documentation to verify the establishment of
24 standardized recordkeeping systems and the provision of
25 essential functions, programs, and services;

- 1 (7) establishment of systems and procedures for the
 2 handling of inmate mail, visits, and telephone services;
 3 (8) procedures for inmate access to media, a general
 4 library, and exercise;
 5 (9) procedures for inmate access to legal materials,
 6 legal counsel, and religious material and services;
 7 (10) jail and lockup security procedures and supervision
 8 of inmates;
 9 (11) the conduct of inmates, including inmate
 10 disciplinary and grievance procedures;
 11 (12) procedures for supervision and use of the jail and
 12 lockup arsenal, firearms, and keys;
 13 (13) procedures for the searching of prisoners and
 14 visitors to the jail or lockup;
 15 (14) admission of visitors, service providers, and other
 16 professionals and for their supervision while in the jail or
 17 lockup; and
 18 (15) provision of essential jail and lockup services,
 19 including:
 20 (a) food services;
 21 (b) medical, dental, and mental health services;
 22 (c) laundry services;
 23 (d) educational, counseling, and other rehabilitative
 24 services;
 25 (e) prisoner hygiene services and access to personal

1 hygiene items; and

2 (f) commissary services.

3 NEW SECTION. Section 6. Design ENVIRONMENTAL
 4 standards. ~~the~~ ^{voluntary} standards adopted for the design

5 ENVIRONMENT of jails and lockups must include but may not be
 6 limited to standards for the design ENVIRONMENT and actual
 7 construction of new, modified, or renovated jails and
 8 lockups when the cost is in excess of \$50,000.

9 ~~(2) Prior to contracting for or constructing a jail or~~
 10 lockup, the governing body shall submit all applicable plans
 11 to the board for review to determine compliance with
 12 standards.

13 NEW SECTION. Section 7. Inspections -- reports. (1)
 14 ^{Upon request, the} staff of the board shall ~~annually~~ ^{may} visit and inspect each
 15 jail and lockup in the state for purposes of determining
 16 whether the jails and lockups comply with standards adopted
 17 by the board.

18 (2) A written report of each inspection must be made to
 19 the jail administrator and the governing body within 30 days
 20 following an inspection. The report must ~~specify those areas~~
 21 ^{assess the degree} in which the jail or lockup ~~does not comply~~ ^{complies} with applicable
 22 standards.

23 NEW SECTION. Section 8. Failure to meet standards
 24 corrective action. (1) If an inspection under [section 7]
 25 discloses that a jail or lockup does not meet standards

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1 adopted by the board, the board shall send notice, together,
2 with the inspection report, to the jail administrator and
3 the governing body responsible for the jail or lockup.
4 (2) The jail administrator and the appropriate
5 governing body receiving notice of deficiencies shall meet
6 promptly to consider the inspection report. The inspection
7 personnel shall attend the meeting to advise and consult
8 concerning appropriate corrective action. The governing body
9 shall prepare a written plan of corrective action. The
10 governing body may close the jail or lockup or the portion
11 of the jail or lockup failing to meet standards.

12 NEW SECTION. Section 9. Corrective action plan --
13 approval. The written corrective action plan adopted
14 pursuant to [section 8] must specify the actions to be
15 undertaken and establish a reasonable time schedule for
16 attaining compliance with standards. The board shall review
17 and approve or disapprove the plan and the time schedule.

18 NEW SECTION. Section 10. Failure to take corrective
19 action. (1) The board may petition the district court in
20 which a jail or lockup is located, or the first judicial
21 district court, for an order directing the governing body to
22 correct those areas in which the jail or lockup does not
23 comply with standards or to close the jail or lockup if the
24 governing body fails to:

25 (a) initiate corrective action within 6 months of the

1 receipt of an inspection report;
2 (b) correct the noncomplying conditions; or
3 (c) close the jail or lockup or the portion of the jail
4 or lockup not complying with standards.
5 (2) A petition to the district court must include the
6 inspection report regarding the jail or lockup. The
7 governing body has 30 days to respond to the petition.
8 (3) The district court shall hold a hearing on the
9 petition and issue an order either:
10 (a) dismissing the petition;
11 (b) directing that corrective action be initiated in
12 some form by the governing body of the jail or lockup; or
13 (c) directing that the jail or lockup be closed.
14 (4) If the district court directs that the jail or
15 lockup be closed, the operating authority for that facility
16 shall have the right to appeal the district court's decision
17 and to apply for an order staying the closure of the
18 facility until the appeal is heard.

19 NEW SECTION. Section 11. When standards ^{available} applicable.

20 (1) Sections 1 through 10 must be implemented upon
21 adoption of standards developed by the board. Inspections
22 must begin after adoption of standards.

23 (2) A jail or lockup may not be closed for
24 noncompliance with standards for operation or maintenance
25 within 2 years of the date of adoption of standards. The

1 ~~board may grant additional time for compliance if it~~
 2 determines no alternative facility is available.
 3 (3) Except as provided in subsection (4), standards
 4 relating to the design ENVIRONMENT of a jail or lockup,
 5 including plumbing, heating, and wiring, may not be enforced
 6 for a period of 3 years from the date of adoption of design
 7 ENVIRONMENTAL standards. The board may grant additional time
 8 for compliance if it determines no alternative facility is
 9 available.

10 (4) If any violations of standards are life-threatening
 11 to the inmates or jail personnel, immediate corrective
 12 action must be undertaken. The jail administrator shall
 13 close the jail or lockup until the threat is removed and
 14 ~~corrected.~~ ⁹ The board shall adopt the voluntary standards and make them available
 for use by July 1, 1993.

15 NEW SECTION. Section 12. Role of board -- assistance.

16 The board may SHALL assist the governing body of a jail or
 17 lockup in the implementation of standards, preparation of
 18 corrective plans, planning of new centers, and any other
 19 area requiring advisory assistance.

20 ¹⁰ NEW SECTION. Section 13. Effective date. [This act] is
 21 effective July 1, 1991.

-End-

Amendments to House Bill No.548
Third Reading Copy

By request of the Montana Board of Crime Control

1. Page 2, line 7. Strike 18%. Insert 21%.
2. Page 2, line 16. Strike 21.9%. Insert 18.9%

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3-11-91
HB 70

Ex.

EXHIBIT 3

DATE 3-11-91

HB 70

FILE NAME- F:\BIN\12322\LEG\HB70

III. DERIVATION OF ESTIMATES:

PRELIMINARY FISCAL NOTE - H.B. 70 REVISED

DATE - 1/30/91

	FY 92	FY 93
PERSONNEL:		
1 FTE Prog.Planner G/16-2	\$27,816.00	\$29,068.00
INSURANCE	\$1,800.00	\$1,800.00
TOTAL	\$29,616.00	\$30,868.00
CONTRACTED SERVICES:		
Photo Copy	\$500.00	\$500.00
Printing	\$1,500.00	\$1,500.00
Data Network Serv/D of A	\$480.00	\$480.00
Office Renovation	\$1,500.00	\$0.00
TOTAL	\$3,980.00	\$2,480.00
SUPPLIES / MATERIALS:		
Office Supplies	\$500.00	\$500.00
TOTAL	\$500.00	\$500.00
STAFF TRAVEL:		
Milage (10,000 mi @ .26/mi)	\$2,600.00	\$2,600.00
Per Diem (40 days at 14.50)	\$580.00	\$580.00
Lodging (25 nights at 30.00)	\$750.00	\$750.00
TOTAL	\$3,930.00	\$3,930.00
OPERATING EXPENSES:		
Phone \$120 X 12	\$1,440.00	\$1,440.00
Postage	\$700.00	\$750.00
Dues/Subscriptions/Reg.	\$500.00	\$500.00
TOTAL	\$2,640.00	\$2,690.00
EQUIPMENT:		
Office Desks (1 at 850)	\$850.00	\$0.00
Office Chairs (1 at 260)	\$260.00	\$0.00
File Cabinets (1 at 325)	\$325.00	\$0.00
Multi-User Computer -		
Work Station	\$1,500.00	\$0.00
TOTAL	\$2,935.00	\$0.00
TOTAL OPERATING COSTS	\$43,601.00	\$40,468.00

FUNDING:

General Fund

3-11-91
HB 70

HB 548
Fiscal Note Analysis - With Amendment

An act revising the Crime Victims Compensation Act of Montana to provide benefits for certain relatives of injured victims.

Current law allocates 50% of all Justice of the Peace fines, penalties, and forfeitures to the state treasury. Of that amount, 23% is allocated to the general fund, and 16.9% is allocated to the Crime Victims Compensation state special revenue fund.

House Bill 548 proposes to fund additional benefits for relatives of injured victims, with revenues to be generated by reducing the general fund allocation by 5% and increasing the crime victims compensation fund allocation by 5%.

A proposed amendment to House Bill 548 proposes to reduce the general fund share by only 2% and increase the crime victims compensation fund share by only 2%.

The table below shows the net impact on the general fund and the crime victims compensation fund based upon the original proposal and the proposed amendment.

	--3rd Reading Fiscal 1992 ----	Bill-- Fiscal 1993 ----	--With Amendment-- Fiscal 1992 -----	Fiscal 1993 -----
Difference from Current Law				
Impact on General Fund:				
5% reduction of revenues	(\$130,922)	(\$130,922)	(\$52,369)	(\$52,369)
2% reduction of revenues	=====	=====	=====	=====
Impact on Crime Victims Fund:				
5% increase in revenues	\$130,922	\$130,922	\$52,369	\$52,369
2% increase in revenues				
Increased benefits/operating costs	\$40,708	\$39,448	\$40,708	\$39,448
Net increase in fund balance	-----	-----	-----	-----
	\$90,214	\$91,474	\$11,661	\$12,921
	=====	=====	=====	=====

41
EXHIBIT - 3-11-91
DATE
HB

UI ADMIN TAX

	FY83 thru FY88	FY89 actual	FY90 actual	FY91 budget	FY92				FY93				FY94 estimate (5)	FY95 estimate (5)
					executive budget (2)	pay plan (3)	subcom. (4)	total	executive budget (2)	pay plan (3)	subcom. (4)	total		
Beginning Balance		2,219,365	4,567,273	5,585,547	3,290,090			3,290,090	3,485,549			3,485,549	3,404,308	3,020,433
Revenue (1)		2,697,908	2,649,424	2,795,173	2,873,500			2,873,500	2,951,455			2,951,455	3,031,524	3,113,766
Interest			246,079	446,844	263,207			263,207	278,844			278,844	272,345	241,635
TOTAL AVAILABLE	10,895,731	4,917,273	7,462,776	8,827,564	6,426,797			6,426,797	6,715,848			6,715,848	6,708,176	6,375,634
Expenditures:														
Job Service														
Division		350,000	551,389	769,902	749,885	334,106		1,083,991	746,499	669,931		1,416,430	1,750,536	2,084,642
JHAG					126,517	1,409		127,926	124,485	2,811		127,296	128,705	130,114
Employment Relations			543,163	591,215	647,506	25,303		672,809	651,536	50,689		702,225	727,528	752,831
Legal Services			186,643	198,338	218,111	7,162		225,273	218,452	14,331		232,783	239,545	247,107
Research/Safety/Train			247,301	265,267	267,026	8,223		275,249	260,317	16,489		276,806	285,029	293,252
Job Training Grants:														
Dislocated Workers				359,806	0			0	0			0	0	0
Displaced Homemakers			216,000	216,760	216,760		53,240	270,000	216,760		53,240	270,000	270,000	270,000
New Horizons Day Care			106,725	109,091	0			0	0			0	0	0
Project Work					286,000			286,000	286,000			286,000	286,000	286,000
New Horizons			26,008	27,095	0			0	0			0	0	0
TOTAL EXPENDITURES		350,000	1,677,229	2,537,474	2,511,805	376,203	53,240	2,941,248	2,504,049	754,251	53,240	3,311,540	3,687,743	4,063,545
TRANSFERS TO UI														
TRUST FUND	8,676,366			3,000,000										
BALANCE	2,219,365	4,567,273	5,585,547	3,290,090	3,914,992			3,485,549	4,211,799			3,404,308	3,020,433	2,311,888

- (1) Includes interest thru FY89.
- (2) Based on Exec. budget.
- (3) Based on Governor's pay plan.
- (4) Human Services subcommittee action as of document date.
- (5) Based on FY93 plus assumes duplicating the Governor's pay plan for the FY92 & FY93 biennium in the following biennium.

February 11, 1991

5
EXHIBIT 3-11-91
DATE 124
HB

UI Admin Tax

Language

"All unappropriated revenue to and fund balance in the Unemployment Insurance Administrative Tax account is appropriated to a reserve fund for job service administrative costs. The amount of unappropriated funds for deposit into the reserve shall be determined after all other Unemployment Insurance Administrative Tax appropriations are funded. The job service reserve fund shall be maintained within the Unemployment Insurance Administrative Tax account. Interest earned on the job service reserve shall be deposited into the job service reserve fund. Sufficient funds from the job service reserve are appropriated to the department to fund the job service federal fund appropriation in fiscal 1992 and 1993, contingent upon receipt of federal funds for the support of job service functions that are less than the level received in fiscal 1991. Funds in the job service reserve shall not be transferred to the Unemployment Insurance Trust fund until January 30, 1993."

"The department, in concert with other interested parties, shall prepare formal guidelines for use of the Unemployment Insurance Administrative Tax funds and present these guidelines to the Fifty-third Legislature. At a minimum, the guidelines shall include a prioritization of programs and activities to be funded. The criteria for prioritization shall include the following considerations: 1) loss of federal funding, impact on rural communities, and employer/employee related functions; and 2) the establishment and maintenance of a reserve fund to ensure employment security services continue in the event of federal fund reductions."

6
EXHIBIT 6
DATE 3-11-91
HB 385

POINTS AT WHICH UNEMPLOYMENT INSURANCE
TRUST FUND CHANGES RATE SCHEDULE
08-Jan-91 03:24:38 PM

Schedule	Ratio	Tax Rate	Trigger Balance
1	0.0260	1.4%	\$91,520,000
2	0.0245	1.6%	\$86,240,000
3	0.0225	1.8%	\$79,200,000
4	0.0200	2.0%	\$70,400,000
5	0.0170	2.2%	\$59,840,000
6	0.0135	2.4%	\$47,520,000
7	0.0095	2.6%	\$33,440,000
8	0.0075	2.8%	\$26,400,000
9	0.0050	3.0%	\$17,600,000
10	-	3.2%	-

Estimated TOTAL Wages for period 9/30/91 used

\$3,520,000,000

EXHIBIT 7
DATE 3/11/91
HB Appropriations

BILL NO.

APPROPRIATION
AMOUNT/FUND

COMMENTS

HB 913

Allows OPI to
spend state
equalization
account (SEA)
funds for costs
associated with
the general
supervision of
school districts.

DeLeon
passed
\$ -0-

The appropriation could be used to replace the present general fund appropriation. The concept behind this bill was presented to the subcommittee by OPI. It was their intention at that time to present a new funding source for the program expansion, not as a replacement of present general fund operations. As stated in the fiscal note, OPI must receive a specific appropriation by the legislature to spend any SEA funds for supervisory costs.

HB 954

Allows trustees
of a school
district to
account for funds
of the district
outside the
office of the
county treasurer.

~~passed~~
tabled
-0-

This bill addresses control of the funds, rather than expenditure. No fiscal note has been requested, and no fiscal impact is anticipated.

HB 511

Provides a statutory
appropriation for
proceeds from seizure
or forfeiture of property
related to controlled
substances.

Statutory
State Spec Rev

*postpone
& no team*

This bill would give the Department of Justice statutory authority to spend forfeited property proceeds upon receipt. Currently, they have to submit a budget amendment when funds become available, and they contend the budget amendment process is not timely enough to obtain funds for emergency under-cover informant payments. This bill would provide a statutory appropriation for operating & administrative type expenditures. The federal forfeiture account currently has a balance of over \$120,000.

HB 798
 Amends crime victims
 Compensation Act to
 allow the use of funds
 to establish a general
 victims' assistance
 coordinating program.

-50-
 (Fiscal Note)

16 Passed

Current law restricts the state Crime Victims Compensation Act to use for the state program only. This request expands authority so that funds can be used to hire a 1.0 FTE to coordinate both the state and the federal Crime Victims Assistance programs. Federal law prohibits use of federal grant funds for administrative purposes. The annual cost in the 1993 biennium would be \$29,116 in FY 92 and \$25,985 in fiscal 1993, if an appropriation were made by the legislature in HB 2 or elsewhere.

Referred

HB 548
 Amends Crime Victims
 Compensation Act to
 provide benefits to
 relative of injured
 victims.

-50-
 (Fiscal Note)

Tabled

This bill expands victims' compensation benefits to relatives of victims, and would cost approximately \$91,000 per year in additional compensation payments, if an appropriation is made in HB 2 or elsewhere. The fund currently has higher revenues than expenditures, and could absorb the increased payments with existing revenue sources.

HB 251
 Rep. Driscoll
 Extending life of
 worker's compensation
 joint select committee

\$15,000
 Proprietary Funds

*1690 Passed
 Amended
 + they not done*

This bill would authorize the Joint Committee on Worker's Compensation created by the June 1989 special session to continue through June 30, 1993. The appropriation is from the worker's compensation tax account.

HB 953
 This bill
 requires the
 Department of
 Commerce to
 conduct annual
 inspections on
 establishments
 licensed by the
 Board of
 Cosmetology and
 provides
 appropriation for
 the costs.

\$ 74,580
 State Special
 Revenue Board of
 Cosmetology
 License Funds

*16 Passed
 as Amend.*

This bill provides appropriation for an inspector for the Board of Cosmetology to inspect all establishments which are licensed under the board. Currently the inspections by 1.0 FTE inspector and by board members. According to the department their are 1,332 establishment and 6,142 licensed cosmetologists.

HB 692
 Increase
 pharmaceutical
 related fees and
 dedicating the
 revenue

Not dollar
 specific, i.e.
 All funds
 received are
 appropriated....
 Pharmaceutical
 Fees

The bill imposes new or additional fees on the annual registration and licensure of pharmacists, pharmacies, stores selling over-the-counter drugs, pharmaceutical manufacturers, and pharmaceutical wholesalers. The new or additional fees are to be used to maintain accreditation and institute new services at the pharmacy school. As indicated in the fiscal note, the monies collected would be deposited in the current restricted fund rather than the "special revenue fund" identified in new section 3 of the bill.

Rationale: These amendments would make license compliance at the retail level enforceable without additional staff in the Commerce Dept., by means similar to those used in the beer and wine laws.

8. Title, page 1, line 16
Following: "DATE"
Insert: ", a termination date,"
9. Page 14, line 21
Following: line 20
Insert: "NEW SECTION. Section 19. Termination. This act terminates on July 1, 1993."

Rationale: While HB 692 will enable the School of Pharmacy to demonstrate to ACPE an ability to improve programs, it should not be regarded as a single permanent solution to accreditation problems. If the University System and the Montana Legislature cannot find more adequate and permanent solutions by 1993, then the school should be closed.

Amend House Bill 692, first reading copy

1. Page 5, line 21
Following: "in the"
Strike: "special revenue"
Insert: "restricted subfund of the current"
2. Page 9, line 21
Following: "shall"
Strike: "remainder of line 21 and all of line 22"
3. Page 9, line 23
Following: "deposit the"
Strike: "balance of the"
4. Page 11, line 9
Following: "shall"
Strike: remainder of line 9 and all of line 10
5. Page 11, line 11
Following: line 10
Strike: "37-7-324 and shall"
Following: "deposit the"
Strike: "balance of the"

Rationale for 1 through 5: No 1 addresses the Technical Note at the end of the fiscal note. Nos. 2-5 reflect the provision in sec. 3 that all administrative costs of the Board of Pharmacy are to be reimbursed from this fund; thus assumption No. 7 in the fiscal note will not apply.

6. Page 12, line 17
Following: "and"
Strike: "stores"
Insert: "wholesalers"
Following: "drugs"
Insert: "to unlicensed retailers"
7. Page 12, line 8
Following: line 7
Strike: all of lines 8, 9, and 10
Insert:
"A manufacturer, licensed under [section 9], or a wholesaler, licensed under [Senate Bill 135 or section 10], may not sell any over-the-counter drug to a retailer who is not licensed by the board as a pharmacy or an over-the-counter store. The board may suspend or revoke, subject to the opportunity for a contested case hearing, the license of any manufacturer or wholesaler which it finds has sold one or more over-the-counter drugs to an unlicensed retailer."

Amendments to House Bill No. 953

Introduced Bill

Requested by Representative Sheila Rice
for the House Appropriations Committee

March 8, 1991

1. Page 1, line 17.

Following: "department"

Insert: "IN COOPERATION WITH THE BOARD"

Amendment to House Bill 548

Second Reading Copy

Requested by Representative Ray Peck

1. Page 5, line 1.
Following "receives"
Strike: "mental health treatment"
Insert: "treatment by mental health counselors"

EXHIBIT 89
DATE 3/11/91
HB 257

MONTANA EMERGENCY MEDICAL SERVICES ASSOCIATION
436 18th Street West
Billings, MT 59102
(800) 247-2369

DATE: January 30, 1991

TO: Bob Bachini, Chairman *referred -*
Business and Economic Development *to Appropriations*

SUBJECT: Testimony concerning HB257

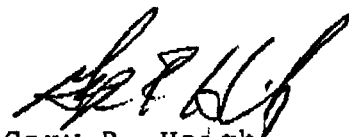
Please verbally enter the following into the House Business and Economic Development Committee hearing concerning HB257.

The Montana Emergency Medical Services Association Inc. (MEMSA) is the professional organization of Emergency Medical Technician's (EMT-B,D,I,P) in this state. Our membership is voluntary and comprises over 800 members, the vast majority affiliated with rural, volunteer emergency medical service groups.

We applaud Representative Gilbert for introducing HB257 to recognize the service provided by public safety officers, firefighters, and emergency medical service personnel through this provision to provide a death benefit for those killed in the line of duty. Measures such as this are beneficial to the recruitment and retention of EMS providers in our rural state.

MEMSA is in support of this bill, however we feel the definition of who is covered needs to be accurately written to assure that all who are deserving are included. The bill currently excludes the majority of EMS providers within our state. Personnel with levels of training including First Responder, Advanced First Aid (45% of our ambulance personnel), First Responder - Ambulance, and Registered Nurses (many who are volunteers on rural services) are not included. The definition only covers services who are operated by cities and/or counties, this excludes over 80% of the ambulance services in Montana and a majority of the nontransporting emergency medical services. It is our hope that this legislation will be amended to include all emergency medical service providers.

Thank you for consideration of this issue.



Gary R. Haigh
MEMSA Legislative Committee

HOUSE OF REPRESENTATIVES

VISITOR'S REGISTER

Appropriation

COMMITTEE

BILL NO. _____

DATE

3/11/91

SPONSOR(S) _____

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	BILL	OPPOSE	SUPPORT
W. James Kembel	Public Safety Div / DOC	HB 70	Information	
Lyle Nagel	Mt. St. Fire Chiefs Assn Mt. St. Vol. Firefighters Assn	HB 257		✓
Chuck Virago	Dept. of Admin.	HB 353		X
Gordon Morris	MAG	HB 70		X
Scott Christa	MCU	HB 70		X original
FH Buckboles	MONT CHAMBER OF COMMERCE	HB 512		

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.