

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 52nd LEGISLATURE - REGULAR SESSION

COMMITTEE ON APPROPRIATIONS

Call to Order: By Chairman Bardanouve, on March 15, 1991, at 8 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, Jim Haubein, Taryn Purdy, Carroll South, Terri Perrigo, and Sandra Whitney, LFA Office
Sylvia Kinsey, Committee Secretary

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

Note: Chairman Bardanouve and Vice Chairman Peck alternated on chairing the meeting.

Announcements/Discussion: Chairman Bardanouve turned the meeting over to Human Services Subcommittee, Chair Dorothy Bradley.

HOUSE BILL 2

HUMAN SERVICES

REP. BRADLEY said the subcommittee was composed of REP. JOHN COBB, JOHN JOHNSON and herself, SEN. MIGNON WATERMAN (Vice Chair), TOM KEATING AND DENNIS NATHE. The LFA staff was Taryn Purdy, Carroll South, Terri Perrigo and Sandra Whitney. The

subcommittee secretary was Faith Conroy.

Tape 1

REP. BRADLEY said it was at her request when the subcommittee was put together and approved by CHAIRMAN BARDANOUVE that this committee be balanced politically. Therefore nothing that comes before this committee in the way of a recommendation could have reached you without the support of both parties. She complimented the LFA staff for an excellent job and Budget office analysts Dan Gengler and Bill Furois for their good work.

Mrs. Cohea reported that the request for Long Range Planning review of Maintenance and Repair had been reviewed in LRP and it was approved by the Governor's office. It was suggested it be about \$200,000.

MOTION/VOTE: REP. MENAHAN moved to reconsider the committee action in closing the section on General Government. Second by Rep. Quilici. Motion passed.

MOTION/VOTE: REP. MENAHAN moved to accept \$200,000 on A-155, Military Affairs. Second by Rep. Quilici. Motion passed 12 to 6 with Rep. Peck, Thoft, Swysgood, Cody, Kadas and Cobb voting no.

MOTION/VOTE: REP. MENAHAN moved to close the section on General Government. Second by Rep. Kadas. Motion passed unanimously.

(Secretary did not receive a copy of EXHIBIT 1)

DEPARTMENT OF SOCIAL & REHABILITATION SERVICES

REP. BRADLEY gave an overview of the approximately 12 major programs. SRS has over 900 employees and works on about 76 programs for 70,000 people on an ongoing basis. They administer the medical and financial assistance programs for the state, administer child support enforcement, determine financial eligibility for assistance, make disability determinations for federal social security, provide vocational rehabilitation, visual rehabilitation, visual and disability services. She reviewed Medical Assistance which includes the Federal Medicaid program and the state medical program which operates in the 12 assumed counties. The federal government participates in medicaid funding while the state funds the medical assistance. She explained what was covered by the various programs throughout the SRS budget and said she would not try to hide what this says because they are going from a base of 78 to 105 and this means we are talking about \$45 million additional dollars.

EXHIBIT 2, Summary of SRS Language Approved by Human Services Subcommittee was distributed.

REP. KADAS referred to page 2 on the second table EXHIBIT 2; the total was \$30.1 million and asked if that was equal to the Executive and Legislative mods? Does this include current level adjustments. REP. BRADLEY said those are the Legislative and

Executive additions. The totals do not include the current level adjustments. She read page 1 of the Summary of SRS language, discussing each in turn. **CHAIRMAN BARDANOUVE** asked if this was the same base as last time and **REP. BRADLEY** said the same base but there is a dollar price tag on it, but it is a very low base.

Under 2) **CHAIRMAN BARDANOUVE** asked if it was mandatory that one parent participate in training or a work program. **REP. BRADLEY** said it will be required. **Ms. Robinson, Director, SRS** said we have a secondary problem that in some areas they do not have enough participants to have a program and this gives some flexibility to the Department. **REP. COBB** said the program is to begin July 1, and we let them have "may" for flexibility. They might not want to help someone, but it will help to get people off the program. There are about 900 families out there and SRS has said this is the hardest group to get off welfare.

CHAIRMAN BARDANOUVE said the Legislature made requirements last session and though they began the program many of them did not follow through. Is that correct? **REP. BRADLEY** said there is no question in dealing with the Department that they are out to promote these programs, get people involved, start saving dollars and getting people off welfare.

REP. CODY said the statement was made there were 900 families in the state. What percent of the money is involved in this AFDC program? **Ms. Robinson** said this is a special category in AFDC called the unemployed parent program because most of the AFDC participants are single heads of household. This program used to be optional where 2 parents that were unemployed could draw AFDC. Where states like Montana had participated in the past, it is no longer optional, we have to continue providing it. Montana has more AFDC participants than the states around us. If you take out the unemployment parent program which the other states were not providing, we are about down to the other states. While this group makes up 10% of the AFDC population they cost 15% of your money. It was their recommendation that instead of allowing this population to be optional, this group recommended we use a model similar to the general assistance program by requiring their participation in the program and get them back into the work force more rapidly. They did not want to rob the job programs, and they would like to fund this by saving money in the AFDC program since they are more expensive. The committee has given them the authorization to pull money out of the AFDC programs to fund work programs for these people.

On 5) the Child Support Enforcement program, **REP. SWYSGOOD** asked how much this fund reverted back last session and **REP. BRADLEY** said \$250,000. **Ms. Robinson** said the Parent Support Program was able to pay back the loan from the general fund and in addition \$225,000. The loan was about \$500,000.

6) Fund transfer, **CHAIRMAN BARDANOUVE** said he was somewhat

opposed to the last State Medical. The rest of the transfer is not objected to but the state medical is 100% general fund dollars and he felt the Legislature should not allow money to be transferred in there unless it was directly approved. REP. BRADLEY said they were entering into a somewhat experimental program to try to cut those expenditures in half. CHAIRMAN BARDANOUVE said that is one program where you will increase the cost if you allow more money to be transferred in.

9) Provider rate increase of 2% each year for medicaid and state medical providers. REP. MENAHAN asked if it means some will be 7% and REP. BRADLEY said no, these were only the medical providers that were at 2%.

10) REP. CODY asked if it were possible to look at the dollar amount and know what percent increase it is and REP. BRADLEY answered yes.

EXECUTIVE ACTION

REP. BRADLEY said EXHIBIT 2 showed the mods and could be used instead of the narrative.

MOTION/VOTE: REP. BRADLEY moved Food Stamp Employment & Training dollars, Executive mod 1) page 3 of EXHIBIT 2 be adopted. Second by Rep. Cody. Motion passed unanimously.

MOTION/VOTE: REP. BRADLEY moved 2) Food Stamp Job Search be adopted. Second by Rep. Cody. Motion passed unanimously.

MOTION: REP. BRADLEY moved 3) Statewide JOBS program be adopted. Second by Rep. Quilici.

REP. SWYSGOOD asked if this money would implement the program statewide, and if all the other counties that were excluded in the pilot are going to receive it, or is it still selective. Ms. Robinson explained there were some rural areas that would be too expensive because of isolation and small population but this would cover 27 counties and about 95% of AFDC recipients.

REP. SWYSGOOD asked how many counties were served in the initial program and Ms. Robinson said 7 to 10. REP. SWYSGOOD asked if this would add an additional 17 and Ms. Robinson said all across the state. They have targeted the ones with the most AFDC programs. REP. SWYSGOOD asked how it had spread out from the pilot program and Ms. Robinson said they are going to have it across the state and 59% of AFDC will be involved in the program. REP. COBB remarked that this is a federal requirement.

Vote: Motion to adopt 3) Statewide JOBS program passed unanimously.

4) Child Support Enforcement. CHAIRMAN BARDANOUVE asked if this is all federal dollars and REP. BRADLEY answered largely there is

some in Proprietary funds and the rest is in enforcement.

REP. PECK asked if this was contracted services and Ms. Robinson said they have been testing this in parts of the state. The committee approved new positions which were on top of, not instead of two additional clerical help. REP. PECK asked if this is a privatization effort and Ms. Robinson said privatizing in certain areas. They are working on this across the country. CHAIRMAN BARDANOUVE said these contracts are faceless, those FTE disappear when they go into a contract. How many FTE does this contract raise? Ms. Robinson said it represents 13. They are putting on a lot of FTE just on paper.

REP. BRADLEY said the committee looked at anything with privatization with careful scrutiny. CHAIRMAN BARDANOUVE said he would like to know all along how many people were hired through contracts.

REP. KADAS asked what the revenue source is and REP. BRADLEY said it is from those that are found and their wages withheld. REP. KADAS asked if the Department reflected revenue from this and Ms. Robinson said this is a new program the legislature set up 2 years ago to see if they could be self supporting. These are not people on AFDC. People not on AFDC get their money directly, those on AFDC, the state keeps all but \$50. This is required by the feds and we have to pay money back to the feds.

There was further discussion on contracts and CHAIRMAN BARDANOUVE asked about the privatization contracts like the one with security guards and if there was a savings. Mr. Sundsted, Budget Director, Governor's office, said that information is available but he did not have it with him.

MOTION: REP. COBB moved 4) Child Support enforcement be adopted. Second by Rep. Peck.

REP. COBB said this modification will allow them to hire the additional staff they need to revert the money to the general fund. They are taking a loan out and adding 31 more people. This language would go on page 1.

REP. CODY said you mentioned 5,000 paternity cases that need to be collected, how many of those are beneficiaries? REP. COBB said he did not know. REP. CODY asked if he would have any objection to some sort of sunset so they are not ongoing 31 FTEs? REP. COBB said this amendment is just for 2 years.

REP. BARDANOUVE said a problem is that there is no appropriation here. REP. COBB said they would get a general fund loan and can't expend the funds without the program. Mrs. Cohea said even with a general fund loan they can't expend the funds without the spending authority. REP. COBB said he would like to do this first and then the amendment.

REP. COBB said he would hold the above motion and make this one first.

MOTION: REP. COBB moved to adopt EXHIBIT 1 Amendment # 1, the language. His motion was to use this language and appropriate the additional 31 people under contract. Second by Rep. Peck.

REP. KADAS said there is a difference in the number of people. The amendment says an additional 31 people and the language says 45 additional clerical and caseworking resources. REP. COBB clarified his motion. This is for 45 contracted services with this language and basically it is a general fund loan.

REP. KADAS asked if the attempt is to clean up all these cases-- the 5,000 paternity suits in a year. CHAIRMAN BARDANOUVE asked if the babies being born now would be easier to find the parents of since there would be hospital records. REP. QUILICI said the committee added 13 and you are asking for more. How many did the Governor's budget approve?

REP. BRADLEY said she had resisted this since she does not understand it. The explanation has not helped much now, and she would support it without the amendment. REP. GRINDE asked what kind of programs are available for prevention and birth control. Ms. Robinson said the programs designed to help this would be in the Health Department. We have tried to have people go into schools and discuss with the young men what their responsibility would be if they got a girl pregnant.

CHAIRMAN BARDANOUVE said welfare support is provided for any pregnant woman before the baby is born. When you hand out the check you can establish who the romeo was. Ms. Robinson said they do ask that question. CHAIRMAN BARDANOUVE asked if that didn't establish who the parent was and Ms. Robinson said the issue is to try to get child support which is a lot of our parent care program. We need a much more aggressive program since there is about 6,000 to 8,000 backlog and they are trying to prevent a backlog in the future.

SEN. NATHE said in terms of AFDC, there are many young women making their own way. This program helps them do that. He would like to see some money in there so that the paternity cases can be prosecuted as soon as possible.

REP. KADAS asked how fast the backlog is decreasing with the 13 and Ms. Robinson said they will be making some inroads on it. The information her staff had given her was that to make inroads we would have to push on this. REP. KADAS said we put it in our budget because we wanted to start it. If we can start it we can come back and look at it. The Executive budget was set up to start up the program.

REP. PECK asked if there is a program out there now and a continuation of that program. Ms. Robinson said they have a bid

out now, they had a test in Great Falls and it was very successful. REP. COBB said they are adding 45 people because of the caseload--there are 45 paternity lawsuits and they will take out a loan from the general fund.

CHAIRMAN BARDANOUVE asked REP. BRADLEY if she could support this amendment and she said she had been working with Mr. South to see what it would do. REP. COBB said we are contracting the FTE. There are 13 being hired right in this biennium. The 4) on page 3, is to continue the 13. REP. PECK said those people are not in the budget now and REP. COBB said those people are being hired this biennium and we are continuing the money for those 13 people which is the Governor's executive recommendation.

REP. BRADLEY said she would resist the amendment at this time. The bill so far has language that is very clear. She read this through 3 times and still can't understand it. It should be rewritten and the intent clarified.

CHAIRMAN BARDANOUVE said they would leave this until the end of the section and perhaps it could be reworded and clarified.

Tape 1, side 2.

(Tape quit working long ago)

MOTION: REP. BRADLEY moved 5) Hospital Rate Study. Second by Rep. Cody.

REP. PECK asked if this was an inhouse study and REP. BRADLEY said no, it is contracted use. Ms. Robinson said the user would have to call in before being hospitalized. One individual received 196 prescriptions in one year and the cost was \$1500. That is the kind of thing we are trying to prevent. An individual would go to a doctor before going to an emergency room which has been badly abused by unnecessary use.

CHAIRMAN BARDANOUVE said this shows a savings of \$800,000 the first year and \$700,000 the second year and it comes out of the state medical budget. Ms. Robinson said the savings would come from unnecessary services that could be taken care of by a doctor and done at great savings.

REP. QUILICI asked who does the Department contract with for these services and Ms. Robinson said they have a bid out now to find a contractor and have had a number of possibilities presented. REP. BRADLEY said the contract is already out and CHAIRMAN BARDANOUVE said there is no program authorized yet. Ms. Robinson said they planned on doing this last year and if they are to get something done by July 1st they have to get the preliminary work done ahead. They don't finalize the bid but do get people working on it.

REP. CODY said when the audits for the nursing homes are done the money has increased because of the nursing home reimbursement. That dollar amount is justified and will these audits show that?

REP. BRADLEY referred to the Executive budget for her answer.

Vote: Motion on 5) page 3 of EXHIBIT 2 passed, 15 to 3 with Rep. Cobb, Grinde and Grady voting no.

MOTION: REP. BRADLEY moved 6) Baby Your Baby be adopted. Second by Rep. Cody.

Ms. Robinson said a family cannot receive AFDC unless they cooperate. A non-participating individual who will not help identify who the absent parent is and won't cooperate is not eligible for AFDC. Many of their child support activities have become much more aggressive in the last 3 or 4 years, and there is a large backlog of where they did no effort on paternity. They are also working very aggressively on trying to prevent a backlog in the future.

Vote: Motion passed unanimously.

7) Nurse Aide Testing. CHAIRMAN BARDANOUVE asked if this will cover all of the nursing homes and nurses aides across Montana. REP. BRADLEY said at some point they are being tested. REP. QUILICI said this program has already been implemented and many nurses aides have already received this training. It was their understanding that if they took the training they could get salary increases. Some facilities paid for the nurses to take the training, but it is not mandatory they give the upgrade. This program is administered through the Health Department. He asked if language could be put in the bill that said the nurses who took the training would receive compensation for doing so. A lady who did not give her name said that could be a requirement.

CHAIRMAN BARDANOUVE asked what requirements were needed to be hired as a nurse's aide. A man who did not identify himself said basically the whole training and testing issue goes back to 1987. The requirement to test to see whether they could do the job. Nursing homes used to do their own training, now the feds require special training.

REP. PETERSON asked who administers the tests and who is supervising the results and was told the Dept. of Health. REP. BRADLEY said the only thing this takes care of is the tests.

MOTION/VOTE: REP. BRADLEY moved 7) be adopted. Second by Rep. Cody. Motion failed with a tie vote, Rep. Peck, Grinde, Swysgood, Bardanouve, Grady, Peterson, Menahan, Cobb and Zook voted no.

REP. CODY said she thought the issue of testing for nurses aides should have further explanation. REP. BRADLEY said they had looked into this a great deal. Ms. Robinson said the money appropriated last year was for training, not the testing. Rose Hughes, representing providers, said the Omnibus Budget

Reconciliation Act of 1987 (OBRA) was for the actual training of the aides.

CHAIRMAN BARDANOUVE asked if this passes would there be any cost result to private patients and **Ms. Hughes** said they are still about \$8 a day short.

REP. MENAHAN asked if they had any information on turnover at the nursing homes. **Ms. Hughes** said that over a year ago it went from 80 to 85%. At the lower end the starting wage is minimum wage and at the higher end nurses aides can make between \$7 and \$8 per hour. **REP. MENAHAN** asked why the costs are so high when the wages are so low and **Ms. Hughes** said she was not sure the costs were so high. She felt it was amazing they could do it for \$65 a day when home health can run \$40 to \$45 for one trip.

REP. KADAS asked what the requirements were and **Ms. Robinson** said they have to be reasonable and adequate. **REP. KADAS** said the courts find reasonable and adequate the way they set the criteria? **Ms. Robinson** said as she understood it they look at what the rates should be and what they actually are.

MOTION/VOTE: **REP. CODY** moved to reconsider the action on 7) Nurse Aide Testing. Second by Rep. Bradley. Motion passed, Rep. Swysgood, Thoft and Grinde voted no.

MOTION/VOTE: **REP. BRADLEY** moved to 7) be adopted. Second by Rep. Cody. Motion passed 11 to 7, roll call vote # 1.

MOTION/VOTE: **REP. BRADLEY** moved 8) Nursing Home Rebase be adopted. Motion passed, Rep. Grinde voted no.

REP. BRADLEY said this mod # 9 would allow medicaid reimbursement rates to cover a larger portion of hospital costs.

MOTION/VOTE: **REP. BRADLEY** moved 9) Hospital Rate Rebase, be adopted. Second by Rep. Johnson. Motion passed 11 to 7, roll call vote # 2.

MOTION: **REP. BRADLEY** moved 10) Elderly Waiver Expansion be adopted. Second by Rep. Johnson.

REP. BRADLEY said this would be very cost effective. It would expand home and community-based waiver services for elderly and disabled persons so they could be at home rather than at the more expensive nursing facility.

Vote: Motion passed unanimously.

MOTION/VOTE: **REP. BRADLEY** moved 11) Children's Dental Services be adopted. Second by Rep. Kadas. Motion passed unanimously.

MOTION: **REP. BRADLEY** moved 12) Residential Psychiatric Treatment be adopted. Second by Rep. Cody.

REP. PECK asked if we adopt this motion we commit to over \$3 million in Family Services. **REP. BRADLEY** said if we do not go for this we cannot get the federal match. **Mr. South** said there is a \$1.5 million federal match for residential psychiatric treatment and continues service begun by House Bill 304 in the '89 session.

CHAIRMAN BARDANOUVE asked if there was a medicaid review of Rivendell and if they were not medicaid eligible? **Ms. Robinson** said we will stop paying for them. In order to help control costs in this program we are doing a review of the child to see if they are getting the proper treatment in the proper place. The concept of moving the money down to Family Services will help this. **CHAIRMAN BARDANOUVE** asked if someone was putting children in there that were not supposed to be there? **Ms. Robinson** said if there is no other place to put them, that is possible. **REP. PECK** said there is a bill dealing with children who are passed for psychiatric services.

Vote: Motion to adopt 12) Residential Psychiatric Treatment passed 11 to 7 with Rep. Thoft, Swysgood, Grady, Zook, Peterson, Grinde and Bardanouve voting no.

REP. BRADLEY said 13) Ob/Gyn/Ped rate Increase is the other Executive mod which is a selective increase. It would increase medicaid reimbursement rates to physicians for providing obstetrical and pediatric services to medicaid recipients.

MOTION/VOTE: **REP. BRADLEY** moved 13) Ob/Gyn/Ped Rate Increase be adopted. Second by Rep. Kadas. Motion passed unanimously.

REP. BRADLEY said this is a mandated program and would implement provisions of OBRA 1990.

MOTION/VOTE: **REP. BRADLEY** moved 14) health Clinic Expansion be adopted. Second by Rep. Johnson. Motion passed 11 to 7, with Rep. Thoft, Peck, Swysgood, Bardanouve, Grady, Grinde and Cobb voting no.

MOTION: **REP. BRADLEY** moved 15) EPSTD Case Mgmt/Screening be adopted. Second by Rep. Quilici.

REP. BRADLEY said the Early, Periodic Screening, Diagnosis and Treatment (EPSTD) is an outreach program for treatment and would go to the physicians and doctors who do the tests.

REP. QUILICI asked how many children were involved in this and **Ms. Robinson** said this would be early periodic screening of 25,000 children on medicaid. They are adding new staff and want to train some AFDC clients to work with this. Early screening and treatment save costly medical care later.

REP. PECK asked if the doctors would set up a tickler file to remind clients to return and **Mrs. Ellery** said the purpose is to

get the clients in for care and there has to be client management to follow up. **REP. PECK** asked where the money goes and **Mrs. Ellery** said to contracted services.

Vote: Motion passed 11 to 7, roll call vote # 3.

MOTION: **REP. BRADLEY** moved 16) Ambulance Rate Increase be adopted. Second by Rep. Johnson.

REP. BRADLEY said ambulance rates have been frozen since 1982 except for the annual 2% increases approved for the 1991 biennium.

Vote: Motion passed 12 to 6 with Rep. Swysgood, Thoft, Bardanouve, Grinde, Peterson and Grady voting no.

There was discussion on clients who might not need the help and **Ms. Robinson** said there was a report of an individual who had \$20,000 in CDs and was eligible because she met the poverty level. This could happen with current regulations since they are not able to deal with all resources. With the federal regulations they can't do some research. **REP. BRADLEY** said this contracted services from SRS to local groups. **REP. PECK** asked if it was totally contracted to local health Departments and **Ms. Robinson** said yes.

REP. CODY asked how many low birth rate babies and **Ms. Robinson** said 129 out of Medicaid in 1988 out of 2300 which is 4% and the cost was \$4.2 million which was 51% of the cost. The other 49% went for the other 3,000.

REP. SWYSGOOD said this is an excellent program. It has a cost factor that is a lot of money, but are we going to be assured that the 129 babies will be reached to get this service? **Ms. Robinson** said they are trying to get a plan through the communities.

REP. COBB asked if there was duplication of services with the MIAMI program in Public Health. **Ms. Robinson** said the MIAMI program was the first model of this type and is in one location. This would expand that model. **REP. COBB** said they gave more money to expand the MIAMI program and **Mrs. Ellery** said a piece of the MIAMI program is a piece of this project. We will use this money to provide a federal match.

Vote: Motion passed unanimously.

REP. BRADLEY said this money goes for mandated services.

MOTION/VOTE: **REP. BRADLEY** moved 18) OBRA 1990 be adopted. Second by Rep. Johnson. Motion passed unanimously.

MOTION/VOTE: **REP. BRADLEY** moved 19) Telecommunication Devices for the Deaf (TDD) be adopted. Second by Rep. Johnson. Motion

passed unanimously.

MOTION/VOTE: REP. BRADLEY moved 20) TEAMS operations be adopted. Second by Rep. Cobb. Motion passed 12 to 6 with Rep. Bardanouve, Peterson, Thoft, Swysgood, Grady and Grinde voting no.

MOTION: REP. BRADLEY moved 21) SEARCHS Development be adopted. Second by Rep. Johnson.

REP. BRADLEY explained this was for development and implementation of the SEARCHS computer system which is needed to provide fiscal and statistical data to meet federal reporting requirements. It should be up and running in 2 years.

REP. QUILICI said this adds \$5.5 million for computer services. He asked if it was really necessary to put 45 more employees on support. Ms. Robinson said this system will take a couple of years to develop and that is why it is suggested you sunset for other staff.

Vote: Motion failed on a tie vote with Rep. Swysgood, Peck, Grady, Grinde, Thoft, Bardanouve, Quilici, Zook and Peterson voting no.

MOTION/VOTE: REP. BRADLEY moved 22) JPTA Administration and 23) JPTA Additional Training be adopted. Second by Rep. Nisbet. Motion passed unanimously.

MOTION: REP. BRADLEY moved 24) DD System Phases I and II. Second by Rep. Nisbet.

CHAIRMAN BARDANOUVE asked why more people were needed if they have been running this program for years. REP. BRADLEY said part of it was because of the transfer of patients, where we are actually taking people out of Boulder and putting them in a community setting. CHAIRMAN BARDANOUVE asked if this was part of the downsizing of Boulder, and REP. BRADLEY said yes, Phases I, II, III and IV, I, II and IV is what we are talking about. B 124 in the narrative provides information on this.

REP. ZOOK said \$2.3 million is a lot of money. Mr. South said we tried to put the entire downsizing in one table, Table 16 pp B-124 in the narrative. For comparison purposes we placed the LFA current level there with differences. If Boulder is not downsized at all the costs will be those that are in the LFA column. The executive proposal of downsizing Boulder and spending money on these modifications you will be voting on in the Dept. of Family Services or any other column, and you can see the net differences is an actual savings because of the reductions at Boulder. We wanted to be sure you could see the entire spectrum rather than voting on one issue at a time.

REP. MENAHAN said this would leave the Boulder downsize to a population of 110. Mr. South said yes.

CHAIRMAN BARDANOUVE said then this would be the first phase of getting the institution down to the size where we can put in one building, phase IV. **REP. BRADLEY** said even with the high construction costs to build the building we would still be saving dollars.

Vote: Motion on 24) DD System Phases I & II passed unanimously.

REP. BRADLEY said 25) would fund 3 FTE in '92 and 6 in '93 and benefits from the '93 biennium provide community based DD services for 60 adults, 30 will be residents of the development centers.

MOTION/VOTE: **REP. BRADLEY** moved 25) be adopted. Motion passed unanimously.

MOTION/VOTE: **REP. BRADLEY** moved 26) OBRA 1987 DD Treatment be adopted. Second by Rep. Cobb. Motion passed unanimously.

MOTION: **REP. BRADLEY** moved 27) DD Part H Expansion. Second by Rep. Cody.

REP. BRADLEY said this is the early intervention program for infants and children up to 36 months of age who have special needs. This was an optional program, if we want to keep the federal dollars coming in we have to go statewide with the program. **CHAIRMAN BARDANOUVE** asked what the cost would be to go state wide. **REP. BRADLEY** said as a pilot program it was federal dollars, these dollars allow the program to go statewide. **REP. PECK** asked if this is not approved would you lose \$500,000 in federal funds? **Ms. Robinson** said yes, if it is not approved we lose \$573,000. To date they have served about 200 children, there is enough money in this program to take it statewide and serve between 500 and 600 children. This program is important because it allows children to get care immediately if they are handicapped and the outcome is much better for those than the ones who have no early intervention.

Vote: Motion to adopt 27) DD Part H Expansion passed 11 to 7 with Rep. Swysgood, Bardanouve, Thoft, Peterson, Grinde, Grady and Zook voting no.

MOTION/VOTE: **REP. BRADLEY** moved 28) DD Medical Funding be adopted. Second by Rep. Cody. Motion passed 17 to 1 with Rep. Cobb voting no.

REP. BRADLEY said this is for about 60 children out of state.

MOTION/VOTE: **REP. BRADLEY** moved 29) Montana Youth Initiative be adopted. Second by Rep. Nisbet. Motion passed unanimously.

MOTION/VOTE: **REP. BRADLEY** moved 30) Chapter I OPI be adopted. Second by Rep. Quilici. Motion passed unanimously.

MOTION/VOTE: REP. BRADLEY moved 31) DDPAC Administration and 32) DDPAC Benefits be adopted. Second by Rep. Kimberley. Motion passed unanimously.

REP. BRADLEY said this is all the Executive modifications and REP. COBB's motion to line item all the mods was made yesterday. She felt it was the intent of her subcommittee to do something different. These were all Executive mods, and if approved by the committee, which they have been, then it seems appropriate they be put into the rest of the budget. It was our further intent however, to line item the following 10 committee motions. We aren't trying to keep those dollars out of the reach of the Executive. We feel it is a matter of both Legislative and Executive discussion. We did not feel the Executive needed to reach the mods they requested themselves to be in the budget. Once approved by the committee it would be far easier to put them into the budget in order to stop the entire budget from being about 100 pages long.

CHAIRMAN BARDANOUVE said he felt the Governor should have the right to realize he some bad modifications. He may have some second thoughts about them.

REP. PECK asked if she was saying the Governor's mods would be incorporated and other mods would not? REP. BRADLEY said yes, because when we added our committee mods they felt they did not want to hide the dollars in the overall appropriation so the Governor couldn't veto them if that is what he wanted. REP. PECK asked if the mod was changed to reflect a different figure, would you treat them differently? REP. BRADLEY said she didn't know, but did not think they did it on any of the mods.

Mrs. Cohea said she had just consulted with the budget office and they have never done an actual account of the number of budget modifications, but in this section alone there are 101 so conservatively she believed there are about 300 in the sections. After the motion yesterday they got with their computer people in both offices and for each analyst to go through and line item one by one it is extremely time consuming. They stayed until after 11 last night to write a program to allow everything that is a mod to be pulled out and line itemed by the computer. The difficulty for the staff will be if they are half and half. Some are in the current level and some are out, then they would have to get staff in to do manual adjustments. For the sake of getting it on the floor on time it would work best if it were either all line itemed or all not. REP. BRADLEY assured the committee if it worked out that way they had no objection.

REP. BRADLEY said the Legislative Budget Additions were on pages 8 and 9. 1) AFDC Benefits @ 42% Poverty and 2) GA Benefits @ 42% Poverty go together.

CHAIRMAN BARDANOUVE said the Governor had it in at a lower level. What caused it to go above the Governor's level? REP. BRADLEY

said the language we had last time came to an end with this biennium. Only the dollar amounts were kept at the current level, and it was not adjusted according to the poverty index. It was our calculation it probably would have eroded the buying power of that benefit group down to about 39% of the poverty level instead of 42%. The federal poverty index is adjusted annually. **CHAIRMAN BARDANOUVE** said the difference between your recommendation and the Governor's is that he did not put in any adjustment for inflation. **REP. BRADLEY** said yes.

MOTION/VOTE: **REP. BRADLEY** moved 1) AFDC benefits @ 42% poverty and 2) G A benefits @ 42% poverty be adopted. Second by Rep. Johnson. Motion failed on a tie vote with Rep. Thoft, Swysgood, Peck, Grady, Bardanouve, Zook, Peterson, Grinde and Cobb voting no.

MOTION: **REP. BRADLEY** moved 3) Day Care Rate Increase be adopted. Second by Rep. Quilici.

REP. BRADLEY said this was an important mod since if we want the mothers to work we must allow them to have their children in day care.

REP. GRINDE asked if there was any discussion of some type of voucher system along these lines for day care? **REP. COBB** said this Day Care rate increase, the new money that comes in, which is \$2 or 3 million has a condition that by October 1, 1992 you have to offer a voucher system.

Ms. Robinson said we already pay by voucher. The parent does not get paid, we take a voucher to the provider. **REP. GRINDE** asked if they could get their own providers and **Ms. Robinson** said yes, and they pay the providers. **REP. COBB** said all states will have to do some sort of voucher in '92.

Vote: Motion passed unanimously.

MOTION: **REP. BRADLEY** moved 4) Medical provider Increases be adopted. Second by Rep. Menahan.

REP. BRADLEY said these are the increases for all the medical providers and while they felt 2% does not reflect the rate of inflation for the next 2 years, it was probably the best they could do and it was what they provided for all the providers in the last biennium per year. This would not be applied on top of the rebase for those three select groups for which the Executive budget provided the mods. This is all the medical providers for about 70,000 individuals who receive the services. **Ms. Robinson** said it served 70,000 individuals and 6,000 medical providers.

Vote: Motion failed 7 to 11, roll call vote # 4.

MOTION: **REP. BRADLEY** moved the 2% apply to all the medical providers other than those who received the rebase. Second by

Rep. Nisbet.

Mr. South said a quick estimate showed it could save \$1.5 million in general fund. It would take in in-patient hospital, out-patient hospital, psych hospital, and nursing care. He said he could not get to the physicians because it is not broken down that way.

Vote: Motion failed 9 to 9 with Rep. Thoft, Swysgood, Cody, Grady, Zook, Peterson, Cobb, Kadas and Grinde voting no.

MOTION: **REP. BRADLEY** moved 5) Licensed Prof. Counselors be adopted. Second by Rep. Quilici.

REP. BRADLEY said this would make some of these services more available in rural areas where you do have licensed professional counselors without some of the other providers.

SEN. KEATING said licensed professional counselors and social workers are licensed under the same board, they have the same educational qualifications. Social workers are on the list of medicaid eligible and last year we put licensed professional counselors as medicaid eligible but there was language that said there must be a specific appropriation. The Department of Family Services (DFS) uses licensed professional counselors for the treatment of subacute mental disorders dealing with sexual abuse, and physical abuse primarily. Licensed professional counselors deal with subacute emotional mental health treatments and what has happened in rural areas, licensed professional counselors are not medicaid eligible and so the person seeking appropriate treatment will find they are not covered by medicaid and will carry their problems to a psychiatrist at \$90 an hour instead of a licensed professional counselor at \$35 an hour. There are more appropriate services for less money if you approve the use of licensed professional counselors, but there has to be a specific appropriation made in order to utilize those services.

REP. CODY said for committee information, we will be voting on this as another option to medicaid.

REP. PECK said to answer that, **SEN. KEATING** is saying you would be getting a cheaper counselor than having to force these people to a psychiatrist that is authorized and will charge a higher rate.

CHAIRMAN BARDANOUVE asked **SEN. KEATING** if they do the same kind of work. He was told social workers and licensed professional counselors have pretty much the same education and are licensed under the same board. There is a differentiation in title and the social workers sometimes deal with other types of subacute emotional disturbances. Licensed professional counselors also deal with chemical dependency as well, but there are a number of them in the state that specialize in child abuse and sexual abuse, and those are the services the DFS want to utilize.

Vote: Motion to adopt 5) Licensed prof. Counselors passed 10 to 8 with Rep. Thoft, Swysgood, Bardanouve, Grady, Cody, Peterson, Grinde and Cobb voting no.

MOTION: REP. BRADLEY moved 6) Vocational Rehabilitation Services Increases be adopted. Second by Rep. Quilici.

REP. BRADLEY said this involves about 2,000 clients and is one of the most upbeat programs our committee deals with. The entire thrust is to get people into independent situations both in living and working to support themselves. The providers in the community work on vocational evaluations, injured people, proper education, helpful equipment and help them achieve this kind of independence. They close out about 200 cases a year.

REP. CODY asked if any of the users of this service had been covered through Workers' Comp? REP. BRADLEY answered yes. REP. CODY said, if they have been covered through WC shouldn't they be reimbursed for these rehabilitation services through WC. REP. BRADLEY said some of them are, but thought to date everyone coming through this particular system who is covered by WC have WC dollars that match the federal dollars. Ms. Robinson said the majority of their clients are not WC. people. When they are referred by WC, that is what they use to match some of the federal money.

CHAIRMAN BARDANOUE asked if this was 5% per year and REP. BRADLEY answered yes.

Vote: Motion on 6) Voc Rehab Rate Increases failed 9 to 9 with Rep. Peck, Thoft, Swysgood, Grady, Bardanouve, Zook, Peterson, Grinde and Cobb voting no. Question on vote, Roll Call vote # 5, results the same.

MOTION: REP. BRADLEY moved 7) Vocational Rehabilitation Expansion be adopted. Second by Rep. Quilici.

REP. BRADLEY explained this mod was for 30 additional slots and extended employment. The employment would be either in a sheltered work shop or a supported employment kind of setting. These individuals in this expansion are not eligible for DD services because the disability is not developmental. The persons funded by this appropriation are head injured, physically disabled, mentally ill, or learning disabled and an estimated waiting list is 60.

REP. THOFT asked if this was adding 30 additional slots to take care of 60 people on the waiting list. REP. BRADLEY said they have cut the waiting list in half but could not fund the entire waiting list. This would leave about 30 on the waiting list. REP. CODY asked why it takes 1 FTE to service 2 people. REP. BRADLEY AND REP. PECK explained there are no FTE in this. These are 30 slots, not 30 FTE.

Vote: Motion passed 14 to 4, roll call vote # 6,

MOTION: REP. BRADLEY moved 8) Visual Services Rate Increases be adopted. Second by Rep. Nisbet.

REP. BRADLEY said this is another provider increase.

Vote: Motion passed 11 to 7, roll call vote # 7.

MOTION: REP. BRADLEY moved 9) DD Provider Rate Increases be adopted. Second by Rep. Nisbet.

REP. BRADLEY said this is 5% per year for the small groups out in the communities that are providing the services for the hundreds we have taken from the Boulder Development Center and kept in the communities. There are about 2500 clients now. There are 46 non-profit corporations and 20 lines of service that are provided including the residential day care transportation on diagnostic evaluation kinds of services. This is intended to deal with inflationary costs those entities must pay.

CHAIRMAN BARDANOUVE said this is an area that was not included in the Governor's budget, but felt it should have been. We put these people out in the communities beyond the institutions and we will be passing some sort of a pay plan for institution people but these people are providing the same kind of services that the institutional workers provide and there isn't a penny for their increases. If we are to continue to remove people from the institutions into rural and urban areas without giving any increase we will either be giving these people poorer service or we will lose our providers.

Substitute Motion: REP. COBB moved to strike 5% and insert 4%. This should be worked out by SRS and not done by an end run to the Legislature.

REP. BRADLEY said she would resist the motion and explained why. REP. PECK asked how much they received last time and REP. BRADLEY said they gave 2% across the board.

SEN. WATERMAN said she was confused on the vote the committee made for the Voc Rehab and the Visual Services because she could not see the difference, but would emphasize these people are earning 30% less than comparable state employees providing the same services. You are talking about privatization here, contracted services. We are telling people who contract with the state that they do not get the same inflationary increase for heat and lights and the cost of doing business that we are giving ourselves in the state.

REP. MENAHAN said in these particular homes, wages probably cover the majority of the budget and we have never been able to find out whether this trickles down. They have stayed at a minimum wage since the inception of some of these homes. Some have moved

up, but have mistreated a lot of state workers. Some have moved from the institutions because they are given a better job in management in the group homes, but those working with the clients are the ones that never seem to get any better pay.

REP. CODY said, if we support giving this increase, is the money going to filter down to the people who are doing the work. You are asking for a lot of money but who is going to get it? **Chris Volinkity** said there are 46 private non-profit corporations around the state, depending on the financial stability of that corporation, a different percentage of that rate increase will be pumped into wages. Her job requires she travel 1500 miles a month, she gets travel reimbursement for that at 25 cents a mile, with a 50% increase there are lots of other expenses. There are about 3 corporations that are on the verge of bankruptcy because of insurance premiums, etc. They feel at the least they should be able to get 2 to 3% to take care of it. In some corporations they will get 5%. Administrators in the program are not paid extremely well.

CHAIRMAN BARDANOUVE asked how many of these providers are for profit. **Ms. Volinkaty** said they have none. **CHAIRMAN BARDANOUVE** asked if she served the majority of these people and **REP. BRADLEY** said there are no sheltered workshops, no DD providers are for profit. **CHAIRMAN BARDANOUVE** asked how many corporations for profit will receive part of this increase? **REP. BRADLEY** and **Ms. Volinkaty** said none. **CHAIRMAN BARDANOUVE** said that was the point he was trying to bring out--that this money will not go to any profit organizations.

Vote: Motion failed 7 to 11, roll call vote # 8.

Vote: Motion on original vote of 5% on 9) DD Provider Rate Increases passed 11 to 7, roll call vote # 9.

Recess to adjournment of the House Tape 2, side 2.
Reconvened at 3:15. Continuation of SRS EXHIBIT 2 MODS.

CHAIRMAN BARDANOUVE acknowledged the art work on the walls by the Montana Alliance for Better Child Care.

MOTION: **REP. BRADLEY** moved 10) DD Program Expansion be adopted. Second by Rep. Quilici.

REP. BRADLEY said it would provide 60 additional specialized family care slots and 50 supported work slots as well as 50 supported living slots. She explained the different categories.

Vote: Motion passed 10 to 8, roll call #10

REP. BRADLEY said the committee would need to go back and pick up some loose ends. On page 3 mod 4) **REP. COBB** changed the language in the Child Support Enforcement. He said this is the amendment he had earlier, but it is cleaned up. There was an error.

MOTION: REP. COBB moved Amendment # 1 as rewritten, EXHIBIT 2.

REP. COBB said in relationship to page 3 on the Child Support Enforcement the \$753,279 is the appropriation and he believed it to be State Special Revenue Fund. We are allowing the Department to expand up to the maximum 45 additional contracted services as long as they take the same amount of money they are supposed to for caseload. They have to bring in \$1.25 for each \$1.00 expended. We are saying, if you can make money for us we will keep allowing you to add FTE, if you don't you cannot keep expanding contracted services.

REP. KADAS asked if the effect will be to generate additional general fund dollars because they have more people generating at the same rate? REP. COBB said it depends on the non-AFDC case load. We don't make any money on those, we make it on the AFDC. Mr. South said currently the account is subject to the provisions that anything over \$5,000 a year reverts to the general fund and is also subject to the provision that it has to make this fiscal year \$1.69 for every dollar spent. Effectively every dollar that is profit in that account is a profit to the general fund, and this language, except that it is short the language on the \$500,000, would behest the Department to spend money up to the appropriation of \$2.3 million, but only if they can meet the \$1.25 recovery ratio. The Dept. would have to look at that very closely before they contracted additional people to make sure for every person hired they could generate an additional 25 cents.

REP. KADAS asked what the impact would be to the general fund and Mr. South said as explained to him, with the mod the way it is now and the other obligations on this account, the Dept. thinks they can generate about \$1.40 on every dollar spent. By adding the additional people that recovery rate will go down, but nevertheless it would still be there, so you would be collecting more money, but be spending more money and your recovery ratio would be reduced with the additional employees. The net impact on the general fund could not be determined at this point in time because it depends on how many people they hire.

REP. KADAS asked how he had come up with the 45 and REP. COBB said he asked Jon Meredith, Division Administrator, how many it would take to get those caseloads down for paternity lawsuits and they came up with 45, but did not want them all at one time.

REP. BRADLEY said she would resist the amendment. This is taking a program that is fairly large and making a rapid growth in a 2 year period. It would be better to come back in 2 years and make an assessment. We are already taking the ratio down and there is a certain point where it is not worth it anymore. She said REP. COBB also did not put any language that deals with the fund balance as the language came from the subcommittee.

REP. ZOOK said there is some variance in what the appropriation is for. Your amendment is for administration and operation--is

there a difference. **REP. COBB** said there should be no difference.

Vote: Substitute motion by Rep. Cobb on Exhibit 2 failed, 5 to 13, roll call # 11.

Vote: Original Motion to adopt 4) Child Support Enforcement passed 13 to 4 with one abstention, roll call vote # 12.

REP. QUILICI said he voted no on 21) SEARCHS Development on this and after considering it, there is no general fund at this time in this, and ultimately there is a possibility there could be, but with this computer capability and after defeating **REP. COBB's** motion for the FTE, he felt the system, with the federal funds, would help with the Child Support Enforcement activities, and he would move to reconsider the action.

MOTION/VOTE: **REP. QUILICI** moved to reconsider 21) SEARCHES Development. Second by Rep. Kadas. Motion failed 8 to 10 with Rep. Peck, Bardanouve, Thoft, Swysgood, Grady, Cody, Zook, Peterson, Grinde and Cobb voting no.

REP. BRADLEY said she would like to return to page 8 on the Voc Rehab Rate increases. They put provider rate increases for other providers who do comparable work and in some cases the same work.

MOTION/VOTE: **REP. BRADLEY** moved to reconsider committee action on 6) Voc Rehab Rate Increases. Second by Rep. Nisbet. Motion passed 10 to 8 with Rep. Peck, Thoft, Swysgood, Grady, Zook, Peterson, Grinde and Cobb voting no.

REP. BRADLEY said she would like to request public testimony because we called for an expansion in 7) but have not provided any reason for anyone to want that expansion.

Jim Smith, Montana Association for Rehabilitation Facilities said these are the providers being discussed. The Butte sheltered work shop, Eastern Montana Industries, Flathead Industries--about 13 of these facilities that provide training, rehabilitation, vocational evaluation to persons with developmental disabilities, head injuries and mental illnesses. Over the past decade their funding has been flat. The average reimbursement per client per day to these facilities is about \$27 a day all the way from 1980 to 1990 and '91 where, in the last session, you granted a 2% increase. Inflation has been killing these providers in terms of meeting the minimum wage, increasing health premiums, work comp unemployment insurance, gasoline, food, electricity, etc. He had talked to providers over the break, and came to the conclusion that if the committee can't grant the provider rate increase he felt they should reconsider the action on expanding the program in mod # 7 because these facilities like a lot of others are at the point where without a little inflationary adjustment they cannot and will not be able to provide a quality service.

REP. COBB asked if they got 4% not 5% will you say don't spend your money on the expansion? **Mr. Smith** said 4% would be better than nothing. **REP. COBB** asked if you are not making any money now why do the providers keep being involved in these programs? Instead of applying for the job why don't they just tell the Department we don't want to do it because we don't have the money? **Mr. Smith** said it is very hard for the providers to say no when you are presented with someone with a developmental disability or a head injury. On your question of why isn't this negotiated out ahead of time, that's a very outstanding question. We did not have the forum or the opportunity to really negotiate with the Department this time. In previous sessions we have had the Priorities for People process, we could work on this during the interim. That opportunity was not available this time. He felt they should come back in 1993 with a piece of legislation which would say the Executive shall grant an inflationary increase to fee based providers of SRS services. He felt the way to solve it would be through statute, and felt they would back in '93 with such a bill.

CHAIRMAN BARDANOUVE asked if he would be agreeable, if the committee wants, to cut additional beds by 1/2 and get this amount of money. That would be a compromise and only expand by 1/2. **REP. BRADLEY** said this is an unfair question. The very least we can do to keep these programs moving is to give them a realistic inflationary increase. One of the tragedies in the state is that while this program is so successful the whole thrust of it is getting people into working positions.

REP. CODY asked if these people were given a rebase. **REP. BRADLEY** said no.

REP. THOFT said if you were to get 6) Voc Rehab Rate Increases, and we reconsidered 7) and took that out, we are faced with a problem of funding this. There was a total of \$10 million in mods here over and above the Governor's budget and there is a limit to what we can do. Did you say you would be willing to accept that compromise. **Mr. Smith** said that wasn't exactly what he said. Without 6) you should not give them 7) because the services that are provided to the clients that are served fall below the level we can defend. It has gotten to the point where we cannot provide a good service any longer, so there is not much point in providing more services. If you say we have to choose 6) or choose 7) then the providers he is working for say to choose 6) and it is not that we don't want to serve more people.

REP. ZOOK said he knew the work these people do is good, but when he looks at the bottom line of \$10 million the subcommittee added in, while it is hard to vote no, he doesn't know how the state will pay for it.

REP. KADAS suggested the committee vote on 6) and then if someone wants to reconsider 7) we can do that.

Vote: Motion to adopt 6) Voc Rehab Rate Increases passed 10 to 6, roll call vote # 13.

REP. COBB presented an amendment **EXHIBIT 3** and explained it by expanding on the language on the exhibit. This would go on B-125 of the narrative.

CHAIRMAN BARDANOUVE expressed concerns about starting another program that would be with the committee next session. The '93 Legislature will have to come up with the money to carry this on.

REP. JOHNSON asked how this would reduce the waiting list? **REP. COBB** said it would take 62 on respite and Family Training 133, Supportive Work is 63 and there are 40 more. These are the ones with no other services. He said this would not take care of all of them on the waiting list, it would take care of some of them.

REP. PETERSON asked **REP. COBB**, since you found this little pot of gold, how would it be used if we don't use it here? **REP. COBB** said this is a priority with him and he was trying to find money to fund it.

REP. CODY asked how he proposed these folks be taken care of in the next biennium? **REP. COBB** said, if you start a program you have to keep funding, the waiting list will go up and down.

CHAIRMAN BARDANOUVE said this money is not presently calculated as a part of our budget. Is this over and above the revenue we have for our budget? **REP. COBB** said this is not reversions, it is not counted anywhere, it is "funny money". **CHAIRMAN BARDANOUVE** asked if they could use this money and appropriate it in place of some of the general fund money in the mods we passed this morning. **REP. COBB** said you could. SRS has to reconcile all this and there might not be \$2.5 million. If we don't use the money it will go into reversion so it will show up there.

REP. KADAS asked **Mrs. Cohea** if she had looked at this revenue and she said no, she was not aware of the amendment until we reconvened this afternoon. **REP. KADAS** asked if she was aware of this fund and **Mrs. Cohea** said no, she was not. **REP. COBB** said this was in an audit report. He said **John Donwen** could explain the fund and the Budget office is here also. **Mr. Donwen** said in paying the bills they incur in recovering the federal share, it takes a number of years for audits of providers to be completed, audits of inhouse SRS to be completed, and for bills to clear out through the medicaid program so over a number of years this account builds up and we periodically have to go in and reconcile it to expenditures we have claimed from the federal government and those we haven't. This is a very complicated process and they are in the process of doing so now and it was in the last Legislative Audit report.

REP. KADAS asked when they will have this reconciled and **Mr. Donwen** said they are working on it and hope it will be done by

June 30. **REP. KADAS** asked how far back these reconciliations go and was told the last ones brought it up to June 30 of 1985.

REP. PECK asked how firm the \$2.5 million figure is and **Mr. Donwen** told him at least 50%.

MOTION/VOTE: **REP. COBB** moved **EXHIBIT 3** be adopted. Second by **Rep. Thoft**. Motion passed 12 to 6, roll call vote 13 A.

MOTION: **REP. COBB** moved **EXHIBIT 4** for vote # 13 B be adopted.

REP. COBB said this is the AFDC Transition to Work Allowance. He said we have a general assistance work allowance and that seems to be working. This would allow the department to use existing money to help transport a recipient to a job. They can use this money for travel and expenses. They are not asking for more money, but it can take them off welfare. This would be on the front page where it says Summary of SRS Language. It will get put into the bill where it belongs. The word "may" allows them to evaluate the value of the program and to stop running it if it costs more than it is worth.

CHAIRMAN BARDANOUVE asked if this creates another new program. **REP. COBB** said yes. The problem is these people can't have any money saved up and still be on the program and they need money for transportation to a job.

REP. BRADLEY said since we have over 9,000 AFDC she wondered if **Rep. Cobb** might find it more cost effective to get a big van to move these families around to where they want to go. **REP. COBB** said some of these people would like to go somewhere on a job and this would provide them the opportunity.

Ms. Robinson said she did not know of any other state doing this.

Vote: Motion for Exh. 4 failed, 5 to 13, roll call vote 13B.

MOTION: **REP. COBB** moved amendment **EXHIBIT 5** be adopted.

REP. COBB said this does start a new program, it spends \$396,000 general fund and \$1 million in federal funds each year. This would allow mothers on AFDC an incentive to keep some money rather than getting cut off.

Penny Robbe, SRS said this amendment would allow SRS to adopt different budget amendments for AFDC working families. Now they have a NEED standard. The Legislature has decided they can pay the NEED standard which is 42% of poverty. For a family of 2 the NEED standard would be approximately \$400. They pay an AFDC mother of one child \$295. If that mother goes to work we allow certain disregards from the income, the \$90 work allowance. For a limited time there are additional incentives and any amount over that or after that period of time is taken dollar for dollar against the \$295 amount. This amendment would allow them to

subtract it from the \$400 amount and means the mother could stay on AFDC for the small grant amount and receive medicaid benefits for a time.

REP. COBB said he had her explain it so it would be clear to the committee, she did not necessarily support it. This amendment would allow a mother to keep from \$50 to \$100 more money than they do now if they are working. If they are not working this does not affect anybody.

CHAIRMAN BARDANOUE asked **Ms. Robinson** if she supported this amendment. She said this is above the Governor's budget. Technically they worked it out to see that it would work and that the dollars are correct. This approach will do what **REP. COBB** is saying, but it is above the Governor's budget. She said the Executive branch supports the Executive budget.

REP. PECK said this is the current program in statute in practice and you can't change that by language in an appropriation bill, can you? **Ms. Robinson** said the budgeting method is not in the statute. **Mr. South** said he was not aware of any specific statute that gets down to the kind of detail that is being addressed here. **Ms. Robinson** said they would have to change their rules and regulations.

REP. BRADLEY asked if there would be additional medicaid costs in this. **REP. COBB** said no because they are already on AFDC.

Ms. Robinson said with this people would stay on AFDC longer because they would get to keep more money before they got taken off. There would be some medicaid costs and when she asked her people to calculate it her people did not know how because they did not have any experience with it and don't know how much longer people would stay on. She said she was concerned that the budgeting method chosen by the state of Montana does not encourage people to get jobs because there are disincentives built into our budgeting method.

REP. CODY asked if the Department has the ability to do what this amendment asks and **Ms. Robinson** said they could probably go back and do it but she would be reluctant without legislative authorization because of the unknown costs.

Marcia Dias, Low Income Coalition said they strongly support this amendment because they have so many college students, when they get scholarships and grants, it is taken away from their AFDC and they just never seem to get ahead. She felt it asked people to be dishonest because a person with a child could simply not live on \$295 a month.

Vote: Motion by Rep. Cobb to adopt # 13 C, **EXHIBIT 5** failed 8 to 10, roll call vote # 13 C.

REP. COBB said the 42% failed, where are we now? **REP. BRADLEY**

said we appropriated dollars. **Mr. South** said given the fact that the budget addition failed the payments will be the 1991 payments.

MOTION: **REP. COBB** moved on B-81 to take out 4% of the Personal Services on SRS for 1993. Second by Rep. Zook.

REP. BRADLEY said she would resist this motion since first this would only spend vacancy savings dollars that would otherwise revert and there are several programs that are 100% federally funded and if we follow a motion like this, we just won't get the federal dollars at all. If we want to take budgets down we should do it by program and not by haphazardous, meaningless ways like this.

Vote: Motion failed 7 to 10 with one absent, roll call vote # 14.

MOTION: **REP. COBB** moved to line item all the modifieds.

REP. BRADLEY said the subcommittee had already done this.

Mrs. Cohea said even though this particular 4% was not approved, she would like to discuss how the 4% cut was handled. When the first motions were successful she and Rod Sundsted met and suggested the funding split be done on the agency budget as a whole to avoid having to go back into each control variable which would be time consuming. As they thought more about it, agencies with a lot of federal funding, they won't get the amount of general fund savings, they will get much more federal fund savings. Over the evening the analyst realized if you exclude any control variable (a budgeting unit with no personal services in it, just the benefit program) you would get a much truer reflection of personal services costs. She said Mr. Sundsted had agreed if the committee agreed to calculate the funding split on the 4%. Before the computer people did it she had wanted to run it back by the committee. The committee agreed.

MOTION **REP. SWYSGOOD** moved to reconsider the committee action on the 4% on the personal services. Second by Rep. Quilici.

REP. SWYSGOOD said we have cut other agencies right down the line 4% and this agency is no different than the others. We should be fair across the board.

REP. CODY said she would not reconsider her actions on this budget on the 4%. It is not the same agency we are talking about here. These are human beings many of whom have no control over their lives, and she refused to do this.

Vote: Motion failed on a tie vote, roll call # 15.

MOTION/VOTE: **REP. BRADLEY** moved the SRS budget with modifieds approved by the committee and this section be closed. Second by Rep. Cody. Motion passed 10 to 8 with Rep. Swysgood, Bardanouve,

Thoft, Grady, Zook, Peterson, Cobb and Grinde voting no.

Department of Family Services (DFS):

Mrs. Cohea said she had just met with the Legislative Council and they are putting the shell of HB 2 together and have a technical question. Because of the motion to line item modifications they need to redo the whole shell and asked us to make sure the motion dealing with line items does apply to all sections. It would help them very much in getting the shell ready. The committee agreed.

REP. BRADLEY distributed **EXHIBIT 6** which contained the mods for DFS. She gave an overview of the Department and the Summary of DFS language on page 1 of **EXHIBIT 6**. There were 4 areas, Management Support, Community Services, Mountain View and Pine Hills. The analyst was **Sandra Whitney** and they had the help of **Tom Olsen**, Director, DFS.

Tape 3, side A

CHAIRMAN BARDANOUVE asked, on these budget modifications, how many are approved by the Governor and how many are committee mods? **REP. BRADLEY** went through the Summary of DFS Language on page 1.

REP. CODY asked about the difference between these Day Care Providers and those for AFDC? **REP. BRADLEY** said the Day Care in DFS is for protective child care. In SRS it focuses on AFDC and transitional women who are moving out of AFDC. The providers are the same. They are sometimes provided by churches, profit, non profit and a variety of those who provide day care.

REP. KADAS asked when we will know about the outcome of the \$5 million from 3), the block grant. **Mr. Olson** said they were hoping to get the rules in May.

REP. COBB said he wanted to make sure 2) DD Case Management that is additional federal matching that goes to the 28% ratio and only if we meet the federal guidelines and even if we get it for people that are using it now for targeted case management, they are also doing social work for abused and neglected kids, so it would be very difficult, even with the money, target case management? **Ms. Whitney** said if they get the additional money it will be at a higher match rate than they have now. It is 50-50 now and it will go to 72-28 so it is more federal dollars and the committee put it in the budget so the department could use it for contracted services so out in the rural areas where there were not enough FTE available they could be contracted for.

REP. COBB asked if the FTE that are not contracted for, are they doing all targeted case management, or just part? **Mr. Olson** said there is a mixture. Some of the workers are dedicated entirely to targeted case management. In the rural areas they have workers who do job connected services and case management and some mix where they do CPS adult protective services and case

management. The mix depends on where they are in the state.

REP. COBB asked if they were going to meet the July 1 deadline for having a plan for case management and get the match or are we heading for a wreck? **Mr. Olson** said they are in the process of developing a plan and are to hire one of the best consultants in the country. They have the plan on track in draft form, and fully anticipate they will meet the deadline requirements.

REP. GRINDE asked for clarification on when we are line iteming the mods--these we just acted on in SRS, are these to be rolled into the budget or are they line itemed? He was assured they were line itemed. **REP. BRADLEY** said they all agreed in their subcommittee that they wanted them out there very clearly so the Legislative branch as well as the Governor could assess them.

MOTION: **REP. BRADLEY** moved mod 1), Management Staff Increases. Second by Rep. Nisbet.

REP. BRADLEY said comparisons between the Executive and Legislature followed across the page for easy reference. This mod would be 3 FTE general fund and 2 FTE federal fund.

Vote: Motion passed 12 to 4 with Rep. Peck, Swysgood, Cobb and Grinde voting no.

REP. BRADLEY explained mod 2), Management Information System. This would develop the system to enable the Dept. to determine some very important things lacking at this point like the number of children in the system at any one time, the number on the waiting list, the placements, dispositions, and the placement history of each child moving through the system. This would give them the ability to comply with federal reporting standards for child abuse and neglect, foster care and day care. They have an amendment since they found out there are more federal dollars available and they could decrease the general fund by \$159,504 and the federal amount would increase \$249,504.

MOTION: **REP. BRADLEY** moved mod 2) Management Information System be adopted. Second by Rep. Nisbet.

CHAIRMAN BARDANOUVE asked if this didn't set up another computer system and **REP. BRADLEY** answered yes, but they found because they have no information system since they were separated from SRS, they do not have the capability to determine even the number of people they are treating at any one time.

CHAIRMAN BARDANOUVE asked if all the children weren't under a case management system? **SEN. WATERMAN** served on the 2 year study on that Department and said she felt at any one time someone needs to know how many youth there are, whether they are at Pine Hills or in foster homes. At the present time the Dept. has to call the agencies who then have to go through the papers and manually count them. There is no continuum of care because

the Dept. has no management tool to tell them a child has been sent to Rivendell 3 different times and there is no way to analyze what services the child needs.

CHAIRMAN BARDANOUVE said when these children were put into the treatment program didn't they have some human being that put them in or out? Don't they have a record of that child? **SEN.**

WATERMAN said they have a record and if the child is transferred to a foster home or a treatment facility in another part of the state, they will have a record. The central office has no way of knowing if the papers counted in one place were the same papers counted in another area, if they are the same child or a different one.

REP. ZOOK said if he were opposed to the \$729,000 the subcommittee put in and voted against it, he is also wiping out \$187,000 the Governor's budget had in there. **REP. BRADLEY** said if you want a substitute motion to hers he could put the Executive amount in. The committee examined this and that amount of money did not buy the system except over a much longer period of time.

CHAIRMAN BARDANOUVE asked what the \$100,000 in the Executive budget would buy and **REP. BRADLEY** said part of this was the level at which the Dept. would function.

REP. GRINDE asked **Mr. Olson** if in his office, did he have a list or computer bank of Mountain View and Pine Hills and where these clients are. **Mr. Olson** answered no. **REP. GRINDE** asked if that is what this mod would do. **Mr. Olson** said that is part of what the mod would do. The intent of the information system is to do a number of things. If someone were to ask him how many kids he had in residential treatment care in the state it would take approximately 4 days to get that information. He would have to call each region, they would have to get their caseworkers to go through their file drawers in the section marked residential treatment care and count the kids, write it down and give it to their supervisor who would then call it into the central office.

REP. GRINDE said you went through this exercise on HB 100 and started compiling this list at that point. Have you talked to these providers and asked for a monthly update on the new people or those moving out? **Mr. Olson** said they do that by region, they update their cases whenever they can. At the present time they have a system where there is one caseworker working 40 to 50 cases and they sort of go through rotation by taking the most critical cases first. The current system can sometimes get forgotten about because one worker has a hard time tracking all those kids.

REP. GRINDE asked where they will find time to put it into the computers. They have to compile it in longhand before they stick it into the machines. His point being, they need all this to compile the data, they are not doing it by longhand now, no one

is reporting it and no one is asking for it to be reported. He asked what will make this a better system--will they do it when they get a system on line?

REP. CODY said in the last session's budget she read "The DFS shall develop a plan for the implementation of a continuum of Youth Services for the state of Montana to be presented to the 52nd Montana Legislature. The plan for implementation should address the following goals and objectives." There was a list they had asked for and apparently that was not done. She was told it had been done, and then asked why do they then need the management system?

REP. BRADLEY said it was one of the foremost recommendations coming out of the study. **Mr. Olson** said they presented the study mandated by HB 100 to the Finance Committee.

REP. SWYSGOOD asked if he approved the additions the subcommittee added onto this particular item and **Mr. Olson** said they are an Executive agency and support the Executive budget. There are two ways of doing this system. The money that is available in the Executive budget will get them started and allow them to further study the system, prepare figures and come back to the Legislature with them.

REP. JOHNSON asked if there are new federal requirements for reporting. **Mr. Olson** said they are being required to meet some fairly stringent data requirements in order to continue to get 4E funding from the federal government. They are requiring each state to develop a management information system that will report information similar to what we are talking about here. He said they have not shown a lot of interest in participation in funding. **REP. JOHNSON** asked how they will do this with their pencil, paper, phone system. **Mr. Olson** said they will have to take the exceptions and take the reductions in 4E funds. **REP. JOHNSON** asked how much this would amount to and **Mr. Olson** said they have not seen the final rules that will determine the sanctions, but it could be around \$500,000.

REP. PECK asked about the additional federal dollars found relative to this mod. If **REP. ZOOK** make a substitute motion to move those back into the Executive recommendation and if so, how much match would it require? **Ms. Whitney** said the \$159,000 federal money that was found was based on a calculation of the percentages of federal money that would possibly be allocated to the computer. If you don't have \$900,000 worth of expenditure you don't get the extra \$159,000 in federal money.

CHAIRMAN BARDANOUVE said he had usually voted for computer systems, but so often they cost 2 to 3 times what they were told. He asked for a reason **Mr. Olson** felt this was the right figure and not a down payment. **Mr. Olson** said they are working with the Dept. of Adm. and the figures are the ones they have been given. It includes purchasing equipment through State Purchasing and

using the cost per hour the Dept. of Adm. has provided.

REP. THOFT asked Mr. Olson if you get the \$100,000 this biennium you would keep working on numbers etc. and come back, then you say you already have the numbers. Mr. Olson said that is true. There is not a lot of hardware or project development he can do with this money. \$180,000 isn't going to get computer equipment that will begin this project or much project development.

REP. KADAS asked how the Executive had arrived at the \$100,000. Mr. Sundsted said we looked at proposals. He did not feel comfortable that they knew what they were buying for \$1 million and that is why they did not support it. They thought the \$100,000 would give money to plan the system and come back with a plan for implementation.

REP. KADAS asked if this is the position now or is it better defined now? Mr. Sundsted said he felt they should put in \$188,000 and continue on that path. He said he did not feel comfortable buying the computer at this time.

REP. PECK asked where the \$811,000 figure came from? REP. BRADLEY said they had an analysis come in. She said Jim Sheehy had made the analysis from the Dept. of Adm. They indicated the Executive would give only a study and the dollars the committee put in were to be developed in house as opposed to being contracted out and it would have the system running in 2 years.

REP. PECK asked why the study was not given to the budget office and Mr. Sundsted said it was. He had asked them to put the study together in one week. He said he was not willing to recommend spending \$800,000 general fund money on a study that was put together in that short a time.

Substitute Motion: REP. SWYSGOOD moved we recommend to give the management information system the total of \$100,000 that the Executive recommended in the '92-'93 budget. Second by Rep. Thoft.

REP. KADAS said he could not see how a study should cost this much money. We either needed to not approve the executive and go with a lower level or figure out what system we need to purchase and purchase it. REP. THOFT said he felt REP. KADAS had made more sense than anybody up to this point. He agreed with the budget office that they were not ready to buy the system, but did not feel they needed \$180,000 either.

REP. SWYSGOOD asked the Dept. what they are going to do with \$180,000 and Mr. Olson said they will conduct a study that will meet the requirements of the budget office. They would come back in 2 years with a recommendation for a system, but we will be 2 years delayed in the development of that system. He was convinced they need that sort of system. Not only was it difficult and time consuming to get information which took people

off job protective services, but he had no way to plan for the future. He could not tell what the trends have been or which levels of kids are getting worse or what problems are getting less.

In answer to a question from **REP CODY**, **Mr. Olson** said he came into the agency a week before the report was given to the Finance Committee. He had assumed to come into an agency that had a management information system where he could get information and communicate with the people in the field, and that those people with caseloads of 1 to 40 or 1 to 50 had a way of entering information on a computer rather than duplicating forms by long hand.

REP. MENAHAN said from the time we created the DFS we never gave them any of the equipment or tools to do the job. He did not know what we could afford but something had to be done for this Department.

REP. KADAS asked when would the ISD study be completed. **Mr. Sundsted** said before he wanted to commit that much general fund money he wanted to be sure what the design and cost would be. **REP. KADAS** asked if he felt ISD could perform a sufficient study within the next couple weeks to give us what we need? **Mr. Sundsted** said he doubted it. **REP. KADAS** said he was convinced the Department needs the machine, but wants the right machine and doesn't care too much what the Executive recommendation was because he felt it was made in haste and does not take into account the problems. The Executive recommendation was throwing away money also since it doesn't do the job either. Time was needed to figure out the system, but we needed to get the decision made and the system bought.

REP. COBB said in the last session we gave them \$40,000 to do the study for the computer system. They didn't do the study, they reverted the money.

REP. JOHNSON said one of the reasons the \$900,000 was in there was to work the study and get the system so they could start reporting to the federal government in time to avoid sanctions. He thought this was about 2 years down the road and the \$900,000 should enable us to have the system in place by Jan. of '94.

Kathy McGowen said she and **Jim Smith** have represented the Residential Child Care Assn. for the past couple years and the very first thing they asked them to do was to make sure the DFS completed the HB 100 study because of some of the things they see happening in the system. Kids can be placed in 40 different placements within a number of years--kids are not being treated well because they are not keeping track of them. They had talked to **Mr. Mullen** and he was reluctant to get going on it, but they found that they had to almost create a revolution among the social workers in order to study them. They didn't have anybody they could assign to free up time in the central office because

those people were strapped and they had to demand the social workers go through boxes and boxes of papers to literally tally the kids. They had to tally what kind of kids, whether they were being served adequately, etc. It took months, they spent a lot of time over there and said it was one of the most frustrating things she had ever done. She found out there was no way they could carry out the mandate of the session and plan for the future of the kids in the state with the present system. There was just no way it could be done.

REP. QUILICI said the problem is that they have implemented computer systems over a period of time. He asked **Mr. Olson** if he thought, with the money, he could with **ISD**, implement a system that would work in this time and would not have to come back to the committee with a cost overrun? **Mr. Olson** answered yes.

REP. GRINDE said when the **DFS** was separated from **SRS**, it seemed we weren't taking care of **DFS** and got ourselves into this mess. He asked **REP. BRADLEY** if this was not passed if she saw **DFS** deteriorating further and being more inefficient. **MRS. BRADLEY** said she did. She did not see how they could do the job without having the information available. They are so understaffed.

REP. GRINDE said when this transition took place the records were compiled by **SRS** and **DFS** did not have enough staffing or money to keep this up to date, or just didn't have the computer system to do it? **REP. BRADLEY** said there was no system to do it. **REP. GRINDE** said, if we were to fund this, do you think it would save the **DFS** or do you think we should go back to the old system and put them under **SRS**? **REP. BRADLEY** said **SRS** is so large that if you put everything in one Dept. you would have to split it up anyway to just manage it. The concept of **DFS** was a good one and have many good ideas but there is no sense in getting into the alternatives if you can't track the children.

REP. GRINDE asked if the committee discussed any ways of contracting computer facilities to get us on line while we looked at it a little longer? **REP. BRADLEY** said they had not actually made a comparison, but felt pleased that this would be developed inhouse. In contrast with **TEAMS** where the bid went out and the bid was taken we could not get any information on how that \$3 million was to be spent. We anticipate it will cost 3 times the inhouse amount, but with **TEAMS** we had to go that route because of the expertise involved. They did work with the **DOA** and thought there was no cheaper way of doing it.

CHAIRMAN BARDANOUVE asked when **OBPP** had received the information and **MR. Sundsted** said Feb. 19.

REP. PECK said he couldn't believe what he was hearing. The Legislature gave them \$40,000 to do a study, the Dept. head decided he wasn't going to do the study but does not ask **ISD** to develop anything on it, and in the middle of the budget process they take one week to determine they will spend \$811,000. **REP.**

KADAS said he did not know where this fits in but the study was finished Nov. 8, 1990, MIS development and maintenance costs which looks like about \$700,000. This was done in November and must have some relation to the study that was done in Feb. He said probably the most recent study was done in February.

REP. SWYSGOOD withdrew the substitute motion.

Vote: Motion to approve 2), Management Information System for \$811,000. **REP. BRADLEY** said she would add language to this motion that this be done with further cooperation with ISD and to report back to the Finance Committee on the progress being made. Motion failed 9 to 9, roll call vote #16.

REP. BRADLEY explained the modification. **REP. THOFT** said this is a committee mod, outside the Governor's budget.

MOTION/VOTE: **REP. BRADLEY** moved 3) Division Directors. Second by Rep. Cobb. Motion passed 10 to 8, roll call # 17.

Community Services:

MOTION: **REP. BRADLEY** moved 1) Reg. Staff Service Inc. Second by Rep. Quilici.

REP. BRADLEY explained the Executive proposed 8 social workers; the committee proposed 36 to be phased in over a biennium. This is in response to the increasing demands for the services. It is both general funds and federal funds, and is for investigation at the county level, abuse and neglect and services for the family. The interim committee that worked on this said the national caseload standards was the work level nationally for these services. We would need a caseload of 108 to match the national level. DFS requested 55, the Ex. budget contained 8 and the committee went for 36. The need is to keep the family together rather than split up and the children institutionalized and secondly it is for emergency kinds of abuse and neglect.

CHAIRMAN BARDANOUVE said there is \$1,322,000 and only part of them the first year. What will the figure be for the biennium if they were all on? That is what the 1993 Legislature will have to pay for. **REP. BRADLEY** said the total would be \$2.2 million per year. The general fund amount would be \$1.8 million for the biennium. **Ms. Whitney** pointed out the \$541,000 shown on the Executive mod is the biennium number.

Substitute Motion/Vote: **REP. ZOOK** moved the \$547,720 under the Executive budget. Second by Rep. Grinde. Motion failed on a tie vote, roll call # 18.

Substitute Motion: **REP. KADAS** moved 8 the first year and 16 the second year. Second by Rep. Quilici.

REP. KADAS said this would be 8 the first year and 8 more the

second. He had heard only horror stories out of this Dept. since the Legislature did not do a good job in the transition, and we have to begin to deal with it.

Vote: Motion passed 11 to 7, roll call # 19.

REP. BRADLEY said # 2, 3, 4 and 5 go together and she did not feel there is any controversy; they all deal with the Montana Developmental Center phase down discussed in the SRS budget.

MOTION/VOTE: **REP. BRADLEY** moved mods 2) Phase I & II Supp. Income; 3) Phase IV Supp. Income; 4) Phase IV Child Placement and 5) MDC Phase IV Case Management be adopted. Second by Rep. Kimberley. Motion passed unanimously.

REP. BRADLEY said it is a requirement that the state provide foster care services to all eligible children, including native American children on reservations. The BIA has been supplying part of the funding and since that no longer is taking place we are picking up the program. 28% will now be general fund. This is standard medicaid rate and unless that rate is changed, this would be ongoing.

CHAIRMAN BARDANOUVE asked if this was the same size program they had last session. **Mr. Olson** said they had asked for a supplemental to serve Native American children under 4E because it is important they be treated like any other children. They are in danger of losing their entire 4E funding if they did not supply this. This is a larger program than they had before. **Doug Mathis** said this will serve approximately 250 children on Indian reservations that most of this biennium were served by the BIA. The BIA will no longer serve them and the Dept. is required to use 4E funds to serve them, and it is an expansion on the Foster Care program.

REP. CODY asked how much of that money is 4E funds and **Mr. Mathis** said they get 72% federal funds, it is 28% general fund. It is a mandatory program and the size of the program is determined by the caseload. They are serving about 3200 children a year in foster care programs.

REP. BRADLEY said the 250 is additional as far as the state is concerned because they were BIA covered, so it is not an actual increase in the total coverage.

Vote: Motion on 6) Native American Services passed 12 to 6, roll call vote # 20.

MOTION: **REP. BRADLEY** moved 7) Youth Treatment Services be adopted. Second by Rep. Nisbet.

REP. BRADLEY explained this is for treatment of children and adolescents. HB 304 was a pilot program, and this was Rep. Hannah's bill. It authorized medicaid funding for residential

psychiatric treatment. They had been working with this to get the help without having to use the more expensive residential treatment. She fought this because it was setting up another entitlement program and those could not be limited. This went to court and they had given the Dept. an incentive to try to develop a continuum they have the dollars to use, and will not use them all for residential treatment but will try to create some of the other services which would not be so expensive. This was part of the executive budget. They wound up going from zero to about \$7 million in the Rivendell center in two years and one reason is because it is an entitlement and you have that facility available but not the lesser ones; you start placing children into the expensive kind of service they actually don't need.

REP. ZOOK said some have been sent to Pine Hills since some need psychiatric treatment and there have been some serious incidents.

SEN. WATERMAN said this would allow them to develop a continuum of care earlier and avoid sending them to the expensive Rivendell facilities, or if there they could discharge quicker and there would be care available so they didn't go back in.

Ms. Whitney said according to the statement the Dept. handed out, \$1.3 million of this is to be reserved for medicaid residential treatment--not Rivendell, not hospitals, just residential. The rest is to go in for the continuum of care.

CHAIRMAN BARDANOUVE said he would like this put into the language in the bill and **REP. BRADLEY** said she was agreeable. That was the intent and how the Dept. laid out the program. **CHAIRMAN BARDANOUVE** asked that the LFA put language in that this is residential treatment, not the high priced treatment.

Vote: Motion passed 10 to 8, roll call # 21. **Tape 3, side 2**

REP. BRADLEY said there will be two bills coming before the committee that try to put some parameters in place that provide some limitations. They are trying to do it through the Certificate of Need process.

In regard to 8) Field Equipment, **REP. CODY** said she would rather take some of this money and put it in the Information System.

MOTION/VOTE: **REP. BRADLEY** moved mod 8) Field Equipment be adopted along with the language. Second Rep. Connelly. Motion passed unanimously.

Mountain View:

MOTION/VOTE: **REP. MENAHAN** moved mod 1) Mtn View Staff Increases be adopted. Second by Rep. Bradley. Motion passed 11 to 7 with Rep. Peck, Bardanouve, Thoft, Swysgood, Peterson, Grinde and Cobb voting no.

Pine Hills:

MOTION/VOTE: REP. BRADLEY moved mod 1) Pine Hills Industries be adopted. Second by Rep. Quillici. Motion passed unanimously.

MOTION/VOTE: REP. BRADLEY moved mod 2) Pine Hills Staff Inc. be adopted. Second by Rep. Menahan. Motion passed 13 to 5 with Rep. Peck, Thoft, Swysgood, Grinde and Cobb voting no.

REP. BRADLEY referred to the Current Level Adjustments and said these were mods but are current level adjustments, not a specific mod. The explanations were in the narrative and referred to in the language.

Management Support:

REP. BRADLEY said they are trying to get Family Services out of the basement.

MOTION/VOTE: REP. BRADLEY moved 1) which is rent for a new space be adopted. Second by Rep. Johnson. Motion passed 17 to 1 with Rep. Zook voting no.

Community Services:

MOTION: REP. BRADLEY moved 2) Provider Rate Increases Foster Care, Day Care and Big Brothers and Sisters be adopted.

REP. BRADLEY said this was the 5% provider rate increases. The increase is \$1.9 million for the biennium.

REP. SWYSGOOD said in the Foster Care part of this, how much of that increase actually goes to the person taking care of the foster child? REP. BRADLEY said she could get the dollars for him. About 2/3 of the Foster Care budget is Family Foster care and there are about 1500 of them. About 500 children are in the resident homes, group homes--the sheltered kinds of care. The reimbursement rate in the Foster Care depends on the situation of the particular child, the age of the child and the kind of care the child might need. REP. SWYSGOOD said the individual child in Foster Homes as compared to the Rivendell or that type of care--who gets the largest increase out of this. REP. BRADLEY said everyone gets the same 5% level.

REP. PETERSON asked if this is all new money or is it some carry over? REP. BRADLEY said this is totally new money. They haven't received an inflationary increase for years.

Doug Mathies said last session there were 2 increases, the Foster Care providers got a 2% per year and the Group Care providers got an increase which averaged over the biennium about 20%.

REP. COBB asked Ms. Whitney about the Foster Family Care--how much money does it amount to? She said the Dept data equipment

doesn't give her the chance to answer that entirely. He said if Rivendell got \$8 or whatever, he was wondering how much it would cost to give \$1 a day at the bottom level in the Foster Care.

Ms. Whitney said they have approximately 1100 to 1200 foster homes that are active and one or more children in each home.

REP. BRADLEY said it appears Rivendell is not in this budget. This is Foster Care and does not cover Rivendell. It does cover Yellowstone Treatment and Shodair at around \$118 a day or so.

REP. COBB asked if he made a motion for Foster Care 10% increase that would cost around \$500,000 a year? **Mr. Mathies** said it would be about \$1 a day and would be about \$386,000 each year.

Substitute Motion: **REP. COBB** moved to provide rate increases for Foster Care families only by 10%. Second by Rep. Quilici.

Ms. Whitney said this would leave out the Group Homes, Florence Crittenton, Deaconess, Yellowstone Treatment Center, any of the group homes in Billings, etc.

Jim Smith said the problem is the Foster Care budget is the total budget which is \$11 million a year and includes the 1100 Foster Care families plus about 25 of these group and shelter care homes that are in the Montana Residential Child Care Association. Roughly 2/3 of the kids and 2/3 of the money are in family foster care and 1/3 in the group-shelter-residential care.

REP. BRADLEY spoke against the motion. If the Family Foster care were to be raised she would endorse that but we didn't do that because we are trying to give some kind of fairness to this. We can't put all these children in foster families because their needs are too serious and a family could not take them on.

REP. PETERSON asked for a total figure--how much has already been spent. **REP. BRADLEY** said approximately \$8 million.

CHAIRMAN BARDANOUVE asked who got the 20% last time and **Mr. Smith** said the Group Homes and Sheltered Homes he represented got what is called a rebase in the SRS budget today. The 20% last time brought it up to about 80% but inflation ate it right away. Now it is back to about 70% and the 5% will protect the investment made last session and not let it erode again.

Vote: Motion failed 7 to 11, roll call vote # 22.

Vote: Motion by Rep. Bradley for 2) Provider Rate Increases passed 11 to 6 with Rep. Thoft, Swysgood, Zook, Peterson, Grinde and Cobb voting no. Rep. Bardanouve did not vote.

MOTION: **REP. BRADLEY** moved 3) Day Care Resource & Referral be adopted. Second by Rep. Nisbet.

REP. BRADLEY explained the motion. **REP. SWYSGOOD** asked what this referral program does. In his area at Dillon they did not have a

referral area, the Women's Resource Center does most of it, but the closest one that is funded out of the last biennium budget is in Butte--do the people in Dillon have to call Butte to find out what is in Dillon? **Kate Cholewa**, Womens Lobby said she knew what the R and R's do but couldn't give the exact locations. She assumed they could call Butte.

REP. GRINDE asked where the \$413,000 in federal funds come from? **REP. BRADLEY** said from the Federal Block Grant. **REP. GRINDE** asked if this money could be used in other areas and **REP. BRADLEY** answered yes. **REP. GRINDE** asked why the \$15,000 in general fund and **Ms. Whitney** said the block grant for Day Care is not expected until Oct. 1. In the meantime to continue this program they have taken \$15,000 of general fund and matched it at the medicaid rate with Federal Jobs money to get the R and R program to that point.

REP. GRINDE said he was on this subcommittee last time and there were 2 bills he tried to dispose of. One was Hannah's and the other was this R and R program. These things are available, all the Dept. would have to have is one central unit where anyone could call a number. They would have a list of all the Day Care Centers, they could recommend them. Every community has a day care, you can find them in your own phone book. This program was very unnecessary.

REP. JOHNSON said the DFS has contracts with R and R providers in Butte, Bozeman, Dillon, Gt. Falls, Havre, Kalispell, Livingston, Missoula and Whitefish.

CHAIRMAN BARDANOUVE asked what the \$428,000 would be used for and **Ms. Whitney** said to do what HB 200 asked for and she read the requirements. In addition, when the monies were matched with the JOBS monies in SRS they had to comply with the federal jobs regulations to provide day care for the people participating in that program. That added a considerable amount of new responsibility and new service. This is the "clearinghouse" so they can call up to complain if not adequate, etc.

REP. BRADLEY said it would not create any new centers. It is the budget for about one quarter of a year.

REP. KADAS said in Missoula the people there have spent a lot of time trying to find people to provide day care.

Vote: Motion on Day Care R & R passed 10 to 8 with Rep. Bardanouve, Thoft, Swysgood, Cody, Zook, Peterson and Grinde and Cobb voting no.

MOTION: **REP. BRADLEY** moved 4) Federal Day Care Grants be adopted. Second by Rep. Johnson.

REP. BRADLEY said this was two types of grants, a federal child care improvement grant and a federal day care block grant.

CHAIRMAN BARDANOUVE asked if this was a new program and who will get the money. **REP. BRADLEY** said yes, it is a new program and the money starts out in DFS, some will go to increases in Day Care rates for protective services in DFS, some to SRS. **CHAIRMAN BARDANOUVE** asked if this supplements what we already have in Day Care? \$5 million is a lot of money. **REP. BRADLEY** said it is. It will be an amazing time for the state to do something they have not had the opportunity to do before. It apparently was a very high priority at the national level and these grants are coming our way and go through the DFS as the lead agency for children's services. **CHAIRMAN BARDANOUVE** asked the Dept. who they were going to give this money to and **Mr. Olson** said they would use the money to service existing Day Care providers and to develop a lot of other Day Care options where they don't have that service available. All Day Care centers will get some money. They are dealing with federal regulations that haven't been published yet. The way the grant has come down is that 75% of the money is targeted for increase of direct services. More day care centers so more low income mothers can have access to the services. 25% of the money is targeted to do such things as improve licensing standards, and one of the things that is required of the grant is an 18 month study of licensing standards and how it is done in the state, who provides the services, what kinds of standards we have in place and who should be responsible. It is a study of the whole system. **REP. BARDANOUVE** asked how much the present existing day care centers would receive and **Mr. Olson** said this money will assist with the 5% increase the committee has already approved. If this money comes down we will not have to use general fund money to fund the increase of the existing day care providers. The rest of the money will go to develop new day care centers.

REP. COBB said we are creating new Day Care centers. He thought when he read the law they would have to do a voucher system for everyone out there. He asked if families could use their own relatives for day care or create a lot of Day Care Centers and force people to institutionalize their kids. **Mr. Olson** said he did not know if this bill applied to this or not.

REP. SWYSGOOD said the people in the Dept. necessary to administer this program, how are they funded and how many is that anticipated to be? **Mr. Olson** said now we have one person that does multiple things. He does Day Care and a number of other grants. They would probably have one person to take care of this. They could probably use some of the money to take care of licensing but was not sure. At the present time his preference would be to contract for those services.

Kate Cholewa, Women's Lobby, said the money has to go to Day Cares. No one can get their aunt or whatever to be a day care for them. 75% of that entire grant goes to subsidize people using child care, so not only AFDC but also the working poor can get assistance in using it. Anyone who makes under \$13,000 will have assistance in paying for their day care so they can work.

REP. SWYSGOOD asked Kate about the 75% she said was to help people using Day Care and he heard earlier that 75% could be used to expand Day Care facilities. If we are going to subsidize people he had no problem, but there is a problem--you can't do both. **Mr. Olson** said he saw them as the same thing. There are not enough Day Care facilities in the state to take care of the number of people we have in the poverty levels. By subsidizing those people to use Day Care the services will be expanded. The Day Care facilities will be paid for by the subsidization of people using them.

REP. GRINDE said there is a \$5 million block grant coming down from the federal government and it is to be used for Day Care in one way or another. **REP. BRADLEY** said yes, \$2.4 million in '92 and \$2.6 million in '93. **REP. GRINDE** asked if there was any discussion in her committee of giving this to the Dept. and allowing them to spend it in whichever way they felt? **REP. BRADLEY** said that is what we did. They specifically allocated for both SRS and DFS Day Care--AFDC and Protective Care Day Care, they increased those rates so it was a little less than \$2 a day. It had to stay within the federal guidelines that said the subsidization cannot exceed 75% of the market level. They are anticipating and directing those dollars to go for that added reimbursement if the regulations will allow it, and at the present time they believe they will. The other part of that block grant would continue the R and R.

CHAIRMAN BARDANOUVE asked Kate if there was any way some of this money could be used to save general fund dollars they are putting in now. She said there are not a lot of rules about this money, but it is supposed to supplement and not supplant the state's commitment to child care. If it was not supplanting there could be a question since they did not know on the reimbursement rate. If it can replace those funds it will, as far as the \$15,000 it can't do that because it won't be here yet.

CHAIRMAN BARDANOUVE asked if we could write some language so when the rules are received, they could use some of this money in place of some of the dollars we are putting into this budget. The language is in there for the reimbursement rate, it is # 3 we went over and on B-134 of the narrative. They expect to receive the rules about May 1.

Vote: Motion to adopt 4) Federal Day Care Grants, passed 17 to 1 with Rep. Grinde voting no.

MOTION/VOTE: **REP. BRADLEY** moved 5) DD Targeted Case Management be adopted. Second by Rep. Quilici. Motion passed 15 to 3 with Rep. Peterson, Grinde and Cobb voting no.

MOTION: **REP. BRADLEY** moved 6) Juvenile Detention Costs be adopted. Second by Rep. Menahan.

REP. BRADLEY explained the motion and said she did not feel there

was any way out of this one.

Vote: Motion passed 14 to 4 with Rep. Swysgood, Thoft, Cobb and Grinde voting no.

MOTION: REP. COBB moved to take 4% from Personal Services in DFS. Second by Rep. Grinde. B-123 in the narrative.

REP. BRADLEY said she would resist this motion. This is a service dealing with people and the budget was already underfunded.

Vote: Motion failed on a tie vote, roll call # 23.

MOTION/VOTE: REP. COBB moved to take 2% out of the Personal Services budget for DFS. Second by Rep. Swysgood. Motion failed on a tie vote, roll call # 24.

Department of Health

REP. BRADLEY said the LFA analyst for this section of the budget was Taryn Purdy and Mr. Iverson was the head of the Dept. of Health and worked with them. She gave an overview of the budget saying this was by far the worst in complexity and by far the least in general fund. It is composed of three functions, the Environmental Programs, the Health Care programs, and licensure certification. She distributed EXHIBIT 7 which is in the March 16 minutes as EXHIBIT 1.

MOTION: REP. BRADLEY moved mod 1, Personnel officer be adopted. Second by Rep. Johnson.

CHAIRMAN BARDANOUVE asked if this budget is based on its present operation without transfers or reorganization? REP. BRADLEY said it was based on the present budget.

Vote: Motion passed 12 to 6 with Rep. Cobb, Grinde, Thoft, Swysgood, Connelly and Bardanouve voting no.

MOTION/VOTE: REP. BRADLEY moved mod 2, Legal Unit Charge System be adopted. Second by Rep. Kadas. Motion passed 14 to 4 with Rep. Thoft, Grinde, Cobb and Swysgood voting no.

MOTION: REP. BRADLEY voted mod 3, Support Services be adopted. Second by Rep. Menahan.

CHAIRMAN BARDANOUVE asked where the money was coming from. REP. BRADLEY answered from indirect funds that are directed to each of the programs that fund Social Services.

Vote: Motion passed 15 to 3 with Rep. Peterson, Grinde and Cobb voting no.

MOTION: REP. BRADLEY moved 4 Newborn PKU Testing be adopted.

Second by Rep. Menahan.

REP. BRADLEY said this program was paid for by fees. **REP. PECK** asked why it was dropping to about half in the second year and she answered because equipment was included the first year.

Vote: Motion passed unanimously.

MOTION: **REP. BRADLEY** moved mod 5, Safe Drinking Water Chem Lab be adopted. Second by Rep. Johnson.

REP. BRADLEY said this is also paid by fees. **REP. THOFT** asked how much does this raise the fees. **REP. BRADLEY** said they calculate the cost of the specific tests and are allowed to go up that much to pay for it. This will be an increase in service but the cost of the service did not raise.

Vote: Motion passed 14 to 4 with Rep. Thoft, Swysgood, Cobb and Grinde voting no.

MOTION: **REP. BRADLEY** moved mod 6, Safe Drinking Water Micro Lab be adopted. Second by Rep. Johnson.

CHAIRMAN BARDANOUVE asked what the micro lab is. **REP. BRADLEY** said it is the same as the previous motion except one is a chem lab and the other a micro lab. One tests chemicals and one tests bugs.

Vote: Motion passed 14 to 4 with Rep. Thoft, Swysgood, Grinde and Cobb voting no.

Environmental Programs:

MOTION: **REP. BRADLEY** moved mod 7, Air Quality Bureau be adopted. Second by Rep. Kadas.

REP. BRADLEY explained this modification and said this program was contingent upon the passage of HB 781. **CHAIRMAN BARDANOUVE** said there are 6 1/2 more FTE put on. **REP. THOFT** asked about HB 781 and was told this is in House Taxation in a subcommittee. He asked what they were defining as pollution sources and was told SO2 and the main source of the fees will come from SO2.

Vote: Motion passed 11 to 7 with Rep. Thoft, Swysgood, Zook, Peterson, Grinde, Cobb and Bardanouve voting no.

MOTION: **REP. BRADLEY** moved mod 8, Air Quality - Permits be adopted. Second by Rep. Quilici.

REP. BRADLEY read the explanation for the modification. Contingent on passage of HB 781.

Vote: Motion passed 11 to 7 with Rep. Peck, Thoft, Swysgood, Grinde, Zook, Grady and Bardanouve voting no.

MOTION: REP. BARDANOUVE moved mod 9, Asbestos Control Program be adopted. Second by Rep. Kadas.

REP. CODY said you are requesting some of the schools that had certified school maintenance people, are you requesting these people redo it? Mr. Iverson, Director, DHES, said he wasn't sure about re-doing it; this is primarily a workload increase because of the recent activity over the past couple of years on asbestos removal. The Department has experienced an increase in the requests for certification. They are not requiring recertification for those schools that have already done it.

REP. SWYSGOOD asked about the source of funding, it says it is asbestos permit fees already in place, yet in the narrative it says contingent upon passage of SB 288. Ms. Purdy said right now the asbestos permit fees are collected but aren't costed into the RIT account. The program is funded with RIT income. This would fund the program directly with the permit fees and that is what is contained in SB 288.

REP. GRADY asked how much the fees amount to and Mr. Hoffman, DHES, said about \$160,000 per year. Since this program was funded last time and there was no history, it was not known how much the fees would bring in so it was funded out of RIT. Since the anticipated fees are now known, the funding can be removed from RIT.

Vote: Motion passed 17 to 1 with Rep. Peterson voting no.

MOTION: REP. BRADLEY moved mod 10, Specialist upgrades be adopted. Second by Rep. Johnson.

CHAIRMAN BARDANOUVE asked about the funding. No general fund, but all sources means what? REP. BRADLEY said there is no general fund.

REP. SWYSGOOD said this is on B-9 in the narrative and when he got down to funding it says general fund. REP. PECK asked if the pay plan didn't cover these kinds of people. Is this to upgrade them because of their particular skills? REP. BRADLEY said the pay plan would pay part of it, but not the cost of upgrading. REP. KADAS said he thought it would depend on how they handled the pay plan. CHAIRMAN BARDANOUVE said it looked to him like the way this was written if they received a pay plan increase and this also, they would be getting over and above the pay plan for that position.

Mr. Iverson said it is not certain what DOA is going to approve in precise language. Whatever the pay plan is will adjust these numbers. You are looking at an upgrade and an amount of dollars reduced by whatever the pay plan attaches to the position. The pay plan will be reflected in the totals.

Vote: Motion failed 8 to 10 with Rep. Thoft, Swysgood, Connelly,

Grady, Cody, Zook, Peterson, Grinde, Cobb and Bardanouve voting no.

MOTION: **REP. BRADLEY** moved mod 11, Natural Resource Damage Suit be adopted. Second by Rep. Menahan.

REP. BRADLEY said this is the Clark Fork Drainage area and it is anticipated the reimbursement will be from the litigation settlement and this money is a general fund loan.

REP. QUILICI said this was brought before the General Government subcommittee first and they were asking for \$2 million and then \$8 million in other funds. He asked how they came up with the \$4,949,739. **Mr. Iverson** said it is very complicated and he would bring more copies of the Executive summary. They gave their best estimate as to how they could get the suit ready in the next couple of years. **Dick Peterson** is working full time coordinating this. The problem is we have to be ready for litigation from the legal perspective, we also have to start doing the technical work that tells us how much to ask for in the suit. He put together what looked like the bare minimum of what was needed to put together a suit of this size. We are currently asking \$50 million in damages, and there is speculation that is not even close to what we may ask in the end when the damage is finally set. **REP. QUILICI** pointed out that \$50 million in damages was the limit Congress set down. They took off the cap and it could go to \$150 million or \$200 million. **Mr. Iverson** said there is no limit on it.

REP. QUILICI asked what chances are there and how quick do you think you can get these ARCO reimbursements? **Mr. Iverson** said he did not know how quickly, but the chances in his opinion, are virtually guaranteed that they will collect. He said the damages, the precedent, and the federal laws are present to get a settlement. They have about 2 years before they have to have it in court. He distributed **EXHIBIT 8**.

REP. GRINDE asked if this is set up for the biennium and the FTE at the end of that time will not be in the base. **Mr. Iverson** said they would be hired for the project. They envisioned putting legal staff on right away. They have outside legal counsel hired and they are expensive so they decided to only use one of them. We will use one high powered consulting attorney and his recommendation is it can be done cheaper and probably better by supplementing his advice with inhouse counsel. When this goes to court it will be necessary to have people on full time and it will probably average out to 4 or 5 FTE.

CHAIRMAN BARDANOUVE said this is a loan, where do you intend to get the money and how soon are you planning to pay it back? **Mr. Iverson** said the proceeds of the suit will be the payment source and if he had to guess on time he would estimate 3 years.

CHAIRMAN BARDANOUVE said there was a problem because it is against the law to have a loan from the general fund for that

long a period of time. Mr. Iverson said that is true, and technically you could say pay it in 2 years. REP. COBB said this is not just technically--the law says you can't do it. Mr. Iverson said he did not feel the state should get in a hurry to settle out of court because if they come in with a big offer that looks like what we would get, we may have the money. CHAIRMAN BARDANOUVE asked if this is the same law we replaced in the BN lawsuit. Mr. Iverson said it is a little different. Cogswell was in it but it was Cogswell Whirley and now it is Cogswell Eagleton. The attorney we are using did not think it was involved in that suit. Kevin Ward is a top notch attorney on this subject for the whole country.

CHAIRMAN BARDANOUVE asked about the expenses and if they would all be recovered and Mr. Iverson said they anticipate they have to recover them, their assumption is that they will be part of the damage assessment and the settlement will be structured in such a way that they would recover the fees. REP. KADAS said recovery of the fees is a part of the federal law, and Mr. Iverson said he thought that was correct but they could ask for it anyway. REP. KADAS asked what type of oversight is there over this operation. Mr. Iverson said there are two groups, a technical group that meets on the technical, legal aspects of coordinating this suit and there is a policy group which is made up of himself, Dennis Casey, Karen Barclay, and KL Toole. They also consult with the AG's office and will probably formalize that by having an attorney on with them.

REP. QUILICI said about 6 months ago this was discussed in Butte because that is the head waters of all this litigation and they weren't sure if legal fees could be collected at that point in time because the feds are real explicit on how the damages will be paid and what they are used for. They are to be used specifically to repair natural resource damage. Research over the past 4 or 5 months has found through contacts in Washington that the legal fees can be paid out of these damages.

REP. CODY asked if there was any possibility this money could be borrowed from the Board of Investments rather than the general fund so it would be legal? CHAIRMAN BARDANOUVE said it would cost a lot more money. REP. BRADLEY said the committee did not think they had done anything that borders on being unlawful. We cannot commit a future legislature on a loan, but if it is not ready in 2 years it can be reauthorized.

Substitute Motion: REP. COBB moved that the loan would be contingent upon the passage of the law to allow the long term loan.

REP. KADAS said he was not convinced they needed the law and felt this was important enough that he would not want to tie the two together, even though he would support the legislation.

Mrs. Cohea read 17-2-107, MCA, says "a loan made under subsection

2 a" (a loan from the general fund) "must be paid within one calendar year of the date the loan is approved unless it is extended by a specific Legislative authorization." In the language the subcommittee adopted they have authorized it through the biennium. The issue is, this statute in its whole says a loan cannot go beyond a biennium limit. If the loan is not repaid by the end of the '93 biennium the Legislature then would need to reauthorize the loan. **REP. BRADLEY** said the committee took this to **Mr. Petesch** who thought the language we put in was appropriate to meet the statutory requirements.

Vote: Motion failed 3 to 15, roll call vote # 25.

REP. KADAS said he was concerned about the oversight on this and wondered if it would be amenable to **REP. BRADLEY** to establish a policy board in the appropriation of the directors of Health, Fish, Wildlife and Parks, State Lands, DNRC, and the Attorney General. This would make a council set up that would be responsible for overseeing and coordinating the whole project. **REP. BRADLEY** said she had no objection and it is what they are doing now. **REP. KADAS** said they set that up themselves, but for insurance he would like to see it placed in the appropriation so we have some assurance that council will be there and be responsible. **Ms. Purdy** was to work with **REP. KADAS** on the language since it was approved by the committee.

Amend: **REP. BARDANOUE** moved this loan of \$5 million will be charged the same rate of interest as the short term investment pool returns to Montana.

REP. BARDANOUE explained his amendment by saying this takes general fund money that is invested in the short term investment pool. There will be a short fall of \$5 million and will lose the interest on a short term investment pool on this amount of money. **Mr. Iverson** has testified that ARCO will repay the costs of this suit. If we charge interest on this money, that interest can be properly charged to this suit and ARCO will have to pay it. On a \$5 million loan at 6% that would be \$300,000 a year that we could properly charge to ARCO.

Mrs. Cohea said that language has already been adopted by the subcommittee on B-19 and 20 of the narrative.

REP. BARDANOUE withdrew his motion.

Vote: Motion to adopt 11, Natural Resource Damage Suit mod passed, 17 to 1 with Rep. Cobb voting no.

MOTION/VOTE: **REP. BRADLEY** moved mod 12, Hazardous Waste be adopted. Second by Rep. Bardanoue. Motion passed unanimously.

MOTION/VOTE: **REP. BRADLEY** moved mod 13, Landfill Management - I be adopted. Second by Rep. Menahan. Motion passed 13 to 5 with Rep. Thoft, Swysgood, Grinde, Cobb and Cody voting no.

MOTION: REP. BRADLEY moved mod 14, Landfill Management -II be adopted. Second by Rep. Kadas.

REP. BRADLEY said this is the second chapter of the last mod. The first incorporates Part I of EQC's recommendations, this one continues it. REP. QUILICI asked who are all these landfill operators? Are they Local Governments that would have to pay this, or who does? He was told they are public and private. CHAIRMAN BARDANOUVE asked why the Executive did not endorse this and Mr. Iverson said he didn't remember but did not think the Executive was asked. This came in late, it was an EQC recommendation that came along well after the budget was put together. CHAIRMAN BARDANOUVE asked if Mr. Iverson endorsed this mod and was told they are satisfied with whatever the Executive gave them.

REP. GRADY said this all hinges on SB 209, if it doesn't pass there isn't any money there anyway. REP. BRADLEY said the arrangement that was worked out with most of the counties after long and serious negotiations, is that 2/3 would be picked up by the fees and 1/3 by the state. The reason that is not reflected here is because it is already in current level.

CHAIRMAN BARDANOUVE said we have 3 FTE the first phase and 5.34/5/84 the second, what will they do the first 3 don't do? REP. BRADLEY said the summary is the paragraph at the bottom and shows how the whole program would be carried through. There is an entire book on this, and it is encapsulated in this.

REP. GRADY said he had spent the last 2 years going over this. We were given the assignment to do it. EPA is shoving it down our throats and this is what we have come up with. Sooner or later someone is going to have to pay for this stuff and this is how we figured out it could be done. Unless we are going to abolish EQC why do we spend 2 years studying this, come up with recommendations, and then don't accept them.

REP. SWYSGOOD said he did not vote for the first one and was not going to vote for this. He felt the first one could address those concerns REP. GRADY is raising about their federal requirements. He felt this was adding misery for our local, county and private landfill operators and this is too much to ask of them.

Ms. Purdy said the first people deal directly with the new federal requirements. When you get into the second phase you have more specialized things being done. She gave the example of integrated waste information, data bases that would be developed and run, an attorney would be hired and a certain amount of training would be done and a solid waste plan would be developed.

CHAIRMAN BARDANOUVE asked if this could wait until '93 to see how it worked before going into the next phase and REP. BRADLEY said the federal regulations are coming down on us now.

REP. GRADY asked if **Mr. Iverson** felt the first phase would fulfill the EPA requirements that are coming down right now and **Mr. Iverson** said he thought if these are necessary, it might be because of what is happening elsewhere in the Legislature. There are 10 or 12 bills out there that could put extreme pressures on that staff.

Vote: Motion on Landfill Management - II failed 8 to 10, roll call vote # 26.

MOTION: **REP. BRADLEY** moved mod 15, BN/ARCO Special Projects be adopted. Second by Rep. Menahan.

REP. BRADLEY said this was associated with Superfund clean up at BN and ARCO sites. These are federal superfund priority sites.

CHAIRMAN BARDANOUVE said he was concerned about 5 more FTE. **REP. BRADLEY** said she thought these were paid by RIT before and are going to continue out of this fund. These are not additional FTE, it is just under this source of funding. **Mr. Iverson** agreed this was just a change in funding, no additional FTE.

REP. THOFT asked how long this would go on and how long do we have all these FTE. **Steve Pilcher, Environmental Sciences, DHES** said the answer to the question is hard to determine. They have, in addition to the Livingston site, 11 other BN refueling stations throughout Montana where the studies are in various stages. In some cases clean up may be completed in 2 years and in others it may be 2 or 3 years before they have adequately characterized the problem and undertaken a study. It depends on the amount of contamination and the time it takes to get it out of the ground.

Vote: Motion passed unanimously.

MOTION/VOTE: **REP. BRADLEY** moved mod 16, Specialist Upgrades be adopted. Second by Rep. Menahan. Motion failed 7 to 11 with Rep. Cobb, Cody, Connelly, Grady, Grinde, Kadas, Peterson, Swysgood, Thoft. Zook, and Bardanouve voting no.

MOTION/VOTE: **REP. BRADLEY** moved mod 17, Ag. Monitoring be adopted. Second by Rep. Kadas. Motion passed 17 to 1 with Rep. Cody voting no.

MOTION/VOTE: **REP. BRADLEY** moved mod 18, Groundwater Pollution Control be adopted. Second by Rep. Menahan. Motion passed unanimously.

MOTION/VOTE: **REP. BRADLEY** moved mod 19, Groundwater - EQC Lawyer be adopted. Second by Rep. Kimberley. Motion passed 12 to 6 with Rep. Cobb, Thoft, Swysgood, Zook, Peterson and Grinde voting no.

MOTION/VOTE: **REP. BRADLEY** moved mod 20, Groundwater EQC Permit

Review be adopted. Second by Rep. Nisbet. Motion passed 11 to 7 with Rep. Thoft, Swysgood, Zook, Peterson, Cody, Grinde, and Bardanouve voting no.

MOTION: REP. BRADLEY moved 21, Wastewater Operators, Subdivisions, and public Water Supply be adopted. Second by Rep. Johnson.

REP. BRADLEY said she moved all three of these together since they all went together.

Vote: Motion passed 11 to 7 with Rep. Thoft, Swysgood, Connelly, Cody, Grinde, Cobb and Bardanouve voting no.

In answer to a question from CHAIRMAN BARDANOUE about the amount of FTE being added, Mr. Iverson said the FTE the Governor has recommended are important to the programs.

MOTION/VOTE: REP. BRADLEY moved 22, Nonpoint Source Pollution be adopted. Second by Rep. Menahan. Motion passed 10 to 8 with Rep. Thoft, Swysgood, Bardanouve, Cody, Zook, Grinde, Grady and Cobb voting no.

MOTION/VOTE: REP. BRADLEY moved 23, Specialist Upgrades be adopted. Second by Rep. Quilici. Motion failed 4 to 14 with Rep. Peck, Cobb, Cody, Connelly, Grady, Grinde, Johnson, Kadas, Kimberley, Peterson, Swysgood, Thoft, Zook and Bardanouve voting no.

REP. ZOOK said Dr. Lawler has been here for 2 days and would like to speak about the dental hygienist in DHES. Dr. Lawler said he had a private dental practice in Billings but from June 1989 until Nov. 1990 he worked .6 FTE as the dental officer in the Dept. of Health. In January that FTE position was eliminated by the subcommittee and he would like to speak to reinstating that FTE. The practice of dental public health within DHES is different than clinical dentistry. Your patient is a segment of the population, poor people on medicaid, the working poor, the old people, the working rich--however you want to segment the population. The dentist in Public Health sees problems, attempts to formulate solutions for them, and then begins to try to implement solutions. In the past year and a half he had formulated objectives that addressed a number of ideas. One was communication with the different areas in state government. The input he provided to medicaid on dental welfare alone would have cost medicaid thousands of dollars on an outside consultant. That was done by the dental officer trying to solve the problem of dentists dropping out of the medicaid program. He discussed other problems and solutions in the dental field and the education he had provided to schools, public health nurses, etc. REP. KADAS thanked Dr. Lawler for waiting and for his testimony.

REP. CONNELLY asked why the subcommittee cut this program if it is so vital to Montana? REP. BRADLEY said they put the dollars

into the MIAMI program to get the federal match, and because the part of the dental program that distributes all the materials was kept and they thought that was the important part of the program.

Health Program:

MOTION/VOTE: REP. BRADLEY moved mod 24, Child Nutrition be adopted. Second by Rep. Grinde. Motion passed unanimously.

MOTION/VOTE: REP. BRADLEY moved mod 25, Women, Infants, Children (WIC) be adopted. Second by Rep. Grinde. Motion passed unanimously.

MOTION/VOTE: REP. BRADLEY moved mod 26, MIAMI Program be adopted. Second by Rep. Johnson. Motion passed 17 to 1 with Rep. Thoft voting no.

MOTION/VOTE: REP. BRADLEY moved mod 27, Chronic Disease Prevention be adopted. Second by Rep. Kadas. Motion passed unanimously.

MOTION/VOTE: REP. BRADLEY moved mod 28, Sexually Transmitted Diseases be adopted. Second by Rep. Cody. Motion passed unanimously.

MOTION: REP. BRADLEY moved mod 29, AIDS Education to Counties be adopted. Second by Rep. Cody.

CHAIRMAN BARDANOUVE said the funding is \$20,000 and it would cost more for administration than the appropriation is for. REP. JOHNSON said some counties do not have funds to distribute information on AIDS. There are counties receiving funds for this, some are not. This would go to counties that are not. They would have to apply for this money through a grant.

Vote: Motion passed 12 to 6 with Rep. Bardanouve, Thoft, Swysgood, Zook, Peterson and Grinde voting no.

MOTION: REP. BRADLEY moved mod 30, Vaccine be adopted. Second by Rep. Menahan.

REP. BRADLEY said this is a committee mod, it would help to immunize part of the backlog, but they are trying to catch up.

REP. COBB asked if it was about \$100,000 for the colleges and \$100,000 for the schools. Ms. Purdy said some of this money could be used for Colleges, but the other population would be in need of a second dose along with the 18 year olds who missed their second dose.

CHAIRMAN BARDANOUVE asked why we should spend \$400,000 for something that should be taken care of by the citizens? Why does the state have to underwrite every program in Montana. REP. SWYSGOOD said as worthwhile as these programs are directed to be,

if we put this in place it will be ongoing and will keep increasing. REP. THOFT said he believed every low income person gets the shots now. REP. COBB said the second shots are not being paid for yet by the federal government.

Substitute Motion: REP. COBB moved this be \$100,000 each year.

CHAIRMAN BARDANOUVE asked how he was going to allocate it. REP. COBB said he wanted it to go to public health kids, not the college kids but did not know how to put it in. REP. GRINDE suggested that by putting this in Public Health with no criteria gives them a blanket for everybody that is in the class.

Substitute Motion for all Motions Pending: REP. BARDANOUVE moved that mod 30, Vaccine not be funded.

Vote: Motion failed on a tie vote, roll call vote # 27.

Vote: Motion by Rep. Cobb for \$100,000 annually to public health failed, 5 to 13, roll call vote # 28

Vote: Motion by Rep. Bradley for mod 30, vaccine, failed 6 to 12 roll call vote # 29.

MOTION/VOTE: REP. BRADLEY moved mod 31, AIDS funding be adopted. Second by Rep. Bardanouve. Motion passed unanimously.

Licensing and Certification:

MOTION/VOTE: REP. BRADLEY moved mod 32, Federal Nursing Home Reform be adopted. Second by Rep. Menahan. Motion failed 8 to 10 with 1 absent.

MOTION/VOTE: REP. BRADLEY moved mod 33, Hearings be adopted. Second by Rep. Quilici. Motion passed 13 to 5 with Rep. Thoft, Swysgood, Peterson, Grinde and Cobb voted no.

MOTION: REP. CONNELLY moved to reconsider the action on mod 32, Nursing Home Reform. Second by Rep. Quilici.

REP. CONNELLY discussed the reason for the motion saying if it had to be done it should be done now.

REP. GRADY asked if the general fund money was in the Governor's budget and was told yes. REP. GRINDE said the 15 wasn't the number mandated but the recommendation of the committee? REP. BRADLEY said it was the recommendation of the Executive budget.

Vote: Motion passed 11 to 7, roll call vote # 30.

MOTION: REP. MENAHAN moved the Federal Nursing Home Reform mod be adopted. Second by Rep. Kadas.

Substitute Motion: REP. BARDANOUVE moved to reduce the FTE from

15 to 10.

REP. KADAS asked if we reduce this to 10 will we meet the OBRA requirements? **Mr. Iverson** said 10 might be too low, he thought they had hired 11 of them already.

Dale Taliaferro, Health Services Division, said the estimate by the federal government on what was needed was 20 or 25. They tried to guess at the minimum they could put in the field and keep up the certification. They are falling behind and recently asked permission to certify some facilities before they inspected them. They told both DHES and SRS they could not do that. He did not believe 10 would meet the OBRA requirements.

REP. BARDANOUE said this was not authorized by the last legislature. **Mr. Iverson** said they did have a budget modification. **Ray Hoffman, DHES** said the Legislature approved these 15 FTE through a budget amendment that was submitted last September. **REP. BARDANOUE** said we cannot amend general funds and you are using general fund. **Mr. Hoffman** said true, current level general fund. This is current level general fund appropriated this year to meet those needs.

Substitute Motion: **REP. BARDANOUE** changed his motion to make it 11 rather than 10.

REP. BARDANOUE said the reason for the change was because 11 had been hired.

Vote: Motion failed 5 to 13, roll call vote # 31.

Vote: Motion (original) to adopt mod 32, Federal Nursing Home Reform passed 12 to 6 with Reps. Bardanouve, Thoft, Swysgood, Peterson, Grinde, and Cobb voting no.

REP. BRADLEY read the explanation of mod 34, Administrative Expenses to the committee and said she did not know what the Department wished to do with this.

Mr. Hoffman said at the close of last session a bill was before the Legislature that put 1 cent a gallon on gas tax and then went to 75 tenths of gallon. That bill was totally statutorily appropriated. There was another bill passed that said the administrative expenses should be administratively appropriated rather than statutorily appropriated and this is making those administrative dollars and the payment out for clean up would still be statutory.

REP. SWYSGOOD asked if either one of those bills dictate how many employees there should be? **Mr. Hoffman** said the board had the authority to hire and fire.

REP. THOFT asked if there were 12 on board now, and **Mr. Hoffman** said he thought there were 11. **REP. THOFT** said this is one

additional FTE. **Mr. Hoffman** said he thought there were no additions. There is a minor problem that should be resolved, and the committee would probably have to do it. The current bill statutorily appropriates everything and he thought this committee would have to submit a committee bill to remove that total statutory provision. **Mr. Sundsted** said last time when this was cleaned up so the statutory appropriations for administrative expenses were removed there was a couple that was missed. The chiropractic Legal Panel and one other working its way through. He would request a committee bill and he and his staff would be willing to help develop that bill to change those 3 back to administrative cost to temporary appropriations out of the statutory appropriations.

REP. KIMBERLEY asked on line 3 of the narrative about the expense increase and she said it was 506.8%. **Mrs. Cohea** said it is on B-52. In the text on B-52 it is correctly stated as 506.8.

REP. BRADLEY said if the committee wants to do a committee bill and since this is her subcommittee she would be glad to help. If that is appropriate she would move a committee bill and would do it contingent on the bill going through.

MOTION: **REP. BRADLEY** moved to have a committee bill that would correct the statutory appropriations on the items mentioned by **Mr. Sundsted**. Second by Rep. Menahan.

REP. BARDANOUVE asked if the present law removes all the employees from the pay plan? **Mrs. Cohea** said she believed when checking on the exempt employees this bill also exempted all those employees.


Vote: Motion passed unanimously.

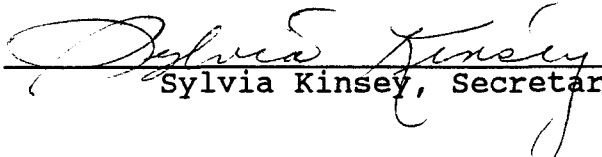
MOTION/VOTE: **REP. BRADLEY** moved mod 34, Administrative Expenses be adopted. Second by Rep. Johnson. Motion passed 11 to 8 with Rep. Bardanouve, Thoft, Swysgood, Connelly, Peterson, Grinde and Cobb voting no.

MOTION: **REP. MENAHAN** moved mod 35, Specialist Upgrades be adopted. There was no second and the motion died.

ADJOURNMENT

Adjournment: 9:45 p.m.


FRANCIS BARDANOUVE, Chair


Sylvia Kinsey, Secretary

FB/sk

HOUSE OF REPRESENTATIVES

APPROPRIATIONS COMMITTEE

ROLL CALL

DATE

3/15/91

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	✓		

3-15-91

The secretary did not receive a copy of Exhibit 1.

2/15/91
EXHIBIT 3/15/91
DATE 2
HRB

Summary of SRS Language
Approved by Human Services Subcommittee

- 1) AFDC and General Assistance payment levels during the 1993 biennium to be set at 42% of the federal poverty index.
- 2) One parent in an AFDC-unemployed parent household may be required to participate in training or work programs.
- 3) SRS may retain 7.5% of the Community Services Block Grant and pass through remainder to the Human Resource Development Councils (HRDC). If grant funding falls below the federal fiscal 1990 grant level, the department may retain only 5.0%.
- 4) Day care rates are increased to the maximum permitted by federal regulations (75% of "local market rate"). If new federal block grant funds become available to fund these increases, general fund shall be reduced accordingly.
- 5) The Child Support Enforcement program must generate \$1.25 in state revenue collections for each \$1.00 spent for operations and administration during the 1993 biennium. Any cash fund balance in excess of \$500,000 in the account at the end of each fiscal year must be deposited in the state general fund.
- 6) Funds may be transferred among appropriations for medicaid primary care, medicaid nursing care, medicare buy-in, medicaid waiver, and state medical. Except as provided in (7), transfers to medicaid waiver cannot ~~not~~ be used to expand the program.
- 7) Funds appropriated for medicaid nursing homes ^{*}may be used to fund up to 25 additional medicaid waiver slots for persons currently residing in nursing homes.
- 8) Provider rate increases of 5% each year are approved for providers of the following services: a) medicaid waiver group homes; b) vocational rehabilitation; c) visual; and d) developmental disabilities.
- 9) Provider rate increases of 2% each year are approved for medicaid and state medical providers. This increase may not be applied to any other rate increases approved under an executive budget modification.
- 10) Expenditures for executive budget modifications for provider rate increases are limited to the dollar amount appropriated, rather than a percentage increase.

Reconciliation To Fiscal 1990 Base

<u>Addition Type</u>	<u>General Fund</u>	<u>Total</u>
Actual Fiscal 1990 Base	\$78,280,597	\$301,155,081
+ Current Level Adjustments	6,949,920	50,964,212
+ Executive Budget Mods	7,765,231	32,525,187
+ Legislative Additions	<u>3,428,377</u>	<u>9,333,928</u>
= FY 1992 Appropriation	\$96,424,125	\$393,978,408
Actual Fiscal 1990 Base	78,280,597	301,155,081
+ Current Level Adjustments	8,649,114	60,874,872
+ Executive Budget Mods	12,350,284	43,448,637
+ Legislative Additions	<u>6,605,808</u>	<u>18,038,962</u>
= FY 1993 Appropriation	\$105,885,803	\$423,517,552
♦FY 1992 Over FY 1990	\$ 18,143,528	\$ 92,823,327
♦FY 1993 Over FY 1990	27,605,206	122,362,471

Budget Additions by Expenditure Type

<u>Expenditure Type</u>	<u>G. Fund</u> <u>92-93</u>	<u>Total</u> <u>92-93</u>
1) Personal Services	\$ 356,906	\$ 589,939
2) Operations	1,798,812	9,210,380
3) AFDC/GA @ 42% poverty.	1,737,354	5,592,330
4) Provider rate increases	16,005,086	49,924,651
5) Benefit expansions	<u>10,251,543</u>	<u>38,029,414</u>
Total Additions	\$30,149,701	\$103,346,714

Reconciliation To Fiscal 1990 Base

The table at left shows the major additions to the fiscal 1990 base for each year of the 1993 biennium. The additions are separated into three categories: a) adjustments to current level; b) executive budget modifications approved by the subcommittee; and c) budget additions initiated and approved by the subcommittee. Current level adjustments include caseload increases in non-discretionary benefit programs and increases in utilization of medicaid services. Current level also increases due to fully funding all authorized FTE during the 1993 biennium (significant vacancy savings occurred in fiscal 1990), and the fiscal 1991 employee salary increases continued in the 1993 biennium. Other current level increases reflect fully annualized operations of programs which were less than fully operational in fiscal 1990, and fiscal 1991 provider rate increases continued in the 1993 biennium. Executive and legislative budget additions are described below.

Budget Additions by Expenditure Type

The table at the left lists all budget additions approved by the subcommittee by expenditure type. Included are executive budget modifications approved by the subcommittee plus provider rate increases and other additions made by the subcommittee. In total, \$103.3 million (\$30.1 million general fund) was added to the SRS current level budget during the 1993 biennium. The amount approved for each addition is listed below at the left. A short description is included directly below.

Executive Budget Additions

Executive Budget Additions

Addition Type	G. Fund 92-93	Total 92-93
1) Food Stamp Empl & Training \$	\$	192,000
2) Food Stamp Job Search	87,500	87,500
3) Statewide JOBS program	1,706,734	5,280,736
4) Child Support Enforcement		753,279
5) Hospital Rate Study	483,380	666,760
6) Baby Your Baby		268,000

- 1) Federal incentive funding is available to Montana based on the number of placements made in the Food Stamp Job Search program. The department received \$96,000 in incentive funding during federal fiscal 1990.
- 2) The Food Stamp Job Search program is a federally mandated employment and training program for food stamp recipients. The program is federally funded except for a \$25 monthly payment by the state to each recipient for supportive services.
- 3) The federal Family Support Act of 1988 requires the state to operate a Job Opportunities and Basic Skills (JOBS) program. The program has been implemented in selected counties during the 1991 biennium. This funding will implement the program statewide during the 1993 biennium.
- 4) This appropriation will fund a contract for additional administrative and clerical assistance in this program. The funding consists of \$497,164 federal funds and \$256,115 from the child support enforcement state revenue fund.
- 5) This appropriation will fund: a) a study of the prospective payment system used to reimburse hospitals for inpatient services; b) additional audits of nursing home costs; and c) a managed care system for the State Medical program.
- 6) This appropriation continues a program started by budget amendment in 1991. Funds are 50 percent private donations matched by 50 percent federal funding. The program addresses access of pregnant women to medical care, healthy habits during pregnancy, and other pregnancy-related issues.

7) Nurse Aid Testing	172,800	345,600	7) This appropriation will fund a contract for the testing of nurse aides. The Omnibus Budget Reconciliation Act of 1987 (OBRA 1987) required that nurse aides receive training and that a test be developed to test nurse aides for competency.
8) Nursing Home Rebase	4,476,613	15,896,161	8) This appropriation increases medicaid reimbursement rates to nursing homes based on more recent cost data. A nursing home reimbursement study, conducted to determine the actual costs incurred by nursing facilities, found that current medicaid reimbursement rates fell short of meeting facility costs.
9) Hospital Rate Rebase	1,227,484	4,368,271	9) This appropriation increases medicaid hospital reimbursement rates beginning in fiscal 1993. Federal regulations require states to set medicaid rates which cover costs incurred by efficiently and economically operated facilities in complying with medicaid regulations. This modification will allow medicaid reimbursement rates to cover a larger portion of hospital costs.
10) Elderly Waiver Expansion	175,022	621,065	10) This appropriation expands home and community-based waiver services for elderly and disabled persons as an alternative to placement in nursing facilities. According to department staff, there are approximately 100 elderly and disabled persons waiting for waiver services. These funds will serve 38 persons in fiscal 1992 and an additional 12 persons in fiscal 1993.
11) Children's Dental Services	122,641	434,974	11) This appropriation would increase medicaid reimbursement to dentists for services provided to children to ensure that adequate numbers of dentists are available to provide services to medicaid eligible children.
12) Residential Psychiatric		9,006,383	12) This appropriation provides federal medicaid match for inpatient residential psychiatric treatment. General fund match of \$3.5 million is appropriated to the Department of Family Services. This funding continues reimbursement for this service begun by House Bill 304, 1989 session.
13) Ob/Gyn/Ped Rate Increase	2,730,827	9,685,501	13) This appropriation would increase medicaid reimbursement rates to physicians for providing obstetrical and pediatric services to medicaid recipients. Federal regulations specifically require states to document that these services are available to medicaid recipients at least to the extent that the services are available to the general population in a geographic area.

26) OBRA 1987 DD Treatment	296,516	1,058,986	26) This appropriation would fund community-based services to nursing home residents with developmental disabilities. The Omnibus Budget Reconciliation Act (OBRA) of 1987 requires that states evaluate the needs of persons with developmental disabilities residing in nursing homes. These residents may either move to community-based DD services or remain in the nursing home and receive active treatment provided by the state. This appropriation provides funding only for community-based services. Active DD treatment in nursing homes will be delayed until fiscal 1994 (see "Legislative Intent" Page B-121 HB 2 Narrative).
27) DD Part H Expansion	1,794,118	2,283,372	27) This appropriation would expand the early intervention program for infants and children up to 36 months of age who have special needs. Approximately 1.5 percent of Montana children under 36 months experience a developmental delay and would be eligible to receive services under this program.
28) DD Medicaid Funding		1,000,000	28) This appropriation would provide \$1.0 million additional federal spending authority for medicaid funds during the 1993 biennium should client eligibility changes occur or if the Medicaid Home and Community-Based Waiver program expands.
29) Montana Youth Initiative		172,000	29) This appropriation would provide additional federal spending authority for medicaid funds to provide services to four youths who began receiving services under the Montana Youth Initiative (MYI) in 1990. The MYI is a cooperative agreement between state agencies intended to provide the most appropriate treatment for difficult-to-place youth in need of services. The state match will be provided by the Department of Family Services.
30) Chapter I OPI		180,000	30) This appropriation would provide additional federal spending authority for funds granted by the Office of Public Service to provide services to preschool children with developmental disabilities. Services provided include speech or physical therapy and educational training and equipment.
31) DDPAC Administration		19,981	31&32) This appropriation would provide additional federal spending authority to permit expenditures of the total grant amount available from the federal government. Federal grant funds received by DDPAC are split 35 percent operations and 65 percent benefits.
32) DDPAC Benefits		65,000	
Total Executive	\$20,115,515	\$75,973,824	

goal of case management is to assist the parent in obtaining necessary services to deliver a normal birthweight baby and thereby decrease the long-term cost to Medicaid of caring for low birthweight babies.

18) OBRA 1990

2,417,579 7,841,962

18) This appropriation would implement provisions of the Omnibus Budget Reconciliation Act of 1990 (OBRA 1990). Included, is funding for 3.0 FTE and less than \$250,000 per year for personal services and operations. The remainder is for benefits.

5

rate increase up to 75% of the "local market rate". If new federal block grant monies become available for this purpose, the general fund appropriation must be reduced by the amount of block grant available.

12,939,448

3,672,119

Medical Provider Increases

4)

sub - 2% no re base

4) This appropriation would fund a 2% per year increase for Medicaid and state medical providers. The increase cannot be applied to other rate increases or re-basing approved at the request of the executive.

320,902

89,805

Licensed Prof. Counselors

5)

5) This appropriation would fund Medicaid reimbursement for licensed professional counselors. The 1989 legislature approved reimbursement for this group of providers if a specific appropriation was made to fund it. No appropriation was available during the 1991 biennium.

853,694

176,066

Voc Rehab Rate Increases

6)

6) This appropriation would fund a 5% per year increase for providers of vocational rehabilitation services.

310,910

310,910

Voc Rehab Expansion

7)

7) This appropriation would fund 30 additional slots in the extended employment program. Employment will be in either a sheltered workshop or a supported employment setting. These individuals are not eligible for DD services because their disability is not developmental. Persons funded by this appropriation are head-injured, physically disabled, mentally ill or learning disabled. The present number of persons waiting for these services is estimated to be 60.

98,329

24,409

Visual Svcs. Rate Increases

8)

8) This appropriation would fund a 5% per year increase for providers of visual services.

9) DD Provider Rate Increases

DD Provider Rate Increases 3,205,453 4,337,554

10) DD Program Expansion 727,116 2,596,840

Total Legislative \$10,034,186 \$27,372,890

9) This appropriation would fund a 5% per year increase for providers of developmental disabilities services.

10) This appropriation would fund: a) 60 additional specialized family care slots; b) 50 supported work slots; and c) 50 supported living slots. Specialized family care provides services to severely disabled children and their families. Supported work provides training and job placement for persons with developmental disabilities through a "Job Coach". There are presently 325 persons on the waiting list for supported work services. Supported living provides a variety of living arrangements, including foster homes and apartments (does not include group homes) Over 400 persons are waiting for these out-of-home living slots.

9) Call 5 + 1000 in 15 days

[Handwritten signature]

EXHIBIT
DATE 3-13-93
HB 2

FY92-93

\$

2,308,884

Aggregation

HB2 - suggested language

The state share of the AFDC-related support collections and all AFDC and non-AFDC federal incentive payments shall be deposited in a state special revenue account from which the state's share of child support enforcement program administrative and operational costs shall be paid. The legislature intends that, during the 1993 biennium, the Child Support Enforcement Division earn revenues of \$1.25 for each \$1.00 expended for administrative and operational costs from the account. Expenditures made from the account for the state Medicaid match or development of the SEARCHS computer project are not considered administrative or operational expenditures for purposes of this requirement.

In order to facilitate the passage of federal compliance audits the legislature authorizes the Child Support Enforcement Division to contract for up to 45 additional clerical and caseworking resources during the 1993 biennium. These resources may be contracted only if state special revenue account funds are used for purchase of such services and the division continues during the biennium to realize revenues of \$1.25 for each \$1.00 expended from the account.

EXHIBIT 2
DATE 3-15-91
HB 2

HB2 - suggested language

The state share of the AFDC-related support collections and all AFDC and non-AFDC federal incentive payments shall be deposited in a state special revenue account from which the state's share of child support enforcement program administrative and operational costs shall be paid. The legislature intends that, during the 1993 biennium, the Child Support Enforcement Division earn revenues of \$1.25 for each \$1.00 expended for administrative and operational costs from the account. Expenditures made from the account for the state Medicaid match or development of the SEARCHS computer project are not considered administrative or operational expenditures for purposes of this requirement.

In order to facilitate the passage of federal compliance audits the legislature authorizes the Child Support Enforcement Division to contract for up to 45 additional clerical and caseworking resources during the 1993 biennium. These resources may be contracted only if state special revenue account funds are used for purchase of such services and the division continues during the biennium to realize revenues of \$1.25 for each \$1.00 expended from the account. The division is also authorized to transfer to the general fund, at state fiscal year end, those amounts which are required for the continued operation of any state governmental activity supported in whole or in part by general fund. Under these circumstances no specific child support special revenue account fund balance is necessary at state fiscal year end but any consequent general fund operating loan to that account must be repaid prior to the fiscal year end in which it is made.

HOUSE OF REPRESENTATIVES

APPROPRIATIONS

ROLL CALL VOTE

TIME

10:28 AM

DATE

3/15/91

BILL NO.

2

NUMBER

1

MOTION:

Recon 7)

NAME	AYE	NO	ABSENT
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		✓	
REP. FRANCIS BARDANOUVE, CHAIRMAN	✓		
TOTAL	11	7	

HOUSE OF REPRESENTATIVES

APPROPRIATIONS

ROLL CALL VOTE

TIME

10:30

DATE

3/15

BILL NO.

2

NUMBER

2

MOTION:

Hospital Rate Reborn

NAME	AYE	NO	ABSENT
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	✓		
REP. FRANCIS BARDANOUVE, CHAIRMAN		✓	
TOTAL	11	7	

HOUSE OF REPRESENTATIVES

APPROPRIATIONS

ROLL CALL VOTE TIME 11:50
 DATE 3/15 BILL NO. 2 NUMBER 3

MOTION: _____

15) E P S T D

NAME	AYE	NO	ABSENT
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	✓		
REP. FRANCIS BARDANOUVE, CHAIRMAN		✓	
TOTAL	11	7	

HOUSE OF REPRESENTATIVES

APPROPRIATIONS

ROLL CALL VOTE

TIME

11:35

DATE

3/15

BILL NO.

2

NUMBER

4

MOTION:

4) Good Pro Inc

NAME	AYE	NO	ABSENT
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		✓	
REP. FRANCIS BARDANOUVE, CHAIRMAN		✓	
TOTAL	7	11	

HOUSE OF REPRESENTATIVES

APPROPRIATIONS

ROLL CALL VOTE

TIME

11:48

DATE

3/15/91

BILL NO.

2

NUMBER

5

MOTION:

6) Vac Rehab Pate Inc

NAME	AYE	NO	ABSENT
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		✓	
REP. FRANCIS BARDANOUVE, CHAIRMAN		✓	
TOTAL	9	9	

HOUSE OF REPRESENTATIVES

APPROPRIATIONS

ROLL CALL VOTE

TIME

DATE

BILL NO.

NUMBER

MOTION:

1) 1/2 ac Rehot

NAME	AYE	NO	ABSENT
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	✓		
REP. FRANCIS BARDANOUVE, CHAIRMAN	✓		
TOTAL	14	4	

HOUSE OF REPRESENTATIVES

APPROPRIATIONS

ROLL CALL VOTE

TIME

DATE

BILL NO.

NUMBER

MOTION:

8) Visual Svcs. Rate Inc.

NAME	AYE	NO	ABSENT
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		✓	
REP. FRANCIS BARDANOUVE, CHAIRMAN	✓		
TOTAL	11	7	

HOUSE OF REPRESENTATIVES

APPROPRIATIONS

ROLL CALL VOTE

TIME

12:07 ~~6~~

DATE

3-15

BILL NO.

2

NUMBER

8

MOTION:

Strike 5%

Insert 4%

9) DP Prov. Rate Inc

Call

NAME	AYE	NO	ABSENT
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	✓		
REP. FRANCIS BARDANOUVE, CHAIRMAN		✓	
TOTAL	7	11	

James

HOUSE OF REPRESENTATIVES

APPROPRIATIONS

ROLL CALL VOTE

TIME

12:09 t

DATE

3/15

BILL NO.

NUMBER

9

MOTION:

5/0

12:09 t

NAME	AYE	NO	ABSENT
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		✓	
REP. FRANCIS BARDANOUVE, CHAIRMAN	✓		
TOTAL	11	7	

HOUSE OF REPRESENTATIVES

APPROPRIATIONS

31.25

ROLL CALL VOTE

TIME

DATE 3-15-91 BILL NO. 2 NUMBER 10

MOTION: _____

10) 00 Program Expansion

NAME	AYE	NO	ABSENT
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		✓	
REP. FRANCIS BARDANOUVE, CHAIRMAN		✓	
TOTAL	10	8	

Pratt
K...
S...
3/15

HOUSE OF REPRESENTATIVES

APPROPRIATIONS

ROLL CALL VOTE

TIME

3:27

DATE

BILL NO.

2

NUMBER

1

MOTION:

Roll call 1st Exp #2
4)

NAME	AYE	NO	ABSENT
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		✓	
REP. FRANCIS BARDANOUVE, CHAIRMAN		✓	
TOTAL	5	13	

HOUSE OF REPRESENTATIVES

APPROPRIATIONS

ROLL CALL VOTE

TIME

2:29

DATE

3-15-91

BILL NO.

2

NUMBER

12

MOTION:

Adopted 4/

NAME	AYE	NO	ABSENT
REP. RAY PECK, VICE-CHAIRMAN	✓		
REP. DOROTHY BRADLEY	✓		
REP. JOHN COBB		✓	
REP. DOROTHY CODY	✓		
REP. MARY ELLEN CONNELLY	✓		
REP. ED GRADY		✓	
REP. LARRY GRINDE			PASS
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	✓		
REP. FRANCIS BARDANOUVE, CHAIRMAN	✓		
TOTAL	13	4	PASS

HOUSE OF REPRESENTATIVES

APPROPRIATIONS

ROLL CALL VOTE

TIME

12:09 t

DATE

3/15

BILL NO.

NUMBER

9

MOTION:

5/0

12:09 t

NAME	AYE	NO	ABSENT
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		✓	
REP. FRANCIS BARDANOUVE, CHAIRMAN	✓		
TOTAL	11	7	

HOUSE OF REPRESENTATIVES

APPROPRIATIONS

ROLL CALL VOTE

TIME

2:29
12

DATE

3-15-91

BILL NO.

2

NUMBER

12

MOTION:

Adopt 4

4

NAME	AYE	NO	ABSENT
REP. RAY PECK, VICE-CHAIRMAN	✓		
REP. DOROTHY BRADLEY	✓		
REP. JOHN COBB		✓	
REP. DOROTHY CODY	✓		
REP. MARY ELLEN CONNELLY	✓		
REP. ED GRADY		✓	
REP. LARRY GRINDE			PASS
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	✓		
REP. FRANCIS BARDANOUVE, CHAIRMAN	✓		
TOTAL	13	4	PASS

HOUSE OF REPRESENTATIVES

APPROPRIATIONS

ROLL CALL VOTE

TIME

3:45

DATE

3-15

BILL NO.

2

NUMBER

13

ACTION:

Voc Rehab Rate Increase

b) passed

NAME	AYE	NO	ABSENT
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		✓	
REP. FRANCIS BARDANOUVE, CHAIRMAN	✓		
TOTAL	10	8	

#13A
Call
passed
4/10/83

EXHIBIT 3
DATE 3/15/91
HB 2

Vote 13A
3-15-91
HB 2

1,178,835

Upon the final determination of all General Fund monies in the unreconciled Special Revenue fund balance at SRS in the approximate total amount of \$2,530,153, the General Fund amount shall be appropriated to the DD Division. The monies shall be used to fund the waiting list for individuals receiving no service at all. Those services to be served are in the area of Family Training, Respite, and supported work. The remaining money, if any, above these services provided, shall revert to the General Fund.

This account is unreconciled funding sources for expenditures made since 1985.

HOUSE OF REPRESENTATIVES

APPROPRIATIONS

ROLL CALL VOTE

TIME

4:00 *→*

DATE 3-15-91

BILL NO. _____

NUMBER 13A

MOTION: _____

13 A -

Cobb y epk 3

NAME	AYE	NO	ABSENT
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	✓		
REP. FRANCIS BARDANOUVE, CHAIRMAN		✓	
TOTAL	12	6	

#13 B
Cable

family

Ex 4

EXHIBIT 4
DATE 3/15/91
HB 2

Vote 13B
3-15-91
HB 2

Appropriations Subcommittee on Human Services
Modifications to House Bill #2

Subject: AFDC transition-to-work allowance

The Department of Social and Rehabilitation Services may pay Aid to Families with Dependent Children (AFDC) recipients a transition-to-work allowance. The allowance may be used for travel and relocation expenses of the recipient and family to another county or state. AFDC recipients are eligible to receive this allowance under rules adopted by the Department. The rules may establish limitations on the amount to be paid and require that the recipient have verification of employment, an employment interview or acceptance to an approved educational or training program.

by Oct 1, 1991

Expenses for a transition-to-work allowance may be charged to the AFDC benefit account.

HB2.004

~~James S. ...~~

HOUSE OF REPRESENTATIVES

APPROPRIATIONS

ROLL CALL VOTE

TIME

4:10

DATE 3-15-91

BILL NO. 2

NUMBER 13B

MOTION:

Cobb

#13B

Transportation for Work for AFDC

NAME	AYE	NO	ABSENT
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		✓	
REP. FRANCIS BARDANOUVE, CHAIRMAN		✓	
TOTAL	5	13	

13-C
Cobb failed
4/15/91

EXHIBIT 5
DATE 3/15/91
2

Vote 13 C
3-15-91
HB 2

Change AFDC budgeting method: 2

	General Fund	Federal Fund
FY 92	396,060	1,003,940
FY 93	393,400	1,006,780

Language

The Department of SRS shall adjust its current budgeting method to maximize the benefit payment without revising the existing income standards. The purpose is to provide an incentive for AFCD recipients to seek employment. The possibility of changing the budgeting method offers the opportunity for the Department to encourage recipients to become employed while continuing their monthly cash assistance and medical coverage.

HOUSE OF REPRESENTATIVES

APPROPRIATIONS

ROLL CALL VOTE

TIME

4:21 ~~6~~

DATE

3-15-91

BILL NO.

NUMBER

13-C

MOTION:

Am 13c Cobb

NAME	AYE	NO	
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		✓	
REP. FRANCIS BARDANOUVE, CHAIRMAN		✓	
TOTAL	8	10	

HOUSE OF REPRESENTATIVES

APPROPRIATIONS

ROLL CALL VOTE

TIME

4:26

DATE

BILL NO.

NUMBER

14

MOTION:

4% out

NAME	AYE	NO	
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	✓		
REP. FRANCIS BARDANOUVE, CHAIRMAN		✓	
TOTAL	7	10	

HOUSE OF REPRESENTATIVES

APPROPRIATIONS

ROLL CALL VOTE

TIME

4:33 PM

DATE

BILL NO.

NUMBER

15

MOTION:

*Reconsider the 4% out of SLS
4 of 800*

NAME	AYE	NO	
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	✓		
REP. FRANCIS BARDANÓUVE, CHAIRMAN	✓		
TOTAL	9	9	

failor

HOUSE OF REPRESENTATIVES

APPROPRIATIONS

ROLL CALL VOTE

TIME

5:42 t

DATE

3-15-91

BILL NO.

2

NUMBER

16

MOTION:

Brad 2) & long to y L & r

NAME	AYE	NO	
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		✓	
REP. FRANCIS BARDANOUVE, CHAIRMAN		✓	
TOTAL	9	9	

HOUSE OF REPRESENTATIVES

APPROPRIATIONS

ROLL CALL VOTE

TIME

5:48 *t*

DATE

BILL NO.

NUMBER

17

MOTION:

3
Division Directors

NAME	AYE	NO	
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		✓	
REP. FRANCIS BARDANOUVE, CHAIRMAN		✓	
TOTAL	10	8	

HOUSE OF REPRESENTATIVES

APPROPRIATIONS

ROLL CALL VOTE

TIME

5:59

DATE 3-15-91

BILL NO. 2

NUMBER 18

MOTION:

Book Sub - 1 of 2
8:24 PM

NAME	AYE	NO	
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	✓		
REP. FRANCIS BARDANOUVE, CHAIRMAN	✓		
TOTAL	9	9	

HOUSE OF REPRESENTATIVES

APPROPRIATIONS

ROLL CALL VOTE

TIME

6:02 t

DATE

3-15-91

BILL NO.

2

NUMBER

19

MOTION:

1)

Kadas 8 FTE de
(2nd sub-sec) 161 re
1) under 18

NAME	AYE	NO	
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		✓	
REP. FRANCIS BARDANOUVE, CHAIRMAN	✓		
TOTAL	11	7	

HOUSE OF REPRESENTATIVES

APPROPRIATIONS

ROLL CALL VOTE

TIME

6:15

DATE

3-15

BILL NO.

2

NUMBER

20

MOTION:

6) Passed

J. S. E.

NAME

AYE

NO

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	✓	
REP. FRANCIS BARDANOUVE	✓	
TOTAL	12	6

HOUSE OF REPRESENTATIVES

APPROPRIATIONS

ROLL CALL VOTE

TIME

7:29 PM

DATE

3-15-91

BILL NO.

2

NUMBER

21

MOTION:

DFS

7) Youth Eg. Serv.

NAME	AYE	NO	ABSENT
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	✓		
REP. FRANCIS BARDANOUVE, CHAIRMAN		✓	
TOTAL	10	8	

OF REPRESENTATIVES

APPROPRIATIONS

TIME

22

OF 2

NUMBER

Motion

to, see in a letter

AYE

NO

ABSENT

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CHAIRMAN

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11

IVES

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7:00 PM

NUMBER

23

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AYE

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ABSENT

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TOTAL

9

9

HOUSE OF REPRESENTATIVES

APPROPRIATIONS

ROLL CALL VOTE

TIME

7:46 PM

DATE

BILL NO.

NUMBER

24

MOTION:

2, 10 in
E. Farnham

NAME	AYE	NO	ABSENT
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	✓		
REP. FRANCIS BARDANOUVE, CHAIRMAN	✓		
TOTAL	9	9	

Ex 6

EXHIBIT 6
DATE 3/15/91
HB 2

Summary of DFS Language
Approved by the Human Service Subcommittee

- 1) Developmental disabilities targeted case management P. B-133 - The subcommittee has required that the department submit to the 53rd legislature a report detailing the numbers of developmentally disabled (DD) clients served in fiscal 1992 and the actual fiscal 1992 general fund and federal fund expenditures for that service.
- 2) DD Case Management Additional Federal Matching Funds P. B-133 - The subcommittee has allowed the department to use additional federal funds resulting from a change in the matching rate to hire staff or contract for DD targeted case management.
- 3) Line-itemed day care block grant for which regulations are not yet available P. B-134 - The subcommittee has given the department wide authority to use a block grant for improving the availability and quality of day care in accordance with federal regulations, but the department must detail those services and expenditures in a report to the 53rd Legislature.
- 4) Day Care Provider Rate Increases P. B-134 - The subcommittee included a general fund appropriation for day care provider increases to 75 percent of the local market rate with the restriction that, if federal regulations permit the use of funds from the new 'Child Care and Development Block Grant' for these increases, the general fund appropriation will be reduced.
- 5) Continuum of care P. B-134 - The subcommittee included language to require the department to submit a Continuum of Service Plan to the Legislative Finance Committee during calendar 1991 for their review and comment. The goal of the plan is to develop a comprehensive child welfare service system by July 1, 1993. The subcommittee also required that funds appropriated for the youth foster care program not be transferred to the medicaid program administered by the department.

Budget Modification	Executive			Legislature				
	FTE FY92	FTE FY93	General Fund 92-93	Total 92-93	FTE FY92	FTE FY93	General Fund 92-93	Total 92-93
Management Support								
1) Management Staff Increases	5.00	5.00	\$216,455	\$376,049	5.00	5.00	\$216,455	\$376,049
2) Mgmt. Information System *			87,000	100,000			729,963	811,070
3) Division Directors					2.00	2.00	158,588	186,574
Community Services								
1) Reg. Staff Service Inc.	8.00	8.00	465,562	547,720	13.50	31.50	1,322,677	1,556,090
2) Phase I & II Supp. Income			54,144	54,144			54,144	54,144
3) Phase IV Supp. Income			73,320	73,320			73,320	73,320
4) Phase IV Child Placement			126,735	450,000			126,735	450,000
5) MDC Phase IV Case Mgmt.	2.75	2.75	60,364	165,242	2.75	2.75	60,364	165,242
6) Native American Services			559,840	1,985,600			559,840	1,985,600
7) Youth Treatment Services	1.00	1.00	3,536,426	3,536,426	1.00	1.00	3,536,426	3,536,426
8) Field Equipment			40,000	40,000			40,000	40,000
Mountain View								
1) Mtn. View Staff Increases	1.36	1.36	69,930	69,930	1.36	1.36	69,930	69,930
Pine Hills								
1) Pine Hills Industries				12,000				12,000
2) Pine Hills Staff Inc.	3.00	3.00	125,919	125,919	3.00	3.00	125,919	125,919
Total	21.11	21.11	\$5,415,695	\$7,536,350	28.61	46.61	\$7,074,361	\$9,442,364

* Current Level includes \$88,930 (\$80,037 general fund, \$8,893 federal funds) for a total of \$900,000 for the MIS

11) Staff Increases B-131 - \$376,049 for the biennium for staff increases to strengthen the management capability of the department; also includes \$35,000 for operating expenses and \$13,000 for equipment.

2) Management Information System B-131 - \$900,000 (\$810,000 federal funds) for a system to enable the department to determine: 1) numbers of children in the system; 2) numbers on on waiting lists; 3) placements; 4) the disposition of cases; and 5) the placement history. The system will also provide the ability to comply with federal reporting standards for child abuse and neglect, foster care, and day care. The budget modification contains \$811,070 and current level provides the remaining \$88,930.

3) Division Directors B-132 - \$186,574 for 2.0 FTE division directors, operating expenses, and equipment for the biennium to: 1) further strengthen management; and 2) allow the department to present a detailed plan for a continuum of service during 1991.

1) Staff for Service Capacity Increases B-138 - 36.0 additional FTE social workers, phased in over the biennium, to respond an increasing demand for services. General fund costs of \$404,664 in fiscal 1992 and \$918,013 in fiscal 1993 will be supplemented by federal funds of \$71,411 and \$162,002 in respective years.

2) Phase I & II Supplemental Income B-139 - State supplemental income is a \$94 monthly supplement to federal supplemental security income (SSI) to enable eligible clients to live in less restrictive environments than would otherwise be possible. This modification is general fund of \$27,072 each year for state supplemental payments to approximately 24 developmentally disabled SSI recipients who were moved from MDC into community homes during the 1991 biennium (phases I and II of the "Action Plan for the Modification of the Montana Developmental Disabilities Service System").

3) Phase IV Supplemental Income B-139 - \$19,740 in fiscal 1992 and \$53,580 in fiscal 1993 for state supplemental income payments for 60 developmentally disabled federal SSI recipients who will move from MDC or waiting lists into community homes during the 1993 biennium (phase IV of the "Action Plan for the Modification of the Montana Developmental Disabilities Service System").

4) Phase IV Child Placement B-139 - During the 1993 biennium, the department, in cooperation with SRS, intends to provide community services for ten developmentally disabled children who need intensive services and are difficult to place. Eligible children currently include nine who have been placed out-of-state at costs ranging from \$53 per day at Excelsior in Spokane to \$280 per day at Pines Home in Virginia. One eligible child is currently at MDC. This modification is for \$82 per day per child or \$450,000 for in-state community services for these children. Federal Title XIX Medicaid funds will provide an estimated 71.7 percent of the cost, with general fund providing the remaining 28.3 percent.

5) MDC Phase IV Case Management B-139 - \$82,600 per year for case management services to 114 additional developmentally disabled clients who will be in community services in the 1993 biennium. This budget modification includes general fund of \$9,500 per year for specialized training for case managers. The remaining \$73,100 for each year is for 2.75 FTE and case management expenses. The funding sources for this request are: 1) \$9,500 general fund for the training funds; and 2) 28.3 percent general fund and 71.7 percent federal Title XIX funds for the personal services and operations.

6) Native American IV-E B-139 - Title IV-E requires each state to provide foster care services to all eligible children, including Native American children on reservations. Since the department anticipates serving an additional 250 Native American children in the 1993 biennium, this modification is for an additional \$1,985,600 for this service. DFS is negotiating agreements for service with each tribe in compliance with Title 18, Chapter 11, MCA. Funding is at the estimated Medicaid matching rate of 28.3 percent general fund and 71.7 percent federal revenue.

7) Youth Treatment Services B-139 - 1.0 FTE and general fund of \$3,536,426 for the biennium to provide residential psychiatric treatment to children and adolescents. House Bill 304, enacted by the 1989 legislature as a pilot program, authorized Medicaid funding for residential psychiatric treatment during the 1991 biennium. Federal Medicaid funding was appropriated to SRS to be matched by foster care monies appropriated to DFS. This modification would provide state match for the federal Medicaid funds requested by SRS to continue and expand residential psychiatric treatment during the 1993 biennium.

8) Field Equipment B-140 - The legislature approved general fund of \$20,000 each year for locking file cabinets, desks, and chairs for the regional offices. A June 1990 legislative audit report recommended that the department prioritize equipment needs and purchase locking filing cabinets for the storage of confidential case files. This budget modification would allow the purchase of four files and two desks and chairs for each region each year.

Mountain View

Mountain View Staff Increases B-144 - This modification is for an additional 1.36 FTE and general fund of \$69,930 for the biennium to provide increased services to residents of Mountain View School. The additional FTE are: 1) 1.0 FTE cottage life attendant to increase cottage staffing; and 2) 0.36 FTE foreign language teacher to meet school accreditation standards.

Pine Hills

1) Pine Hills Industries B-146 - This modification is for \$12,000 in state special revenue for the 1993 biennium to establish an Industries program (drafting, welding, woodworking) at Pine Hills. Revenue would be generated by sales of products.

2) Cottage Life Attendants B-146 - This modification is for 3.0 FTE cottage life attendants and general fund of \$125,919 for the biennium. These FTE would provide additional supervision and security during regular work hours, particularly in the more secure lodges where the high risk population has been increasing.

Current Level Adjustments

Current Level Adjustment	Executive			Legislature		
	FTE FY92	FTE FY93	General Fund 92-93	Total 92-93	FTE FY92	FTE FY93
<u>Management Support</u>						
1) Rent Increases						
Community Services						
2) Provider Rate Increases						
Foster Care						
Day Care						
Big Brothers & Sisters						
3) Day Care Resource & Referral						
4) Federal Day Care Grants						
5) DD Targeted Case Management						
6) Juvenile Detention Costs						
Total Community Services						

1) Rent Increases for New Space B-132 - \$43,000 each year for additional rent to allow the department to move into new space. The department staff testified that the current office space was inadequate and dangerous.

2) Provider Rate Increases B-140 - These modifications are for 5.0 percent annual provider rate increases for foster care and the Big Brothers and Sisters program and daily increases for day care providers. The increases total \$1,917,257 for the biennium, including \$1,264,977 general fund and \$652,280 federal funds. Effective October 1, 1991, family and group day care providers receive increases which are intended to reimburse providers at 75 percent of the local market rate by the end of the biennium. If federal regulations allow it, the general fund appropriation is to be reduced and federal block grant funds are to be used for the increases.

3) Resource and Referral B-141 - \$428,568 for the biennium to expand the resource and referral program begun by the 1989 legislature. Funding is \$15,000 general fund and \$413,568 federal funds.

4) Federal Day Care Grants B-141 - These grants are of two types: 1) a federal child care improvement grant for \$136,400 in fiscal 1992 and \$120,705 in fiscal 1993 was begun in fiscal 1991 and is expected to continue through the 1993 biennium; 2) a federal day care block grant for improving the availability and quality of day care. Since regulations are not yet available for this grant, language provides the department broad authority for \$2,373,287 in fiscal 1992 and \$2,641,716 in fiscal 1993. The grant is line-itemed and the department must submit a report to the 1993 legislature on how the grant was spent.

5) DD Targeted Case Management B-141 - The DD case management match rate is changing from a 50/50 state/federal match to the medicare match of approximately 28 percent state, 72 federal funding. The additional federal funds of over \$1.1 million each year are included as contract services. Language was approved to allow the department to either contract or hire staff to provide the services.

6) Juvenile Detention Costs B-141 - The government unit responsible for committing an individual to a local detention center is required by section 7-32-2242, MCA to pay the cost of holding that individual. The legislature approved \$44,000 each year to pay for the costs of holding juveniles who are in the custody of the department.

Ex. 6

3-15-91

HB 2

Increases from fiscal 1990 to fiscal 1992 also include:

- 1) \$1,421,572 for the continuation of fiscal 1991 provider rates at 100 percent of model rate structure;
- 2) \$2,499,914 for the transfer of current level general fund for in-patient psychiatric treatment from SRS; and
- 3) \$480,000 to allow for proper accounting of parental contributions and other receipts.

3/15
3/16
C. A. W. 1

BUDGET MODIFICATIONS - DEPARTMENT OF HEALTH

Exhibit # 7
3/15/91 HB 2

Overall Agency Administration and Operation

Although one of the Safe Drinking Water modifications is not on the list of executive budget mods, it was brought to the committee by the executive due to an oversight in the original submission. Therefore, all of these modifications are executive budget modifications.

BUDGET MODIFICATIONS - DEPARTMENT OF HEALTH

Personnel Officer

FTE: 1.0

Funding: \$26,559/\$26,500

Source: Indirect Funds

This position was added to the director's office due to the increase in FTE experienced in the department in recent years, particularly in the environmental programs. The new position would assist the current 1.0 FTE personnel officer.

Legal Unit Charge System

FTE: 0.0

Funding: \$82,897/\$82,897

Source: General Fund

The legal unit will be funded with charges against the programs within the department using the services in the 1993 biennium. The unit had previously been funded entirely with general fund. These funds were added to allow payment of legal costs by programs currently supported with general fund.

Support Services

FTE: 2.0

Funding: \$48,800/\$48,692

Source: Indirect Funds

These FTE were added to provide additional financial support due to increased federal reporting and accounting requirements, particularly in the environmental programs.

Newborn PKU Testing

FTE: 1.0

Funding: \$78,418/\$31,170

Source: Testing Fees

1.0 FTE was added to the microbiology lab to perform repeat testing in the PKU program, which tests infants for PKU. Certain quality standards must be maintained. The mod includes equipment in the first year.

Safe Drinking Water Chem Lab

FTE: 1.0

Funding: \$42,428/\$42,352

Source: Testing Fees

These two modifications are in response to additional federal testing requirements in the environmental programs, particularly the testing of public water supply systems.

Safe Drinking Water Micro Lab

FTE: 1.0

Funding: \$41,713/\$41,704

Source: Testing Fees

These two modifications are in response to additional federal testing requirements in the environmental programs, particularly the testing of public water supply systems.

BUDGET MODIFICATIONS - DEPARTMENT OF HEALTH

Environmental Programs

The budget modifications not included in the executive budget are marked with a *. The Air Quality - Permits and Specialist Upgrades are committee mods. The others were added in response to the EQC recommendations.

Air Quality Bureau

FTE: 6.5

Funding: \$347,710/\$346,636

Source:

FEES: \$93,977/\$93,269

Federal: \$253,733/\$253,367

This modification was in response to increased federally mandated responsibilities, and to provide additional support for county air quality programs in Western Montana. Approval was made contingent upon the passage of HB 781, which authorizes the collection of fees against air pollution sources.

Air Quality - Permits*

FTE: 6.0

Funding: \$320,000/\$320,000

Source: FEES

This modification was added to provide additional staff to expedite the permit review process due to current delays. It is contingent upon passage of HB 781.

Asbestos Control Program

FTE: 1.0

Funding: \$95,326/\$95,241

Source: Asbestos permits fees
(currently in place)

An increase in workload over the level originally anticipated precipitated this modification. It is contingent upon passage of SB 288, which deposits asbestos permit fee income into its own account and allows the department to expend from the account.

Specialist Upgrades*

FTE: 0.0

Funding: \$116,879/\$116,583

Source: All sources

This is this program's portion of the total cost of specialist upgrades.

Natural Resource Damage Suit

FTE: 8.0/9.0

Funding: \$4,949,739 (biennial)

Source: ARCO Reimbursements

This modification would continue the state's action against the Atlantic Richfield Co. for damage to the environment. Language allowing the department to secure an interentity loan until reimbursements from ARCO are received is also included in HB 2.

BUDGET MODIFICATIONS - DEPARTMENT OF HEALTH

Hazardous Waste

FTE: 4.0

Funding: \$203,340/\$202,313

Source: RIT: \$50,835/\$50,578

Federal: \$152,505/\$151,735

This modification is to conform Montana's hazardous waste program to recent changes in the federal Resource and Conservation and Recovery Act.

Landfill Management - I

FTE: 3.0

Funding: \$144,622/\$144,304

Source: FEES on Landfill

Operators

This modification incorporates Part I of the EQC's

recommendations, although it was included in the Executive Budget. The addition is to implement additional waste disposal regulations mandated by the federal government and to allow staff to respond to requests for technical assistance. It is contingent upon the passage of SB 209, which authorizes the collection and expenditure of the fees.

Landfill Management - II *

FTE: 5.34/5.84

Funding: \$302,909/\$304,761

Source: Landfill Operator FEES

This modification was presented to the committee by the EQC to further expand the Solid Waste/Landfill program in response to changes in waste disposal regulations. It is also contingent upon the passage of SB 209.

The EQC requested and the committee approved the two landfill modifications discussed above to:

- 1) comply with the forthcoming federal landfill regulations, 2) maintain primacy over the programs (without primacy landfill operators would have to deal directly with the EPA, who would concentrate on enforcement, rather than on assisting the facilities in getting into compliance and providing technical expertise), 3) process and review landfill licensing applications, 4) develop a solid waste plan, and 5) provide technical assistance to operators and others.

BUDGET MODIFICATIONS - DEPARTMENT OF HEALTH

BN/ARCO Special Projects

FTE: 5.0

Funding: \$323,922/\$323,336

Source: BN/ARCO Reimbursements

This modification would continue activities associated with Superfund clean up at BN and ARCO sites.

Specialist Upgrades *

FTE: 0.0

Funding: \$252,184/\$251,938

Source: All Sources

This is the Solid and Hazardous Waste Bureau's share of the costs of the specialist upgrades.

BUDGET MODIFICATIONS - DEPARTMENT OF HEALTH

Ag Monitoring

FTE: 0.0

Funding: \$15,000/\$15,000

Source: Fees (Currently in place)

This modification is to monitor groundwater pollution as a result of pesticide application, and is done in conjunction with the Department of Agriculture. The department received a general fund appropriation for this purpose in the 1991 biennium, but didn't spend any funds.

Groundwater Pollution Control

FTE: 2.0

Funding: \$116,137/\$116,161

Source: Federal

This modification was added to implement new federally mandated groundwater quality protection programs. The program currently has 2.0 FTE.

Groundwater - EQC Lawyer *

FTE: 1.0

Funding: \$48,594/\$48,513

Source: Federal

This position was added upon the recommendation of the EQC to assist the current legal staff with groundwater regulation enforcement. It is contingent upon the department being able to fund the position with federal funds.

Groundwater EQC Permit Review*

FTE: 2.5

Funding: \$107,151/\$106,992

Source: RIT

These positions were also added upon the recommendation of the EQC for groundwater permit review and spill response.

The EQC recommended and the committee approved these positions due to a large increase in workload in the groundwater program. The department receives an average of 30 reports and complaints per month about possible spills and groundwater contamination that must be investigated. The department also reviews mine permit applications, which have increased dramatically, and groundwater pollution discharge permits. Without adequate staff, these permits cannot be processed and reviewed in a timely manner. The additional attorney was added because the number of enforcement cases has grown to about 12 a year, while the current part-time attorney can only close 4 to 5 per year, creating a growing backlog of cases.

BUDGET MODIFICATIONS - DEPARTMENT OF HEALTH

Wastewater Operators

FTE: .25

Funding: \$11,179/\$9,389

Source: Operator Fees (currently in place)

Subdivisions

FTE: 1.0

Funding: \$46,609/\$42,987

Source: General Fund

Public Water Supply

FTE: 9.25/9.75

Funding: \$957,879/\$961,089

Source:

NEW FEES:\$650,486/\$654,972

Federal: \$307,393/\$306,117

Nonpoint Source Pollution

FTE: 2.0

Funding: \$1,426,753/\$1,426,776

Source: Federal Funds

Specialist Upgrades *

FTE: 0.0

Funding: \$145,488/\$145,264

Source: All funds

In 1987 the federal government made major changes in requirements of public water supply systems. All three of these amendments are in response to recommendations of the Governor's public water supply task force, which conducted a study to make recommendations for state action to regulate public water supply systems in light of the new federal requirements.

The wastewater operators modification adds personnel to provide additional assistance to wastewater operators. The subdivisions modification adds additional staff to review subdivisions plans and ensure that the plans are being followed. The public water supply modification adds personnel and contracted services to ensure that federal testing and maintenance requirements are being met. The subdivisions and public water supply mods are contingent upon the passage of SB 407, which lifts the cap on how much the department can charge for subdivisions review, allowing greater revenue to offset costs of the program, and authorizes the collection and expenditure of the new fees.

This modification was added to develop and implement a nonpoint source water pollution control program as required by the federal government. The majority of the funds (\$1,267,291 and \$1,256,244, respectively) will be passed through to non-profit organizations to implement on-the-ground nonpoint source controls.

This is the Water Quality Bureau's share of the costs of the specialist upgrades.

BUDGET MODIFICATIONS - DEPARTMENT OF HEALTH

Health Programs

Three of the budget modifications included in this section are committee mods: MIAMI expansion, immunization, and additional AIDS education to counties, which is actually an allocation of the preventive health block grant. All governor's office mods are to take advantage of additional federal funds available, three of which were expanded from the amounts included in the original budget due to updated grant awards.

BUDGET MODIFICATIONS - DEPARTMENT OF HEALTH

Child Nutrition

FTE: 0.0

Funding: \$1,634,000/\$2,642,000

Source: Federal

This modification was added to take advantage of all of the federal funds available to provide reimbursements to day care providers for the cost of meals and snacks served to eligible children.

Women, Infants, Children

FTE: 0.0

Funding: \$1,122,486/\$1,122,486

Source: Federal

This modification was also added to take advantage of the maximum federal funds available for WIC food payments and administrative costs of operating local WIC offices.

MIAMI Program *

FTE: 0.0

Funding: \$171,468/\$169,608

Source: General Fund

The MIAMI program is designed to ensure that mothers and children receive quality maternal and child health services. The appropriation was increased to expand the number of women receiving access to the services (primarily testing, screening, and referral) by expanding the number of program sites.

Chronic Disease Prevention

FTE: .50

Funding: \$40,578/\$40,571

Source: Federal

This modification was added to maximize state usage of available federal funds to allow continued development of an information system to determine risk factors related to the leading causes of morbidity and mortality in Montana.

Sexually Transmitted Diseases (STD)

FTE: 1.50

Funding: \$81,807/\$81,757

Source: Federal

Maximization of federal funds was also the reason for this modification, which will allow the department to provide additional information and education about STD's, improved surveillance, and a syphilis screening plan.

AIDS Education to Counties *

Funding: \$20,000/\$20,000

Source: Federal block grant

Additional funds from the preventive health block grant were added to provide additional AIDS education grant funds to counties.

Vaccine *

Funding: \$200,000/\$200,000

This modification was added to ensure the availability of sufficient measles, mumps, and rubella vaccine to provide the recommended

BUDGET MODIFICATIONS - DEPARTMENT OF HEALTH

Source:

General Fund: \$96,460/\$98,226
MCH Block: \$103,540/\$101,774

second dose.

AIDS

Funding: \$33,583/\$32,751

Source: Federal

This modification was also added to maximize state usage of all of the federal AIDS funds available to detect and prevent the further spread of any HIV infection.

Licensing and Certification

Both of these mods were at the request of the governor's office, although the second mod was requested after the session had begun.

Federal Nursing Home Reform

FTE: 15.0

Funding: \$875,637/\$824,485

Source:

General Fund: \$49,593/\$67,846
Federal Funds: \$826,044/\$756,639

This modification is in response to new regulations and expanded certification requirements contained in the federal Omnibus Budget and Reconciliation Act (OBRA) of 1987.

Hearings

Funding: \$137,002/\$137,002

Source:

General Fund: \$10,275/\$13,700
Federal Funds: \$126,727/\$123,302

Additional funds were added to allow the department to contract for assistance in conducting residents' rights hearings, which are required by federal regulation.

BUDGET MODIFICATIONS - DEPARTMENT OF HEALTH

Petroleum Tank Release Compensation Board

All expenses of the Petro Board are currently statutorily appropriated, including both compensation to tank owners and administrative costs. The 1989 legislature passed legislation (House Bill 583) deleting statutory appropriations for administrative costs. In anticipation of expected legislation deleting the statutory appropriation for Petro Board administrative costs, the subcommittee funded these costs in House Bill 2. Currently, no legislation has been introduced to delete the administrative cost statutory appropriation.

Administrative Expenses

FTE: 12.0

Funding: \$518,146/\$517,834

Source: Petro Tank Release Cleanup Fund (Fees on gasoline distributed)

Specialist Upgrades *

FTE: 0.0

Funding: \$30,857/\$30,769

Source: Petro Tank Release Cleanup Fund

This modification funds all administrative functions of the board in order to be consistent with House Bill 583 passed by the 1989 legislature. Expenses increase by 506.8 percent in fiscal 1992 over the fiscal 1990 level of \$90,631 due to an anticipated increase in claims, because the program was not fully operational throughout fiscal 1990, and due to the specialist upgrades described below.

This modification is the Petro Board's additional expenses due to specialist upgrades pending with the Department of Administration.

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EXHIBIT 8
DATE 3/15/91
HB 2

EXECUTIVE SUMMARY

CLARK FORK BASIN
NATURAL RESOURCE DAMAGE ASSESSMENT AND PROGRAM
STRATEGY AND FUNDING REQUEST DOCUMENTATION

Submitted in support of the:

Governor's Budget

January, 1991

Prepared by:

Montana Department of Health and Environmental Sciences

With Assistance of:

Montana Governor's Office

Contact:

Dick Pedersen, MDHES 444-1373

January 11, 1991

EXHIBIT 8
DATE 3/15/91
HB 2

CLARK FORK BASIN

NATURAL RESOURCE DAMAGE ASSESSMENT AND PROGRAM

STRATEGY AND FUNDING REQUEST DOCUMENTATION

EXECUTIVE SUMMARY

The State of Montana filed a natural resource damage claim December 22, 1983 against the Atlantic Richfield Company (ARCO) to recover damages for injuries to natural resources in the Clark Fork River Basin. The suit was stayed pending completion of remedial investigation and feasibility studies being conducted as part of the "Superfund" process. ARCO petitioned the court in December of 1989 to lift the stay and proceed with the claim. On August 17, 1990, U.S. District Judge Charles C. Lovell issued a schedule ordering the parties in the lawsuit to complete discovery on all aspects of the case. The final pretrial order must be filed with the court by April 30, 1994.

NATURAL RESOURCE DAMAGE CLAIM	
COURT-ORDERED TIME FRAME	
ITEM	DATE
1. State files motions	10/01/90
2. Arco files response to motions	11/02/90
3. Arco files motions to joinder parties	06/03/91
4. State identifies expert witnesses	12/16/91
5. Arco identifies expert witnesses	05/13/92
6. Discovery concerning expert witnesses completed	12/16/92
7. Discovery on all aspects completed	05/31/93
8. State Counsel Convene, to complete final pretrial	02/14/94
9. Final pretrial order	04/30/94

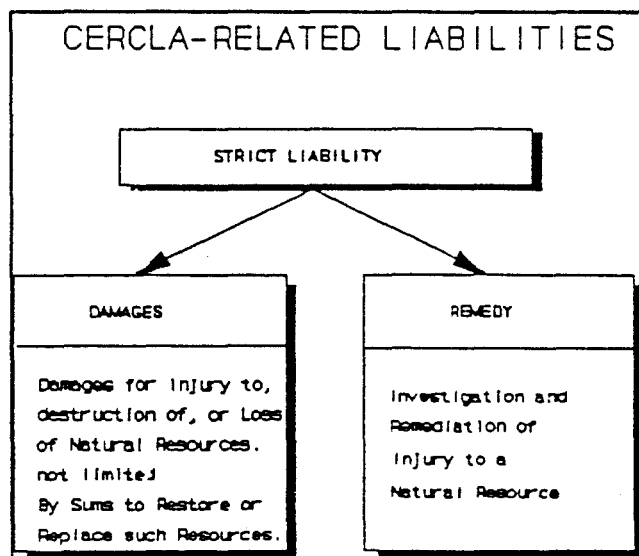
This schedule gives the State of Montana fewer than 2 years to complete a required and detailed Natural Resource Damage Assessment (NRDA) on the largest Superfund complex in the country. This report provides information and documentation for \$4,956,059.00 for full funding by the 1991 Montana State Legislature for technical, legal, and administrative activities relating to Montana's natural resource damage litigation concerning sites in the Clark Fork River Basin and other potential sites in the State of Montana.

Damages in the Clark Fork case are expected to be in at least the tens of millions of dollars.

REMEDY VS. DAMAGES

The overriding objective of the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA or Superfund) is to ensure that parties responsible for hazardous waste releases bear the cost of cleanup (remedy) and pay for natural resource damages (damages).

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A **remedy** case refers to the investigation and remediation of injury to a natural resource, whereas a **damage** case concerns damages for injury to, destruction of, or loss of natural resources, including the reasonable cost of assessing such injury, destruction, or loss.

The Department of Health and Environmental Sciences has been and will continue to be the lead state agency in an oversight and coordination role for the remedy case. The lawsuit and budget request reflect the damages portion of the CERCLA case.

The recovery of damages has two components:

Response Costs. Agency costs, contractor costs, and legal costs incurred while assessing damages (which are the costs in this request) are recoverable under the damage case. Response costs recovered can be returned to the general fund. The probability of recovery of these costs are extremely high but not absolute.

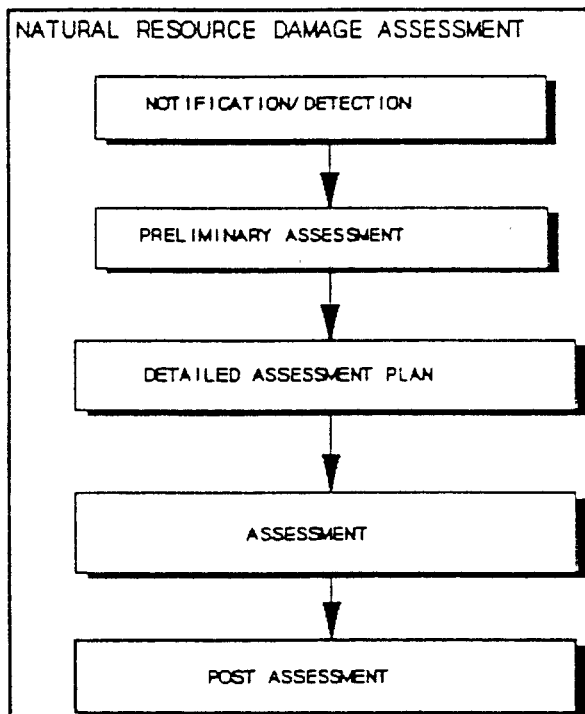
Damages. These funds, by law, are restricted and used only to restore, replace or acquire like resources or resource services. At present, such damages cannot be deposited in the general fund. Examples of uses of these funds in past cases include:

- Buying and operating special resource areas such as wildlife sanctuaries and park areas.
- Buying fishing access in the affected area.
- Developing fish hatchery and stocking programs.
- Habitat enhancement programs.
- Natural resource public education programs.

Because the court ordered damage case will precede the remedy selection process, increased costs for the NRDA will be incurred. Greater technical efforts will be necessary than might otherwise have occurred and the exact level of remedy will not be known when the NRDA is completed.

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NATURAL RESOURCE DAMAGE ASSESSMENT



The United States Department of Interior (DOI) was given the responsibility to promulgate rules to implement NRDA cases and establish guidelines for conducting assessments. The State of Montana intends to follow and be at least as comprehensive as the DOI guidelines for the Clark Fork assessment.

The NRDA for the Clark Fork River Basin will be carefully designed to obtain only that exact information required for the damage claim and will avoid unnecessary scientific assessments. To ensure this, the following three phases are to be implemented:

Phase I. Preliminary Assessment and Detailed Research Plan.

This phase reviews case statutes and existing research, develops a case strategy, provides a careful preliminary assessment of potential damage magnitudes, sets priorities for scientific and economic work, and develops a detailed research plan to meet the case strategy and objectives.

Phase II. Detailed Scientific and Economic Investigations.

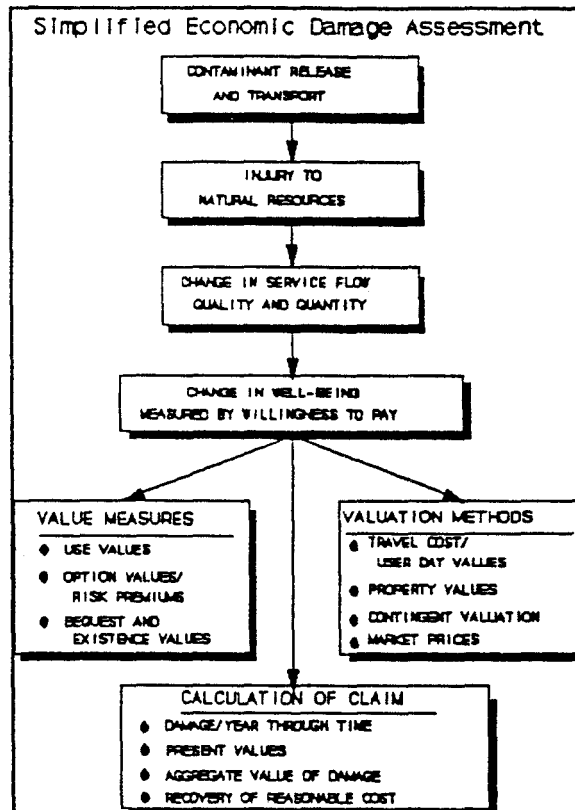
This phase completes the NRDA and has three components:

Management Support. The scientific and economic studies must be fully integrated. This requires a technical contractor working with the state's program coordinator and chief legal counsel.

Physical Injury Assessment Studies. The chemical, temporal, and geographic link between the release of contaminants and the natural resource injury must be determined. This research will be done in a manner useful to economic valuation, and involves surface water, fisheries and aquatic life, wetlands, groundwater, soils, vegetation, and air.

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Economic Valuation Studies. Available and new research will be used to assess the level and quality of use to the resource impacted in the past and future, and assign economic values to behavioral responses. A simplified economic damage assessment is shown below:



Value measures will include **use values**, which are values related to the impact of one's direct use of a resource, and **non-use values**, which includes motives to bequest the resource for use now and in the future, and to protect the existence of the resource in an uncontaminated state.

Phase III. NRDA Support to Litigation.

The NRDA must be conducted in such a manner as to increase the level of scientific defensibility and court acceptance and must be able to withstand intense attack in the courtroom. The NRDA will be coordinated with the litigation process (on-going case strategy; selection and preparation of expert witnesses; depositions; and trial preparation and testimony; etc.).

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The Clark Fork NRDA and litigation schedule is shown below. As can be seen, the assessment is designed to conform to the requirements of the court ordered schedule.

NRDA AND LITIGATION SCHEDULE														
	FY 1991		FY 1992				FY 1993				FY 1994			
NRDA SCHEDULE	1/91	4/91	7/91	10/91	1/92	4/92	7/92	10/92	1/93	4/93	7/93	10/93	1/94	4/94
PHASE I														
PRELIMINARY PLAN/DETAILED SCREEN														
PHASE II SCIENTIFIC STUDIES														
Fisheries, Surface Water, Sediments, Wetlands and Regional Modeling														
Soils, Vegetation, Groundwater, Air Quality, etc														
Recreation Studies														
Total Valuation Survey														
Other Economic Analysis														
NRDA Final Report														
PHASE III Litigation Support														
LITIGATION SCHEDULE														
Initial Preparation														
Discovery and Motions														
Pretrial Preparation														

STATE RESOURCE REQUIREMENTS

The State of Montana is responsible for coordinating and managing assessments including the Clark Fork assessment and lawsuit. When considering the budget, three program elements are established in order to complete assessments and successfully proceed with the Clark Fork lawsuit:

Management and Coordination: Management and coordination of natural resource damage assessments which includes completion of the assessment on the Clark Fork River Basin requires coordination with many state and federal agencies, contractors, private industry, and the public. In order to have effective management and coordination, the program staff should include a coordinator, two technical positions (environmental specialist and economist), and an

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administrative assistant. This staff will initially work on the Clark Fork NRDA and lawsuit, but will also be available for NRDA work on other Superfund and contamination sites that potentially have natural resource injury and damages.

State Litigation Team: Litigation for a case of this magnitude requires extensive legal effort by the State of Montana. Identification of expert witnesses through discovery, depositions, case management, and assisting outside counsel in preparation for trial will require a state legal staff of 2 attorneys and 2 para-legals in fiscal year 1992 and 3 attorneys and 2 para-legals in fiscal year 1993 and beyond.

Contracting: Completing the NRDA and pursuing the natural resource damage claim will require contracting with technical and legal professional consultants with expertise in natural resource damage assessments or litigation.

The Clark Fork NRDA will require exhaustive research in the physical science and economic area. The state will not have the manpower or necessary expertise, except in an oversight and management role, to complete these tasks. Outside contracting for this effort is absolutely necessary to ensure the NRDA is completed on-time and is scientifically defensible.

The Clark Fork litigation will also require retained counsel with significant environmental and litigation expertise in this complex litigation process. Particular expertise with reference to CERCLA and the recovery of natural resource damages is needed. The state does not currently have this expertise, and cannot reasonably and expeditiously add such expertise without the guidance of outside contract legal services.

BUDGET REQUEST

The following table summarizes the budget needs for the described effort. The table is broken down into: Contract Scientific and Economic Services, Contract Legal Services, and State Agency Costs. Although broken down by fiscal year, it is important to note identified research categories cannot clearly be defined on a fiscal year basis. Therefore, it is extremely difficult to budget on a fiscal year basis and necessary to seek a biennial appropriation.

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Table 1

Summary of Budget Request

	FY 1991	FY 1992	FY 1993	FY 1994
A. CONTRACTOR SCIENTIFIC AND ECONOMIC SERVICES				
<u>Phase I. Preliminary Screen/Detailed Plan</u>				
General Support/Management	\$ 30,000			
Economist	\$ 60,000			
Physical Sciences	\$ 60,000			
Phase I Total	\$ 150,000	\$0	\$0	\$0
<u>Phase II. Quantification of Injury/Damages</u>				
Technical Management/Coordination	\$ 20,000	\$ 110,000	\$ 70,000	
Economics				
- Recreation Studies		\$ 200,000	\$ 100,000	
- Total Valuation Study		\$ 200,000	\$ 100,000	
- Air, Ground Water, Soils, etc		\$ 75,000	\$ 25,000	
- Restoration/Replacement of Services		\$ 75,000	\$ 25,000	
- NRDA Summary Report		\$ 40,000	\$ 60,000	
Physical Sciences				
- Fisheries, Surface Water, Stream Sediments, Aquatic Life, and Wetlands Studies (includes regional modeling)	\$ 150,000	\$ 550,000	\$ 300,000	
- Ground Water Studies		\$ 150,000	\$ 150,000	
- Soils and Vegetation		\$ 150,000	\$ 100,000	
- Air Quality		\$ 100,000	\$ 50,000	
Phase II Total	\$ 170,000	\$1,650,000	\$ 980,000	\$0
<u>Phase III. Litigation Support</u>				
Management		\$ 50,000	\$ 50,000	\$ 50,000
Economics		\$ 50,000	\$ 50,000	\$ 50,000
Physical Sciences		\$ 50,000	\$ 75,000	\$ 75,000
Phase III Total	\$0	\$ 150,000	\$ 175,000	\$ 175,000
TOTAL (Phase I + II + III)	\$320,000*	\$1,800,000	\$1,155,000	\$ 175,000

* \$50,000 obtainable from the \$200,000 existing Fiscal Year 1991 budget

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Table 1
 (cont.)

Summary of Budget Request

	FY 1991	FY 1992	FY 1993	FY 1994
B. CONTRACT LEGAL SERVICES				
Initial Preparation		\$ 135,000		
Discovery and Motions		\$ 301,500	\$ 603,000	\$50,250
Pretrial Preparation				\$185,625
TOTAL CONTRACT LEGAL SERVICES	\$0	\$ 436,500	\$ 603,000	\$235,875
C. STATE AGENCY COSTS				
Salaries + Benefits + Operating Program Staff		\$ 211,524	\$ 195,167	\$195,167
Legal Staff		\$ 193,002	\$ 211,866	\$211,866
Computer Document Management		\$ 100,000	\$ 50,000	
Interagency Support		\$ 15,000	\$ 15,000	
TOTAL STATE AGENCY COSTS	\$0	\$ 519,526	\$ 472,033	\$407,033
TOTAL COSTS ALL CATEGORIES	\$320,000	\$2,756,026	\$2,230,033	\$817,908
EXISTING GOVERNOR'S BUDGET		\$1,000,000	\$1,000,000	
ADDITIONAL BUDGET NEED		\$1,756,026	\$1,230,033	

TOTAL COST - FY 91 + FY 92 + FY 93 + FY 94 = \$6,123,967

TOTAL NEED FOR FY 92 + FY 93 = \$4,986,059

ADDITIONAL NEED FOR NATURAL RESOURCE DAMAGE PROGRAM BUDGET = \$2,986,059

HOUSE OF REPRESENTATIVES

APPROPRIATIONS

ROLL CALL VOTE

TIME

8:32t

DATE 3-15-91

BILL NO. 2

NUMBER 25

MOTION:

Sub 4. Cobb
Contingency upon passage of a law to
allow a special long term ^{highway} entity loan for this project

NAME	AYE	NO	ABSENT
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		✓	
REP. FRANCIS BARDANOUVE, CHAIRMAN		✓	
TOTAL	3	15	

HOUSE OF REPRESENTATIVES

APPROPRIATIONS

ROLL CALL VOTE

TIME

8:47 PM

DATE

BILL NO.

NUMBER

26

MOTION:

Spa Office 2

(19)

NAME	AYE	NO	ABSENT
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	1	✓	
REP. MARY LOU PETERSON		✓	
REP. JOE QUILICI	✓		
REP. CHUCK SWYSGOOD		✓	
REP. BOB THOFT		✓	
REP. TOM ZOOK		✓	
REP. FRANCIS BARDANOUVE, CHAIRMAN		✓	
TOTAL	8	10	

HOUSE OF REPRESENTATIVES

APPROPRIATIONS

ROLL CALL VOTE

TIME

27

DATE

3-15-91

BILL NO.

2

NUMBER

27

MOTION:

Bard
A-V 2

NAME	AYE	NO	ABSENT
REP. RAY PECK, VICE-CHAIRMAN		✓	
REP. DOROTHY BRADLEY	1	✓	
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	✓		
REP. FRANCIS BARDANOUVE, CHAIRMAN	✓		
TOTAL	9	9	

HOUSE OF REPRESENTATIVES

APPROPRIATIONS

ROLL CALL VOTE

TIME 9:08

DATE 3-15-91

BILL NO. 2

NUMBER 28

MOTION: _____

Col. H. S. Sub. 17

NAME	AYE	NO	ABSENT
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		✓	
REP. FRANCIS BARDANOUVE, CHAIRMAN		✓	
TOTAL	5	13	

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HOUSE OF REPRESENTATIVES

APPROPRIATIONS

ROLL CALL VOTE

TIME

29

DATE

3-15-91

BILL NO.

2

NUMBER

29

MOTION:

John Bradley

NAME	AYE	NO	ABSENT
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		✓	
REP. FRANCIS BARDANOUVE, CHAIRMAN		✓	
TOTAL	6	12	

HOUSE OF REPRESENTATIVES

APPROPRIATIONS

ROLL CALL VOTE

TIME

DATE 3-15-91 BILL NO. 2 NUMBER 30

MOTION: _____

Reconsider
Fed Missing Home Ref. (32)

NAME	AYE	NO	ABSENT
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	✓		
REP. FRANCIS BARDANOUVE, CHAIRMAN		✓	
TOTAL	11	7	

APPROPRIATIONS

TIME

9:36

3-15-91

2

32

Back - P, P, P, P 7015
in (3.2)

NAME	AYE	NO	ABSENT
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		✓	
REP. FRANCIS BARDANOUVE, CHAIRMAN	✓		
TOTAL	5	13	

Julia

HOUSE OF REPRESENTATIVES

VISITOR'S REGISTER

Appropriations

COMMITTEE

BILL NO. #2DATE 3/15/91 SPONSOR(S) _____

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	BILL	OPPOSE	SUPPORT
Penny Robbe	SRS			
Julie Robinson	SRS			
Nancy Ellora	SRS			
Dave Thorstein	SRS			
Chris Voluntary	DD Lobbyist			✓

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