

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 52nd LEGISLATURE - REGULAR SESSION

SUBCOMMITTEE ON INSTITUTIONS & CULTURAL EDUCATION

Call to Order: By WM. "RED" MENAHAN, on April 22, 1991, at 10:45 A.M.

ROLL CALL

Members Present:

Rep. Wm. "Red" Menahan, Chairman (D)
Sen. Gary Aklestad (R)
Sen. Tom Beck (R)
Rep. Dorothy Cody (D)
Rep. Chuck Swysgood (R)
Sen. Eleanor Vaughn (D)

Members Excused: Sen. Dick Manning

Staff Present: Sandra Whitney, Associate Fiscal Analyst (LFA)
Mary LaFond, Budget Analyst (OBPP)
Mary Lou Schmitz, Secretary

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

Announcements/Discussion: Sen. Eve Franklin sat in for Sen. Manning

SPECIAL MEETING BUDGET RECOMMENDATIONS EXHIBIT 1

CHAIRMAN MENAHAN opened with Library Commission and the amount of \$62,812, Library books increase. **Jackie Wrigg, Accountant, State Library** said the important thing with the library books is the increasing inflation rate and they have been falling behind. They are at the point now of cutting publications and books that are being used, plus cutting books for people doing some particular research and in dire need of books. **REP. CODY** asked what kind of increase have they gotten over the past three or four sessions? **Ms. Wrigg** said there was only one session they got anything additional and that was two years ago because of the inflation rate. **REP. SWYSGOOD** asked where the \$62,813 was reflected? **Ms. LaFond** said it is in the equipment, Library books inflation so the difference between the LFA and OBPP is \$129,439 FY 92 and \$152,506 FY 93. The budget office included a 5.3% increase the first year in books and 10.57 the second year. The Subcommittee increased the \$62,813.

CHAIRMAN MENAHAN asked if the increase is based above the

previous actual? **Ms. LaFond** said that was over and above what the budget office had inflated for FY 90 and FY 91. **Sandy Whitney, LFA**, said they went in strictly current level.

CHAIRMAN MENAHAN went on to the next paragraph, **EXHIBIT 1**, two position upgrades and asked if that is because of the "snapshot" they took? **Ms. Wrigg** said that was correct. They had already been submitted long before that, and the thought was, it took about four or five months to get them processed so they came in after that time. These people are currently being paid at the higher rate. **Ms. LaFond** said the position the Budget Office took was after the "snapshot" and there were no increases to positions. To be consistent this is one of the areas. **CHAIRMAN MENAHAN** asked if the upgrades are given by the Personnel Department? **Ms. Wrigg** said that was correct.

REP. SWYSGOOD said if they "eat" this they can transfer up out of other programs to personal services but they can't transfer down. They can go out of equipment or operating expenses if they did not have enough in personal services.

SEN. AKLESTAD asked what the objective is for this meeting? **CHAIRMAN MENAHAN** said the idea is for the Subcommittee to pick out the areas of "softness" in **EXHIBIT 1** and give recommendations to the Conference Committee which will meet at 4:00.

SEN. BECK asked if they will be discussing all general fund items and **CHAIRMAN MENAHAN** said yes.

CHAIRMAN MENAHAN referred to the third paragraph, **EXHIBIT 1**.

REP. SWYSGOOD said a lot of the items on the sheet, **EXHIBIT 1**, have been tried numerous times through the process and have gotten nowhere and if, as a Subcommittee, they decide to delete some of these expenditures from the budget, is that going to be installed firmly? **REP. CODY** said she thought it was strictly up to the conferees and all they want from the Subcommittee is a recommendation if there is a "soft spot".

SEN. BECK asked how much is expected to be cut? **CHAIRMAN MENAHAN** said no figure was given to him and this list **EXHIBIT 1**, came from the Office of Budget and Program Planning, something they have not done before. These are increases. **SEN. BECK** asked if the items on the list are all over the Governor's Budget? **CHAIRMAN MENAHAN** said some were recommended as modifieds and he has a hard time with the mental health and did not believe it was over and above the transfer. It was held harmless moving the money from one to the other and the only percentage raise was the 2%. He thought that was an agreement between the Department of Institutions and OBPP because two years ago they took the block grant money and put in here and just put it back in the alcohol tax fund and took general fund. **Ms. LaFond** said the Budget Office did not recommend the general fund in Mental Health. The money was left over in the block grant and had not been moved

back over into mental health. The decision the Subcommittee made was to leave the block grant in chemical dependency and put the \$592,000 over the Biennium of general fund into Mental Health.

REP. SWYSGOOD said for the Subcommittee's sake they look at the list, EXHIBIT 1, and decide if they are or are not the "soft spots" and turn that recommendation into the Conference Committee.

SEN. AKLESTAD said one reason they are meeting is the Subcommittee should know more about the inner workings of those areas than the Free-Conference Committee, Finance and Claims or Appropriations Committee. As a courtesy, the Subcommittees should make recommendations and this is the proper way to go.

SEN. BECK said whether the Subcommittee says the items are vulnerable or whether they don't, they are still vulnerable when it comes to the Free-Conference Committee. The Subcommittee could make recommendations for cutting or staying but he hates to put the Conference Committee in that position.

CHAIRMAN MENAHAN said this is the tightest Budget of all five.

SEN. AKLESTAD said the Free Conference Committee cannot pick a dollar amount as they are not familiar with the workings of this Subcommittee and the subject matter. He thinks they understand this budget has the least amount of cuts' ability.

REP. SWYSGOOD referred to the full Appropriation's meeting last Sat. and noted that the wish of the Chairman of that Committee was that the Subcommittees get together and look at this. He assumes the reason for doing this is that the Subcommittees know their own budgets better than anybody else. This sheet shows some of the areas that could be cut. This might keep them from going in and eroding other parts of their budget that are necessary and will be jeopardized

REP. BARDANOUVE said this is a most difficult situation we're in. He thinks the Subcommittee has done a fine job and he has looked at the budgets very carefully and he has said before HB 2 is about the finest piece of legislation they have passed in several sessions. However, they are faced with the reality of a tight fiscal situation. The revenue is not certain yet and they have to come out with a balanced budget. If worse comes to worst and the Conferees have to reduce the budget, if there is something the Subcommittee can give them a guideline on they can make a more intelligent decision. When budgets are reduced you always try to reduce the area that will do the least harm.

CHAIRMAN MENAHAN referred to Mental Health Community Services general fund increase. In the 1991 biennium \$592,000 was transferred from the Chemical Dependency Block Grant to sufficiently fund community services. This \$592,000 increase is over and above the transfer and was not included in the Executive Budget. REP. BARDANOUVE said on the surface to the budget office

it might look like some new money unless you are replacing money that was lost in the 1989 session and use a different way of budgeting. You have to replace it with general fund money. **REP. MENAHAN** said the Subcommittee was told they had to have the QMRP and now they say they don't need it. If the Administration tells you they need something, then later on tells you they don't, I would take them at their word and not give it to them. They have to be consistent. **REP. MENAHAN** said they needed it for funding at Eastmont and thought this position was filled. **Ms. LaFond** said they do have one QMRP and then they were asking for this one above and beyond the six FTE approved in the executive budget. **REP. CODY** said they have one QMRP for 55 patients.

REP. BARDANOUVE said they are just looking at what is over the Governor's budget. There are items in the other budgets that should be looked at. **SEN. BECK** asked if that included modifications? **REP. BARDANOUVE** said the whole budget is subject to review. **REP. SWYSGOOD** said the records show they voted against some of the executive recommendations too.

SEN. VAUGHN asked how they are going to take the money out, cut from everything or just their recommendations? **SEN. AKLESTAD** said it is the responsibility of the Legislature to cut in order to send down a balanced budget, and it is not balanced this time. **REP. MENAHAN** said they thought it was. **SEN. BECK** said the list, **EXHIBIT 1**, is only above the Governor's budget and thinks they need the modifications list also to take cuts out of everything.

REP. SWYSGOOD asked if they could work off the narratives instead of the Bill? Each individual budget has a list of all the modifications on it and they can see exactly the Governor's recommendation.

The committee went through each page, line for line, discussing and recommending. They agreed the Capitol tour guide could be taken out. **REP. CODY** asked if it could be taken out without authority? **SEN. BECK** said the 4% Accommodation's Tax was an audit issue. **Brian Cockhill, Montana Historical Society**, said you can't appropriate that money for the Capitol Tour Guide program according to statutory language. SB 411, an attempt to change the language, passed the Senate and was tabled in the House so that is why they went to general fund in the last instance because they thought it was a needed program.

REP. SWYSGOOD asked if they could cut the \$592,000, paragraph 7, **EXHIBIT 1**, general fund that was put into Community Services and revert that back to the Block Grant. **REP. MENAHAN** said they had taken it out of Community Mental Health and put it in Chemical Dependency. **Ms. Whitney** said the Block Grant can be used for both. **REP. SWYSGOOD** asked if they take the general fund money away that they have used to replace the \$592,000, would the Swan River Chemical Dependency program be in jeopardy because there would not be enough money for both? **Ms. Whitney** said no, the Swan River is state alcohol money, the \$296,000 per year that was

moved back into chemical dependency was federal block grant. However, the federal block grants have decreased in amount. If you replace the Mental Health general fund with federal block grant you will cut the chemical dependency program. Swan River is funded with state alcohol tax.

REP. CODY said the they have to be realistic about what they are doing and she does not think it is right for this Subcommittee to take out the 2% provider rate increases when everyone else got 5%. If they take out the 5% for all the other providers then the realistic thing would be to take out our 2% but she is not willing to do that unless the conference committee looks at the whole picture. She asked Ms. LaFond if the budget office gave anybody a provider increase or was it all done in the Human Services Subcommittee? Ms. LaFond said there were no provider increases given in their recommendation. REP. CODY said except for the Medicaid under the nursing homes. Ms. LaFond said those were given after Subcommittees started.

REP. MENAHAN said he thinks some of the issues they have gone over will have to be brought out in the Conference Committee. If the provider increases are not recommended for a cut and if that is the policy of the administration, then the decision should be made by that committee. REP. SWYSGOOD said he felt the same way. If they are going do away with provider increases then do away with all provider increases.

REP. MENAHAN said they can talk to the Committee about Capitol Tour Guides; items on white sheet, EXHIBIT 1; and 2% provider increase. REP. SWYSGOOD said in talking to the Committee it should be emphasized everyone be treated equally.

ADJOURNMENT

Adjournment: 12:18 P.M.


WM. "RED" MENAHAN, Chair


MARY LOU SCHMITZ, Secretary

HOUSE OF REPRESENTATIVES

INSTITUTIONS AND CULTURAL EDUCATION SUBCOMMITTEE

ROLL CALL

DATE

4-22-91

NAME	PRESENT	ABSENT	EXCUSED
REP. WM. "RED" MENAHAN, CHAIRMAN	✓		
SEN. DICK MANNING, VICE-CHAIRMAN		✓	
REP. DOROTHY CODY	✓		
SEN. ELEANOR VAUGHN	✓		
REP. CHUCK SWYSGOOD	✓		
SEN. GARY AKLESTAD	✓		
SEN. TOM BECK	✓		
<i>Sen. Eve Franklin</i>	✓		

SECTION D. INSTITUTIONS AND CULTURAL EDUCATION:

EXHIBIT 1

DATE 4-22-91

HE Instit. Subcomm.

5115-Library Commission Page D-1 Lines 20 & 21 \$62,813
Library books increase - Would provide increase above the inflation increase in Executive Budget.

Page D-1 Lines 20&21 \$11,692
Funding added for two position upgrades after budgets were developed and are not included in the Executive Budget.

Page D-2, Lines 5&6 \$437,621
The 1989 Legislature provided \$566,000 general fund assistance to local libraries for the 1991 biennium in a miscellaneous appropriation bill, which was continued in the Executive Budget but not in the LFA current level. The Legislature has added this \$437,621 increase over and above the 1991 biennium increase.

6401- Institutions Page D-5 Lines 3 & 4 \$16,836
Board of Pardons increase - Would provide increase in per diem, travel and postage above the Executive budget.

Page D-6, Lines 3 & 4 \$133,443
WCC Additional Staff increase - Added 3.00 FTE correction officers not included in the Executive Budget.

Page D-6, Lines 23 & 24 \$81,939
Community pre-release 2% providers increase - Not included in the Executive Budget.

Page D-7 lines 2 through 4 \$592,000
Mental Health Community Services general fund increase. In the 1991 biennium \$592,000 was transferred from the Chemical Dependency Block Grant to sufficiently fund community services. This \$592,000 increase is over and above the transfer and was not included in the Executive Budget.

Page D-7, Lines 9 & 10 \$299,662
Community Mental Health Centers 2% provider increase - Not included in the Executive Budget.

Page D-7, Lines 15 & 16 \$105,974
Montana State Hospital increase FTE - 2.00 FTE Chemical Dependency Counselors were recommended in the Executive Budget contingent upon the Galen closure. The 2.00 FTE are not needed because Galen is not closing.

Page D-8, Lines 6 & 7 \$66,266
Eastmont Human Services Center increase FTE - 1.00 FTE Qualified Retardation Specialist not included in the Executive Budget. Eastmont passed certification survey in February without this position.

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