

**MINUTES**

**MONTANA SENATE  
52nd LEGISLATURE - REGULAR SESSION**

**COMMITTEE ON FINANCE & CLAIMS**

**Call to Order:** By Senator Judy Jacobson, Chairman, on April 6, 1991, at 7:00 a.m., Room 325

**ROLL CALL**

**Members Present:**

Judy Jacobson, Chairman (D)  
Greg Jergeson, Vice Chairman (D)  
Gary Aklestad (R)  
Thomas Beck (R)  
Esther Bengtson (D)  
Don Bianchi (D)  
Gerry Devlin (R)  
Eve Franklin (D)  
Harry Fritz (D)  
H.W. Hammond (R)  
Ethel Harding (R)  
Bob Hockett (D)  
Thomas Keating (R)  
Richard Manning (D)  
Dennis Nathe (R)  
Lawrence Stimatz (D)  
Larry Tveit (R)  
Eleanor Vaughn (D)  
Mignon Waterman (D)  
Cecil Weeding (D)

**Members Excused:** None

**Staff Present:** Teresa Olcott Cohea(LFA).

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

**Announcements/Discussion:** Senator Jacobson said we would continue with Section A of HB 2. We are presently on page A-8 and will continue on with amendments.

HEARING ON HOUSE BILL 2

CONTINUATION OF SECTION A  
GENERAL GOVERNMENT AND HIGHWAYS

CRIME CONTROL DIVISION - Page A-11

Senator Fritz moved to amend Page A-11, line 1 (see exhibit 1).

Senator Fritz said this is a coordination amendment with SB 321 which has passed both houses. It allows for money to be spent from existing funds.

Senator Fritz' amendment motion (see exhibit 1) carried unanimously on a voice vote.

DEPARTMENT OF JUSTICE - Page A-11

Senator Aklestad asked with regard to Page A-11, lines 23 and 25 were included in the original Governor's budget. Clayton Schenck, LFA, said on line 23, the \$100,000 figure is a contingency appropriation that has been in there for several bienniums. The item on line 25 for Indian legal jurisdiction is a modification that was added this biennium.

Senator Aklestad made a motion that someone on the committee justify the existence of the line item and why it is added in as far as on lines 24 and 25; strike the figure and on line 25, both years of the biennium.

Representative Quilici said with regard to line 23, \$100,000 is for contingency for legal fees for contracted services. The attorney for Indian jurisdiction, Rep. Quilici said they are in court right now and have numerous cases before the tribes and we have given them added money for the Salish Kootenai litigation and this is over and above that. He added that Mr. Racicot could speak to that.

Mr. Racicot said they have been experiencing a growth in the amount of litigations with the Montana tribes, which requires legal work and trial preparation. As a consequence they have not been able to be legally prepared to meet those demands.

Senator Jacobson said there is an amendment which would add \$400,000 to this to cover costs with the Crow tribe litigation.

Senator Jergeson made a substitute motion to amend Page A-11, line 25 and Page A-13, line 17 (see exhibit 2).

Senator Devlin asked how many FTE's and what kind of funding there has been in the last biennium. Mr. Racicot said it is one FTE and the \$100,000 is the amount of money they have had, and

money is needed because of the expected trials in the next year and trial preparations have to be made. Expert witnesses will have to be secured which is where the large expense come in.

Senator Devlin asked if it was within the Governor's budget and if it was modified and turned down in committee. Mr. Racicot said no, they have been relatively recent developments. He added there is overwhelming development in this area on the federal level as well as the Montana area. He noted that since the legislature convened, they have received the trial schedule.

When asked by Senator Devlin if line 25, Page A-11, the \$49,543 and \$44,941 were in the Governor's budget. Mr. Racicot said he did not believe so.

Senator Jacobson said it was discussed in subcommittee but it wasn't until the recent developments that they actually asked for the money. Consequently it could not have been addressed in the Governor's budget if they were not asking for it in January. She asked Rep. Quilici to address the issue.

Rep. Quilici said the Indian litigation was discussed during the subcommittee hearings and that was the reason for the one FTE, the attorney. He added that the \$400,000 was not discussed before the subcommittee.

Senator Aklestad asked Mr. Racicot if the Blackfeet tribe had withdrawn the water negotiations, and Mr. Racicot explained that they had. Senator Aklestad asked what they are going to do legally since they have withdrawn. Mr. Racicot said the process requires a great deal of field work by expert witnesses which is expensive because most of these people are not government employees. When asked by Senator Aklestad if other states have gone through this process, Mr. Racicot said other states have also spent considerable money on this process.

Senator Jergeson's substitute amendment motion (exhibit 2) carried with Senators Aklestad, Devlin, Tveit opposed.

#### Page A-12

Senator Waterman moved to amend Page A-12, following line 4 (see exhibit 3).

Senator Jacobson asked Rep. Quilici if this came up in his subcommittee. Rep. Quilici said they heard extensive testimony as to the need of added FTE's and that the full appropriations committee also looked at this. He noted the bottom line is that we have to prioritize in this legislature, and that we will be looking at a lot of budgets down the road. FTE's will need to be added in areas like Human Services.

Senator Waterman said it is out of state special revenue and not general fund dollars. She noted that more responsibility is

being added to this department and there is a need for added FTE's. This could be looked at again in two years. She asked Mr. Racicot to comment on this.

Mr. Racicot said that department is doing background investigations now and there is also a need in the auditing and licensing areas. Last year there were 44,000 tax returns and five people to undertake the responsibilities. There also are not enough people to carry on the work in the laboratory areas.

Senator Jergeson stated that Bob Robinson, Department of Justice, had told him that they were adding three FTE's. Mr. Robinson said it was ten FTE's which would be three investigators, two auditors, a couple licensing technicians, a lab personal and clerical people to support them. Senator Jergeson said it was his understanding from conversation with Mr. Robinson that they were asking for three investigators.

Senator Jacobson asked Rep. Bardanouve what took place in the appropriations committee that made them decide to turn this down. Rep. Bardanouve said he supported the request for some additional help. There were several motions in committee that failed. When asked by Senator Jacobson if the motion was made on the House floor, Rep. Bardanouve said it was not brought up on the House floor.

Senator Bianchi said it is special revenue funding but questioned where the money is. Rep. Quilici said state special revenue comes from fees that are collected on gaming machines, video machines and things like that. He said fees and receipts are broken down; some money goes to maintain the gaming division and some in the general fund, and a large percentages goes to local governments. Senator Bianchi asked if the one million dollars was not appropriated, would that money go back into those three areas, and Rep. Quilici said that was right.

Senator Devlin asked Rep. Quilici regarding his statement that a portion goes into general fund. Rep. Quilici said he was mistaken. They go to local governments but they would stay in the account, the gaming control account. All would stay in the gaming account except that going to the local governments. Senator Devlin questioned if local governments would get more. Rep. Quilici said receipts that come from the fees go to the gaming control. The revenue derived from them that the casinos pay goes to local governments.

Senator Bengtson questioned this area of funding for the Department of Justice and the subcommittee having addressed those needs. Rep. Quilici said some of the programs other than gambling control were discussed and added FTE put in various agencies. He said with the gaming control division, after checking with various sheriffs they did not have many complaints from consumers regarding gaming control. He said local governments have authority to handle much of this.

Senator Bengtson questioned if other areas of the Department of Justice were considered regarding their stated need for more staff. Rep. Quilici said the Attorney General thinks he needs more staff. When he came before the subcommittee he asked for over 80 additional FTE's for his entire department. When questioned by Senator Bengtson as to how many the subcommittee endorsed, Rep. Quilici said the subcommittee added 12 but some were taken out in the full appropriations committee.

Senator Jacobson said information she has received is there are four additional FTE's. With the amendment just passed, there is another \$400,000 added to that budget for litigation costs so there are some increases in that budget and no decreases.

Senator Waterman said for whatever reason this budget was held very tight. She added there is a division of gaming control money between the state and local governments. That does not affect the one million dollars. This is the State's share of that. She concluded she is making this motion because she feels they have justified their request and it was not granted in the subcommittee. The Department asked that regulations be relaxed if there were no more FTE's because they cannot meet their workload. She said the legislature cannot demand regulations if we refuse to fund the staff.

Senator Jacobson said this is adding 10 FTE's and it may be state special revenue fund but it is going into the base of a budget and adding people. She noted there have been added increases here and while the budget may have been held close, we will find as we continue through this hearing that most of the budgets have been held close.

Senator Aklestad asked if this would be held out as a line item; that all amendments in HB when it gets to the Senate floor will be line itemed or designated as such. Senator Waterman said that was part of her motion.

Senator Jacobson said this amendment would be line itemed and language would have to be added to say it is zero based.

Senator Aklestad questioned if the money previously added would automatically be line itemed or do they have to be specifically stated in the motion to be line itemed to be put in the budget before it gets to the Senate floor. Senator Jacobson said it depends on how the amendment is written. She noted as we go through this budget, she felt there are far more line items than we have ever seen before. When asked by Senator Aklestad if the previous amendment (exhibit 2) was a line item, Senator Jacobson said it was.

Senator Waterman's amendment motion (exhibit 3) failed on a roll call vote, with 7 members voting yes, 11 voting no.

Senator Beck moved to amend Page A-12, following line 6 (see exhibit 4).

When mentioned by Senator Jacobson that HB 568 dealing with this amendment had not passed both houses, Senator Beck withdrew his motion.

Senator Fritz moved to amend Page A-12, line 9 (see exhibit 9)

Senator Jacobson said exhibit 9 would add four additional patrol officers and four dispatchers. It comes from state special revenue; it is the Highway fund.

Senator Fritz' motion to amend (exhibit 9) passed on a roll call vote, with 10 voting yes, 9 voting no.

Senator Weeding moved to amend Page A-12, following line 11 (see exhibit 5)

Senator Weeding said this was in the Governor's executive modifications.

Rep. Quilici said this modification was brought before the subcommittee. They granted \$51,000 of state special revenue for handheld radios which was taken out by the full appropriations committee. He added he did not think the second year of \$57,953 was in the Governor's request.

When asked by Senator Jacobson if the state special revenue was the gas tax, the Highway fund, Rep. Quilici said it was.

Senator Keating asked Mike Lavin to explain the amendment.

Mike Lavin, Attorney General's Office, said they requested the \$51,000 which was included in the Governor's budget for half of the purchase of half of the radios. He said that is why there are two different figures there. When questioned by Senator Keating if the budget included \$51,000 for the biennium appropriation or for the second year, Mr. Lavin said it included \$51,000 as a biennial appropriation in the Governor's budget. Senator Keating asked if the amendment was to restore \$51,000 and an additional \$57,000. Mr. Racicot said to purchase radios for all officers, yes.

Senator Devlin made a substitute motion that we accept the \$51,000 the first year and not the \$57,000 the second year.

Senator Bianchi asked where the money would go if it is not spent. Mr. Racicot said it would go to the Highway Department and Highway Patrol Division.

Senator Jacobson said this is the account that seems to be depleting quickly.

Senator Devlin's substitute motion carried unanimously.

Senator Waterman moved to amend Page 12, line 7 to fund five FTE's in the patrol division.

Senator Waterman asked the Attorney General to describe what would happen to that money if the one million dollars in the special revenue account is not utilized.

Mr. Racicot said the money was involved in the regulation and gaming industry. The money would be there unless some other direction is given by the legislature.

Senator Waterman's motion to fund five FTE's passed on a roll call vote, with 10 voting yes, 8 voting no.

Page A-13

Senator Tveit moved to amend page A-13, line 6 (see exhibit 11)

Senator Tveit said Mick Robinson, Central Services Division, Department of Justice, said this increase is to transfer dollar amounts to the Department of Administration to provide for the upgrade of the present computer system located in the Armory.

Senator Devlin questioned if this was in the Governor's budget and if it was, did it appear before the subcommittee or is it a late arrival.

Representative Quilici said this came from the subcommittee; it was taken out in the full appropriations committee.

Senator Jacobson said it was in the executive budget.

Senator Devlin asked Mike Trevor from the Department of Administration where it would show up in their budget. Mr. Trevor said their agency operates as a business within government. They are 99 percent proprietary account so they are wanting to make sure they are collecting enough from the Department of Justice to cover costs to upgrade the system. He noted the House approved the spending authority to make the increase. They want to be sure that the Department of Justice is funded to pay for that upgrade. The arrangement they have with Justice is this computer is at the Armory. Department of Administration provides the equipment and software and they are charged on a flat fee basis which is based on fiscal year 84 spending level with Justice. The workload has increased six to seven times since then and this is the first time since then that a modification has been asked for.

When questioned by Senator Devlin where it shows up in the Department of Administration budget, Mr. Trevor said the spending

authority has been put in their budget already; it has been approved by the full House.

Senator Jergeson said all of this is testimony to what he is trying to do with SB 471, the long range equipment acquisition program, so they can get a handle on these things.

Rep. Quilici said with regard to Senator Devlin's question, it is Page A-19, line 2, Armory computer upgrade, that is where it is built into that budget.

Senator Aklestad said he wanted to remind the committee that soon we would be dealing with the human services side of the budget where money is being requested, rather than dealing with computer software and we should closely look at holding the line on the budget.

Senator Jacobson said she agreed that we are spending general fund money and adding FTE's.

Senator Tveit's amendment motion (exhibit 11) failed on a roll call vote, with 4 members voting yes, 16 voting no.

#### DEPARTMENT OF HIGHWAYS - Page A-14

Senator Tveit moved to amend A-14, item 2, regarding transferring of funds (see exhibit 7)

Bill Salisbury, Department of Highways, said this amendment deals with first level line items in the construction program and is a clarification of a narrative.

Representative Quilici said he had no problem with the amendment.

Senator Tveit's motion to amend (exhibit 7) carried unanimously on a voice vote.

#### DEPARTMENT OF REVENUE - Page A-16

Senator Beck moved to amend Page A-16, line 23 (see exhibit 6)

When questioned by Senator Weeding if this would result in a greater burden on the counties, Senator Beck said no.

Senator Hammond asked about a bill passed to give commissioners the authority to raise wages for elected officials and questioned how this would be affected.

Lois Steinbeck, LFA, stated that bill was amended in House appropriations to keep the State's share of elected assessors and deputy assessors salaries equal to the appropriation provided by



the state. The state's share is limited to the appropriation in HB 2 by that bill.

Senator Beck's motion passed unanimously on a voice vote.

DEPARTMENT OF ADMINISTRATION -Page A-17

Senator Fritz moved to amend Page A-17 and A-20 to fund capitol restoration commission (see exhibit 8). He noted it is contingent on passage and approval of HB 500.

Senator Jacobson said that bill has been returned to the House for amendments.

Senator Fritz withdrew his motion.

Senator Jacobson recessed the hearing at this time until Senate adjournment.

(RECESS - 8:00 A.M.)

(HEARING RECONVENED - 8:40 a.m.)

Senator Tveit said he had an amendment to Page A-7 and would like to revert back to that page.

COMMISSIONER OF POLITICAL PRACTICES - Page A-7

Senator Tveit moved to amend Page A-7, line 20 (see exhibit 10)

Senator Tveit said he would like to have Dolores Colburg comment on this amendment.

Dolores Colburg, Commissioner of Political Practices, stated she is reluctantly asking for more money, but given the complaints her office currently has, it is her conservative judgment that \$45,000 would be needed to provide for legal fees and court costs. She noted where possible she would use agency legal services in the Attorney General's office but in some cases there is a conflict of interest and she must go to outside counsel.

When asked by Senator Jacobson if this was brought before the subcommittee, Representative Quilici said it was not; it is something that has occurred since the subcommittee met.

Senator Keating asked how much money is in the budget for legal services now. Ms. Colburg said at the present time in the budget is \$4,000 for fiscal year 92 and \$5,000 for fiscal year 93. She noted that for fiscal year 93 the costs are already at \$7,000 and by the time the fiscal year ends, it may be \$10,000.

Senator Tveit's motion to amend (exhibit 10) failed on a

roll call vote, with 9 voting yes, 10 voting no.

DEPARTMENT OF ADMINISTRATION - Page A-18

Senator Fritz moved to amend Page A-18, line 16 (see exhibit 12).

When asked about line iteming, Senator Jacobson said we would withhold line iteming.

Senator Fritz withdrew his motion.

Page A-19

Senator Fritz moved to amend Page A-19 (see exhibit 14).

Senator Fritz said his amendment is contingent upon passage and approval of HB 569.

Senator Jacobson said HB 569 is currently in finance and claims committee. Senator Waterman said it was in the budget originally and put in by the subcommittee.

Senator Jacobson said she would prefer to hold this amendment because HB 569 has not yet been heard by the Senate Finance and Claims Committee.

Senator Fritz said his other amendments to Page A-19 were included in a sheet of amendments, items 3 and 4 (see exhibit 8). These will be held contingent upon passage and approval of HB 569.

Senator Jacobson said she would like to have Terry Cohea go through the status of this. Ms. Cohea said HB 696 is still moving through the process and was amended to keep the genetics fee the same, 45 cents rather than 70 cents.

Senator Devlin questioned if this was in the Governor's budget. Senator Waterman said it was. When questioned by Senator Devlin if this was not approved in the subcommittee, Senator Waterman said it was approved in the subcommittee and taken out in appropriations.

Senator Jacobson said in the interest of time, if the committee has amendments contingent on the passage of a bill, she asked that they check the bill status and if it has not passed both houses, do not present the amendments at this time.

Page A-20

Senator Fritz moved three amendments on Page A-20, line 8 (see exhibit 15)

Senator Fritz stated all three items on exhibit 15 were

approved by the subcommittee.

Senator Jacobson asked if this money was put in the subcommittee and then taken out in the full appropriations committee. Senator Fritz said that was correct.

Senator Nathe questioned where the money comes from in each of the three items.

Laurie Ekanger, State Personnel Division, said with regard to item 1 of the amendment, state special revenue sets up an account for them to collect the money from the charities that come in and participate and then it allows them to spend out of that account their money to cover the campaign costs. It allows them to more efficiently account for the money. The second item is the proprietary training program. It is funded based on the fees brought in from the training and they need the spending authority to cover the costs for the growth. The third item is interest earnings off the trust fund which is how the health plan is administered. It allows them to tell the employees about changes and options to make with benefit selections.

Senator Fritz amendment motion (exhibit 15) carried unanimously on a voice vote.

Senator Stimatz moved to amend Page A-20, line 14 (see exhibit 18) and Page A-21, lines 13 and 14.

Senator Stimatz said this would add .50 FTE.

Senator Jacobson asked Rep. Quilici if this position was considered. Rep. Quilici said the language on A-21, lines 13 and 14 was put in by the full House. The Department is encouraged to add two FTE's. Rather than hiring contracted services, the House thought they could put two FTE's in the division and in that respect save the state money by doing it in-house rather than contracting it out.

Senator Jacobson said she knows it is a three million dollar budget with one million dollars of contracted services with a 33 percent increase, but this is adding one-half FTE and \$10,000. Rep. Quilici said if this language is stricken, it will stop the ability of the Division to hire the attorneys.

Senator Stimatz said the one-half FTE is needed for administrative support for the two attorneys.

Senator Jacobson questioned if we could insert the language that says they may hire another one-half FTE. She noted with the amount of money they have, they don't need another \$10,880.

Senator Stimatz said he would like the administrator to speak to that.

Brett Dahl, Administrator of Tort Claims Division, said the one-half FTE has been funded through vacancy savings for the last few years and now they are trying to budget for that. He said they are really asking to increase the levels to allow them to spend the funds for administrative support of the division.

Senator Jacobson asked Mr. Dahl if in a three million dollar budget if we gave him the ability to hire an extra one-half FTE, could that be funded out of the three million dollars. Mr. Dahl said they could.

In a question from Senator Aklestad as to Senator Stimatz proposed amendment (exhibit 18), Senator Jacobson said we could disregard item 1 of the amendment and move item 2.

Senator Waterman made a substitute motion that we add existing language, the authorization that within their budget they have the authority to hire one-half FTE administrative support staff.

Senator Aklestad questioned the substitute motion. Senator Jacobson said Senator Waterman is suggesting they have one million dollars of contracted out services. Her contention and the House contention was it is less expensive to hire two attorneys than it is to do all this contracting out. Therefore she is suggesting that the language be left in directing the Department to hire two attorneys and allow them to hire one-half FTE staff.

Senator Keating asked Mr. Dahl if they want two more lawyers. Mr. Dahl said it is always good to add two FTE's but they don't have the paralegal support and clerical support to support the additional two attorneys. There are also constraints in terms of equipment and space. The one-half FTE is needed in clerical and paralegal support.

Senator Keating said the language on lines 13 and 14 says the Department is encouraged to add two attorneys so we are giving them the latitude.

Senator Jacobson said we are still considering the substitute motion of Senator Waterman to insert one-half FTE for administrative support.

When questioned by Senator Aklestad if there has been an appropriation made for the two FTE's, Senator Jacobson said it would come from their existing budget. They are saying they need support staff; the language in the bill is encouraging them to hire two attorneys rather than contract out. They are saying they are not going to do it anyway.

Senator Waterman's substitute motion carried on a voice vote, with Senators Aklestad and Devlin opposed.

Page A-21

Senator Waterman moved to amend Page A-21, line 14, after "feasible", add a paragraph stating that the Public Service Commission is considering a proposal allowing customers to purchase their own supplies of gas directly from gas producers. She said this allows us to buy natural gas and contract with companies. It has a cost savings; there is no fiscal note. It is pending approval of the orders before the PSC. It allows the Governor's office the option of the purchase of gas.

Senator Jacobson said she has talked to the Montana Power Company and with Mr. Marks, and they are in agreement that this would be a good idea. It is permissive. It began over some other idea and was discussed that the state might wish to contract in this way also.

Senator Waterman's motion carried unanimously on a voice vote.

STATE COMPENSATION MUTUAL INSURANCE FUND - Page A-21

Senator Fritz moved to amend Page A-21, line 23 (see exhibit 16). Senator Fritz asked the State Fund to explain the amendment.

Jim Murphy, State Fund, said item 1 (exhibit 16) deals with HB 97 which passed third reading in the Senate. It requires them to set forth a credit program for high wage employers in the construction industry. Item 2 deals with HB 342 which has passed the Senate with some amendments. It mandates workers' compensation coverage for independent contractors and sole proprietors in the construction industry.

Senator Jacobson said we would address item 1 of the amendment since the other amendment has not passed both houses.

Senator Fritz' motion to amend item 1 of amendment (exhibit 16) carried unanimously on a voice vote.

DEPARTMENT OF MILITARY AFFAIRS - Page A-23

Senator Fritz moved to amend page A-23, line 23 (see exhibit 17). He stated it concerns federal revenues into the earthquake program run by the Department of Military Affairs.

Senator Jacobson said this amendment would add \$47,300 federal revenue in both years of the biennium.

Senator Beck asked if this was taken out in full appropriations committee. Rep. Quillici said it was put in by the subcommittee and taken out in full appropriations. They felt the program was not needed.

Senator Jergeson said it was his understanding that even though a subcommittee had approved a modified, unless there was a positive motion made to include it in the full appropriations committee then it would not be included in the appropriations bill. He asked if there was a motion made in full appropriations to put this amount in. Rep. Quilici said there was no motion made and under their rules in full appropriations, unless there is a motion made, that is dead. He concluded that nobody moved this amendment.

Senator Nathe asked if there would be any objections if we tied a rider on this saying it should be spent primarily in the schools since this deals with earthquake training for school children.

Senator Fritz said the program mainly is directed at the schools. He asked Mr. Good to comment on this.

Bill Good, Disaster and Emergency Services, said HB 665 was to include earthquake training to schools in seismic zone 1 which is the southwest portion of the state. This is the overall program provided by the federal government.

Senator Nathe asked Mr. Good if he had any objection to us encouraging him to use federal money to hold down the expenditures to school district level in seismic zone 1 for the schools. Mr. Good said he had no problem with that.

Senator Nathe asked if it is proper for him to amend Senator Fritz' motion and add on it that we encourage this organization to expend those funds primarily in the schools. Senator Jacobson said it would be proper to ask Senator Fritz if he would amend his motion or make a substitute motion.

Senator Fritz moved to amend his motion with the encouragement that the program be directed toward the schools.

Senator Aklestad asked if there were matching dollars needed for this program. Rep. Quilici said the subcommittee had legislative intent that there is no match in this fiscal year. In the event there is a match in '93, '94 or '95, then it would be a modification and it could be addressed as such.

Senator Fritz' amendment motion carried unanimously on a voice vote.

#### Page A-24

Senator Weeding moved to amend A-24, line 4, \$22,500 special revenue state money in '92, \$31,500 state special revenue in '93. It provides \$45,000 federal special revenue in '93. He said those are monies derived from HB 723. It is special license generating money, veterans license plate money, veterans cemetery.

Senator Jacobson said this is in regard to a bill that passed the Senate this day on third reading which appropriates the money in the state special and federal in that bill.

Senator Weeding's amendment motion passed unanimously on a voice vote.

ENVIRONMENTAL QUALITY COUNCIL - Page A-3

Senator Nathe moved to amend A-3, line 9, reduce figures by \$7,900 each year of the biennium.

Senator Nathe said he is trying to obtain more money for the regional conferences. If this motion passes, he would like to see the \$15,800 move up and be added to the \$20,000. He feels if we are going to have regional conferences and we send legislators that we have the money to send them. There were many legislators attending conferences and paying for it out of their own pockets and he stated that has been done long enough.

Senator Jacobson asked Mr. Nathe to address whose money he is taking.

Senator Nathe said that comes from the additional staff, line item, out of the Environmental Quality Council.

Senator Jacobson asked Rep. Quilici to comment on that. Rep. Quilici said that the half FTE in EQC was put in by the subcommittee and the full appropriations committee and went through the House. The reason given to the subcommittee for the half FTE was for added responsibilities that the EQC had implementing MEPA.

Senator Waterman said if we think the legislature needs more money in the travel budget, we need to put it in, but the subcommittee worked hard on this budget and if they decided EQC needed the money, it should be left there.

In a question from Senator Stimatz regarding the motion, Senator Jacobson said Senator Nathe's motion is to take money out of the EQC and if he is successful he wants to move the money into legislative travel. The motion we are voting on is removing money from EQC.

Senator Nathe's motion failed on a voice vote.

Senator Jergeson moved that Section A be closed.

Senator Nathe questioned what would happen to amendments that have not been acted on because of bills not having passed both houses as yet.

Senator Jacobson said we are hoping to finish the bill today. It is not at all unusual to make these motions and add

the money or FTE or whatever into HB 2 in conference committee.

Senator Aklestad asked regarding the procedure if we are going to be able to go back into each segment of the budget at the end of our hearing to do anything.

Senator Jacobson said we would need a motion to go back into it. She added her feeling that it is fairly usual procedure to close a section. There may be some overall amendments that would affect the bill in which case we would have to go back in.

When questioned by Senator Aklestad if an overall amendment pertaining to the total budget would be appropriate, Senator Jacobson said yes.

Senator Jergeson's motion to close Section A carried unanimously.

Senator Jacobson indicated to the committee that as of this morning, there have been 18 FTE's added and \$44,000 worth of general fund money.

#### SECTION B HUMAN SERVICES

Representative Bradley, Chairman of the subcommittee, said subcommittee members were Senators Keating, Nathe and Waterman; Representatives Johnson, Cobb and Bradley. Legislative fiscal analyst staff included Taryn Purdy, Terri Perrigo, Carroll South, and Sandy Whitney.

Representative Bradley said it was the subcommittee's intention that the public get the wisest expenditure for its tax dollars and it was their feeling that the dollars contained in their section represent not only good cost containment measures but are wise expenditures and the public is getting what it deserves.

#### PRESENTATION OF DEPARTMENT OF HEALTH - SECTION B

Representative Bradley presented the Department of Health portion of Section B, B-1 through B-52.

#### QUESTIONS FROM COMMITTEE ON DEPARTMENT OF HEALTH BUDGET

There were no questions by committee members on this portion of the budget.

#### PRESENTATION OF DEPARTMENT LABOR AND INDUSTRY - SECTION B

Representative Bradley presented the Department of Labor and Industry portion of Section B, B-53 through B-79.

#### QUESTIONS FROM COMMITTEE ON DEPARTMENT OF LABOR AND INDUSTRY



BUDGET

Senator Devlin asked Rep. Bradley if there are funds from the unemployment insurance tax to replace federal monies lost in case the federal funds dry up for the JTPA. Rep. Bradley said there are. In case federal funds for job service was lost, they felt that program was particularly important in rural areas, so in exactly the same philosophy they allocated dollars for JTPA if those federal dollars were lost. The language clarified that whatever was to replace those federal dollars could not exceed what was lost. She concluded it is not an open-ended allocation.

Senator Devlin asked what amount of dollars are we talking about. Rep. Bradley said it is about three million dollars over the biennium. They predicted a loss of about 1.5 a year.

When asked by Senator Devlin what would happen to those funds if they were not used as a backup, where would they flow through, Rep. Bradley said they would go into the reserve. Dollars have been appropriated to the reserve to make sure it is carried over so that the next legislature can deal with the issue. There is language saying if the dollars are needed to prevent a scheduled increase, they would go into the trust fund itself.

Senator Aklestad said he noticed through this segment of the budget that there is a reduction of FTE's but a 10 percent increase in personal services. He said he was understanding that none of the pay bills are incorporated in any of the budgets. He questioned where that increase comes from when we have less FTE's but an increase of funding in personal services.

Rep. Bradley said that comes almost entirely from the workers' compensation reorganization. An entity that was only administratively attached to the department before is now integrated into the department, and that is where the FTE increases are.

Senator Aklestad said there aren't increases in FTE's but fairly substantial increases in the monetary amount going for less FTE's. Since those monies aren't directly involved with the pay plan, where does the increase come from.

Rep. Bradley said other than what she has stated, the bulk of it comes from the fact that the vacancy savings are not taken out. Personnel is included without taking out vacancy savings.

Senator Bengtson asked if the potential loss of JTPA funds would be line itemed, using unemployment insurance funds. Rep. Bradley said that is correct and it is a judgment call. She said the purpose is to keep the tax down and added that JTPA has become a well established and highly successful entity in this state in their allocation of dollars and training people to get them back into positions.

PRESENTATION OF DEPARTMENT OF SOCIAL AND REHABILITATION  
SERVICES - SECTION B

Representative Bradley presented the Department of Social and Rehabilitation Services portion of Section B, B-81 through B-130.

QUESTIONS FROM COMMITTEE ON DEPARTMENT OF SOCIAL AND  
REHABILITATION SERVICES BUDGET

Senator Aklestad said regarding the 42 percent AFDC, what percentage were we at last biennium. Rep. Bradley said 42 percent. They had done it by dollars before and decided that was inappropriate. They put in the percentage to make sure the dollars were adjusted each of the two years of the biennium. That was only done the last biennium so the language was phased out. She added that in essence by continuing at 42 percent of the poverty level, they would be continuing the same policy that they had last biennium. When asked by Senator Aklestad if it would be without the language, Rep. Bradley said it would be the same language as used in the past.

Senator Aklestad said with regard to the monetary amounts on B-101 where there is a significant increase in general fund money and a dramatic increase in federal dollars, where is the major amount of that money going, the medicaid services.

Rep. Bradley said the most important factors for that increase was the caseload increase. When more people qualify for the services, more people take the services. She noted when the Jobs program started, they hoped to substantially increase the caseload; part of the problem has been those decreased did not take place at the rate they hoped they would. Because of the state economy and federal mandates keep including more and more people being eligible for those services. She noted those dollars reflect a great number of modifications, mostly executive in this case. She said the executive modifications added 20 million over current level and the committee modifications beyond that were another 10 million. The committee mods were almost entirely either an increase in the number of positions and chipping away at the waiting list and the five percent provider increases.

Senator Aklestad said the monies put in by the executive branch because of the federal government the first week in January will not show in these figures; they are above and beyond that. Rep. Bradley said these figures are all updated with all the figures they have as of late January.

Senator Aklestad said the executive put money in the first week of January and some of these programs were picked up by a portion of the supplemental. Senator Jacobson said they updated both the supplemental and this bill.

Rep. Bradley said this has nothing to do with that. These are based on the very latest figures they have, but it doesn't deal with the overruns they had in the last biennium. She added many supplemental dollars were spent last time because of the haphazard fashion it was done previously. Another reason the dollars went up is because there were some not fully annualized. The caseload increases is another reason for increases. She stated the subcommittee wanted to deal with a waiting list.

Rep. Bradley said it was the subcommittee's feeling that on top of the selective medicaid increases, that all medicaid providers should have a two percent inflationary increase. That was stripped out in the House.

Senator Hockett asked Rep. Bradley to explain regarding the budget modification being over the executive budget. Rep. Bradley said the two percent medicaid that was taken out in the full House was part of her calculations.

When questioned by Senator Hockett regarding the DD rate increase, Rep. Bradley said the executive did not give an across the board inflationary increase. They gave to nursing homes what amounted to 6.3 and 6.7 percent increase over the two years of the biennium, but nothing was given to the other medicaid providers.

Senator Hockett said it was his understanding that many of the employees are at poverty level wages now and that many services would be lost if something was not done in the way of rate increases.

Rep. Bradley said the executive modifications examined were those that were in the worst shape. Many doctors are leaving and services are no longer there. She added it was the subcommittee's feeling that two percent was at least something and would keep providers providing the services, although it does not come close to inflation.

#### PRESENTATION OF DEPARTMENT OF FAMILY SERVICES - SECTION B

Representative Bradley presented the Department of Family Services portion of the budget, B-132 through B-151.

Senator Jacobson said at this point in the hearing, testimony could be provided by anyone having a concern in any area of Section B.

#### DISCUSSION ON DEPARTMENT OF HEALTH BUDGET

Dennis Iverson, Director, Department of Health and Environmental Sciences, said increases in their budget come as a result of federal requirement changes, as well as the Clean Air Act and the safe drinking water act on the environmental side.

On the health side, it is changes resulting from different requirements from OBRA, particular nursing home inspectors.

Paulette Kohman, Executive Director, presented testimony relative to the Department of Health budget. (see exhibit B1)

#### DISCUSSION OF DEPARTMENT OF LABOR AND INDUSTRY BUDGET

Mike Micone, Commissioner, Department of Labor, said he had three or four students wishing to comment on the jobs for Montana graduates program. He stated the program instituted by the Governor last spring prepares seniors who are at risk of employment for meaningful career oriented jobs where students are matched with community job opportunities and then followup assistance.

Mr. Micone then introduced students speaking in support of the program.

Tray Taylor, Butte, said the program helps build self-esteem and gives them experience for work.

Chad Summers, Bozeman, said the program has been a great success for him. He felt it should be extended to all schools in the state.

Kathy Strong, speaking on behalf of her son who is enrolled in the program in Helena, said the program has enabled her son to have self-esteem and confidence in himself and his learning abilities.

Mr. Micone concluded that the program received unanimous support in the full appropriations committee but was removed from HB 2 on the House floor. He stated his feeling that if we don't help the youth to achieve graduation and employment, we are going to have these students on welfare and he did not want to see this happen. He noted that great strides have been made and he hoped the program would be put back into the budget. They searched for many months to get funding for this program that would be outside of the general fund but it takes time for a program to get off the ground.

Mr. Micone said another of the budget was regarding admin tax monies. It was determined by the federal government that they cannot use unemployment insurance funds in total for the collection of admin taxes so the government has advised them they must pay a portion of the admin tax to pay for a proportionate share of the collection of premiums. He said they will have an amendment presented to the committee asking that they be allocated to spend up to \$100,000 per year of unemployment insurance admin tax to comply with the cost allocation plan they are presently negotiating with the Department of Labor. He noted they are hopeful it will not cost that much but are asking to be allowed to spend up to that amount of money.

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Another area of the budget is the salary of the deputy director being reduced to a grade 14 on the House floor. He stated his feeling that is not the purview of the legislature to determine what classification employees would be. He said his deputy, Bob Mullin, has greatly expanded duties because of the separation of the department and the implementation of a new management structure with an extensive training process. He asked that the committee consider putting \$20,000 back into the budget.

Another area of the budget Mr. Micone commented on was the allocation of three million dollars to the job training partnership program. It was proposed to transfer the money to the trust fund. It was their position that the transfer would ensure that schedule one would be maintained as far as the unemployment tax is concerned. It is their position that the use of admin tax which is an employer tax are not eligible to be spent on the job training partnership act. He concluded that they are asking that the funds be removed and retained into the surplus or transferred to the trust fund.

Ken Toole, representing Montana Human Rights network, said regarding the Human Rights budget that one of their priorities is promoting civil rights in the state. Over the last biennium the Commission's casework has increased about 47 percent which takes additional time to process a Human Rights Commission case. This reflects on the amount of time it takes for a case to be settled. He added they are concerned that the caseloads will be shifted from Human Rights to the district court and added the courts are ill equipped to deal with the cases and face the time constraint problem. He concluded by urging the committee to restore the two FTE's which were accepted by the subcommittee but cut back by the full appropriations committee.

Sue Mohr, Executive Director of Montana Child Training Partnership, a non profit organization administering job training programs, said regarding jobs for Montana graduates and the admin tax, that was deleted on the House floor. She said there was concern from council members that there was not enough coordination between that program and the youth programs funded by her council. She said they talked to the executive branch and they now believe there is a good faith effort to coordinate the programs. Ms. Mohr said with regard to job training programs not being a proper use of the funds, she pointed out the admin tax when passed in 1983 was done for the express purpose of restoring federal cuts in programs as they affected job service offices. She said the cut experienced in the program this year would have an impact of cutting funds in rural job service offices as well as other job training offices and have an impact of shutting some of the program down. Regarding funds being used for training services, she said it was discussed with the Auditor's office and they are capable of shifting these funds into the administrative portion of their program, and they would shift UI admin funds to admin and then take the federal portion of their funds and shift

it into training which would achieve their objective of restoring programs and meet the Auditor's concerns about the funds being used for administrative purposes.

Loralie Robinson, Executive Director, Jobs for Montana Graduates Program, addressed coordination with the JTPA program. She said they are coordinating with JTPA operators in Montana. The JMG program is a useful tool for the program operators to help them meet their performance standards.

DISCUSSION ON DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES  
BUDGET

Julia Robinson, Director, Department of Social and Rehabilitation Services, said during the current biennium they have a budget of 626 million dollars in state and federal funds. Their budget will grow to either the Governor's projected budget of \$791 million or the committee's projected budget of \$797 million, a substantial increase in services.

Ms. Robinson said they have one substantive issue in their budget in the area of child support. It is an area of welfare reform. Aggressive child support is one way to help AFDC clients get off welfare and also is a way to keep women and children from coming onto the welfare system. Child support collections have been increased by 1.5 million dollars, and they plan on doubling their collections from 6.5 million dollars to 13 to 16 million dollars over the next biennium. She added this money stays in Montana. Some of it is returned to the general fund, but most of it stays with Montana families. To be successful, they have to put in place the SEARCHS computer system. It would correspond to the TEAMS system with the first piece coming on line May 1st. The SEARCHS would work with other systems across state government and will cost 5.3 million dollars to build the system. It was part of the executive budget and does not cost a dime of general fund money. Ninety percent of the 5.3 million is federal money and ten percent would be generated by the child support trust fund from their collections. There was concern in House appropriation about the ongoing cost of the SEARCHS program.

Ms. Robinson said there is no question that SRS substantially underestimated the maintenance costs of the TEAM system, and that was one of the reasons House appropriations was reluctant on the cost of these big systems. She added the current computer system has been reorganized and created a new office of management systems with Mike Billings in charge of the system. She concluded if their estimates are wrong, they have language to put in the budget that the project would not be started. The project will be bid out as well as maintenance of the project. If the bids come in higher than what has been given, the project as designed right now would not be gone ahead with.

She noted she understands the concerns but added she has an

obligation to continue aggressive child support and if there is not a system in place passing federal audits, sanctions would be faced.

She distributed to the committee a letter from Guadalupe Salinas, Department of Health and Human Services (see exhibit B2) demonstrating her support for the SEARCHS program.

Jim Smith, Montana Association for Rehabilitation and Montana Association of Rehabilitation Facilities, stated he wanted to publicly thank the subcommittee for the work they did. He also commended the morale at the Department of SRS and the outstanding work done by Julia Robinson as the director.

One critical area of human services not addressed was the reduction of waiting lists and provider rate increases. The subcommittee looked hard at the waiting list issue and provider rate increases and he urged the committee to uphold the subcommittee decisions. He concluded people cannot be accepted from the waiting list without provider rate increases. Quality services cannot be provided any longer.

Chris Volinkaty, Developmental Disabilities legislative action committee, said during the House appropriations committee, an item was omitted dealing with the two percent provider rate increase. When that was taken from the committee, it included funding for two homes based in Missoula serving severely physically handicapped young adults. She indicated her desire to have that reinstated in the budget for the two group homes. She said the five percent rate increase is absolutely essential for developmental disability. An inflation factor was not built in for the private nonprofits. She said this budget is not current level because they have had cost increases.

Ms. Volinkaty said they have three specific problems in developmental disabilities and the five percent is essential for them. Number one is inflation. Number two is their salary system where they found Montana workers were receiving 46 percent less than their counterparts in State institutions. They are behind between \$1.50 and \$2.00 an hour difference in what people in communities are being paid. Three of the seven pay classifications pay less than \$6.00 an hour. If the five percent rate increase is not approved, there are some facilities that probably will not make it. She concluded the subcommittee did a good job in addressing these issues and she hoped the committee would support them.

Rose Hughes, Montana Health Care Association, representing nursing homes in the state, said the rate rebase in HB 2 represents substantial increases to the nursing homes. She said the rates were last tied to a rebase in 1982. She said the nursing homes have changed over the last 10 years in terms of services provided and regulations have added much cost to the facilities, as well as added Workers' Compensation rates. The

current cost difference between the cost the facilities experience and the rate paid by Medicaid is \$8.26 shortfall; therefore, the sick, elderly patients not on Medicaid are paying that shortfall. She concluded the rebase in HB 2 is intended to keep them current.

Marcia Dias, Montana Low Income Coalition, stated she has concerns about the medically needy program being cut. This program for AFDC related adults or caretakers is critical, and cutting the program out would probably increase the AFDC caseload. Regarding speculation that health insurance would pick these people up, she said that is not in place yet. She concluded when cutting out health care for parents, we are playing with the lives of the people.

#### DISCUSSION OF DEPARTMENT OF FAMILY SERVICES BUDGET

Tom Olsen, Director of Department of Family Services, said the Governor's executive budget as well as the subcommittee on Human Services did well with the Department's budget. He noted that eight FTE's in the Governor's budget were completely removed from the budget, and they are social workers that are being cut. The result of not having an adequate number of social workers is that quick decisions have to be made because of other cases that are pressing hard on their time. He asked that those FTE's be restored to the Department as they are badly needed.

Mr. Olsen also noted that a deputy director was line itemed out of their budget. He stated that the deputy director is a very effective administrator in Human Services. He said they also lost funding in the executive budget for a management information specialist, which is critical to their department.

When asked by Senator Keating if the eight social workers were removed in the first year and also eight in the second semester, Mr. Olsen said it is a total of eight social workers beginning in the first year. He said what was removed for the deputy director was for both years of the biennium. In a question from Senator Keating, Mr. Olsen said that is roughly \$100,000 for the biennium.

Kathy McGowan, representing the Montana Residential Child Care Association. She said their priorities this session would be addressing basic needs of family and children as well as needs of their member organization and needs of the Department of Family Services. She added they have facilities saying if they don't get a five percent provider rate increase, they would not be able to cover the new minimum wage mandate. She said a salary study was conducted and her facility staff is far behind. With regard to the basic needs of the Department of Family Services, they need staff and a management information system to conduct their studies. She concluded that social workers have a difficult life to lead and need our support.



Judith Carlson, Montana Chapter, National Association of Social Workers gave testimony on HB 2 (see exhibit B3)

Kate Cholewa, Montana Women's Lobby, said regarding the federal child care block grant, Montana will get 2.5 million dollars a year; 75 percent is to subsidize child care for low income, AFDC. 25 percent will go to provider grants, improving services, licensing, protecting children. She added this money will help a lot but it is not the answer to everything. Support is still needed at the state level.

John Shontz, Montana Mental Health Association, stated they support full funding for the management information system for the Department of Family Services. He added that social workers are needed in their department.

(LUNCH RECESS - 12:35 P.M.)

(HEARING RECONVENED - 1:25 P.M.)

#### AMENDMENTS TO SECTION B

##### HUMAN SERVICES

Senator Jacobson said we would begin with amendments to Section B.

#### DEPARTMENT OF HEALTH AND ENVIRONMENTAL SCIENCES - Page B-1

Senator Keating moved to amend B-1, line 4 (see item 1, exhibit B4)

Senator Jacobson asked why this person was not in the budget and if it was taken out on the House floor.

Mr. Iverson said he was surprised the position was taken out. There currently are three people working in personnel, including this position. He said the position was taken out on the House floor. When questioned by Senator Jacobson if it was not current level from last session but was added from budget amendment, Mr. Iverson said that is right. He noted this person is already there. He was added by budget amendment.

Senator Keating's amendment motion (item 1, exhibit B4) carried unanimously.

#### Page B-2

Senator Weeding moved to amend B-2, line 14 (see exhibit B5)

Senator Weeding said this would be appropriating monies raised By SB 209. He questioned how to proceed on this since SB 209 applies to five other bills, three of which have already passed; two other bills are on third reading this day. Senator

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Jacobson said in this case it would be appropriate to offer the amendment.

Senator Weeding asked Paul Sihler from the Environmental Quality Council to comment on this. Mr. Sihler said the money comes from SB 209. The funds go to the Department to fund other solid waste management; HB 160, the integrated waste management bill and HB 239, the infectious waste management bill and HB 377. It is special fees for the department. He said he did not know how the fund was set up.

Senator Jacobson said Ms. Cohea, LFA, has passed out an update from this morning on funding in HB 2. (see exhibit B6) Ms. Cohea said they double counted in the Department of Administration and asked the committee to cross out the \$66,292 shown on the exhibit for Tort Claims. She said a half FTE was added to Tort Claims but no additional funding.

Senator Keating said this is necessitated by the legislative body as a whole who passes more laws requiring more regulations and more people working.

Senator Weeding's amendment motion (exhibit B5) passed on a roll call vote, 11 voting yes, 7 voting no.

Page B-5

Senator Keating moved to amend Page B-5 (see exhibit B7)

Mr. Iverson said the amendments are policy cleanups in matters on the Natural Resources damage suit.

Senator Keating's motion to amend (exhibit B7) carried unanimously.

Senator Keating moved to amend B-5, line 22 (see exhibit B8)

Senator Keating said this amendment deals with indirect cost assessment which has to be spread over the various expenditures, and in this case we are saving \$175,000 of general fund. It is an increase of general fund money and an expenditure out of the other funds with the allocation of indirect costs. We are getting back \$175,000.

Senator Aklestad asked where the savings are reflected in HB 2.

Ray Hoffman, Department of Health, said the savings will come in the share program funded with general fund for the biennium. When questioned by Senator Aklestad if they could percentage out the Department to reflect what the savings are, Mr. Hoffman said we have a larger pool now contributing to costs of the centralized services area. Because of other bills, the greater pool now pays the per capita less than it would in the

future. The pool is larger than it initially was.

Senator Keating asked Mr. Hoffman regarding the indirect costs are the administrative costs that are attributable to each of the programs, part of which is federal and part is generally funded. They are now able to take more of the indirect costs out of the federal portion of the budget for a savings in the general fund budget. Mr. Hoffman said also contributing to that is the increase within the state earmarked funding so that fund and the federal funds allow the general fund portion to be reduced.

Senator Keating's amendment motion (exhibit B8) carried unanimously.

DEPARTMENT OF LABOR AND INDUSTRY - Page B-6

Senator Keating moved to amend Page B-6, line 3 (see exhibit B9, item 1).

Senator Jacobson said she is supportive of the jobs for Montana graduates but there has been a lot of discussion about whether they are coordinating or not coordinating. She said she would like to wait on this amendment until she has time to talk to people in the program in her area.

Senator Keating said the representative of the counsel and the director of the program stated that there was coordination between this program and JTPA program. Senator Jacobson said she was aware of that but it would be her preference to hold this amendment.

Senator Keating withdrew his amendment motion (exhibit B9, item 1)

Senator Keating moved to amend Page B-6, line 12 (see exhibit B9, item 2).

Rep. Bradley said this was done on the House floor. This amendment would return the figures to the way it was done in the subcommittee.

Senator Jacobson said it was the deputy director in the Department of Labor whose salary was reduced to a lower grade level than what he currently is. It was done by budget amendment in the interim and is not current level.

Senator Jacobson questioned Mr. Sundsted if this was included in the Governor's executive budget. Mr. Sundsted said it was.

In committee questioning, Senator Jacobson said they took a position and created a deputy director position. It had been an FTE in the department and was raised to a deputy director and created a deputy director. Rep. Bradley said the subcommittee

raised it to the level to which it had been changed.

Senator Aklestad asked if another person would be added to the department with Senator Keating's motion. Senator Keating said it is restoring \$20,000 that was taken away as pay out of personal services that is attributable to the deputy director's salary.

Senator Hammond asked if there was \$14,000 there for this position that has not been eliminated and they want it raised to \$20,000. Senator Jacobson said it is her understanding that this department as we left it last session did not have a deputy director. It was created by budget amendment. They reduced the amount of money down to what the grade had been prior to the deputy director being created. When asked by Senator Hammond if the \$14,000 was there paying that FTE prior to making that position the deputy director, Senator Jacobson said yes. In a question from Senator Hammond, she said we would be adding \$20,000 on top of that.

Senator Keating said it is not adding anything to the original budget. The budget approved by the subcommittee contains the amounts of money that is being restored here.

When questioned by Senator Bengtson as to it being approved by budget amendment, Senator Jacobson said it didn't come through the budget amendment process; it never came before the legislature. They took an FTE, upgraded it to a deputy director's position and that was done in the interim. It was created in the absence of the legislature.

Senator Bengtson said it was mentioned about coming through a budget amendment process. Rep. Bradley said the Department rearranged the funding, but it wasn't a budget amendment. It started out as a grade 7 and raised to a 21 and the amendment in the House put it to a 14 and took a little more than \$20,000 out. This would put it back up to a 21 and putting the dollars back in.

Senator Keating's amendment motion (exhibit B9, item 2) passed on a roll call vote, 11 voting yes, 8 voting no.

Senator Keating moved to amend page B-6, line 16 (see exhibit B9, item 3)

The amendment decreased state special revenue budget relating to HB 837 in the Workers' Compensation law and occupational disease act.

Senator Keating's amendment motion (exhibit B9, item 3) carried unanimously.

Senator Keating moved to amend page B-6, line 16 (see exhibit B9, item 4).

Senator Keating said this amendment relates to HB 187 and makes changes in calculation of Workers' Compensation law.

Senator Jacobson said it calls for the addition of an FTE. Senator Keating said it calls for one FTE which is a compliance specialist.

Senator Aklestad asked if language could be put in that would state that any bill we are funding has gone through both houses but does not make it all the way through the process that those funds would be held if the bill does not make it through the process. Senator Jacobson said both of these amendments have language in them contingent on passage. That would take care of it.

Senator Keating's amendment motion (exhibit B9, item 4) carried unanimously.

Rep. Bradley said on Senator Keating's previous motion (exhibit B9, item 3), it is her understanding if there is over \$90,000 in job service, that pays for those rehab panels, and she said she would like comment on that.

Chuck Hunter, Department of Labor, said the fiscal note in HB 837 speaks to the totality of funding and positions for the rehab panel systems. There will be a total reduction of funding five positions currently in the department to three positions in the department. They will all be placed in the Employment Relations Division, but the actual positions will need to be changed somewhat. When questioned by Senator Keating if it would be a reduction of two FTE's or two panel members, Mr. Hunter said they are FTE's and it would be a reduction of two people. In a question from Rep. Bradley, Mr. Hunter said there will be a reduction of FTE's and \$90,000 in job service as well.

Brian McCullough, Department of Labor, said the \$90,000 in the job service is funding two of the five positions. There are three additional positions that are funded. The end result is there are two positions cut and the amount of the cut is identified in the amendment. With the amendment, there will be a reorganization within the Department of Labor. In a question from Senator Keating is the \$90,000 in the \$140,000, Mr. McCullough said in essence it ends up being there.

Rep. Bradley noted that the amendment does not state that the FTE dollars are out and she felt it should be looked at before it comes up before the Senate.

Senator Fritz moved to amend page B-6, line 24 (see exhibit B10)

Senator Fritz said this would restore one FTE to the Human Rights Commission.

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In a question from Senator Aklestad as to the number of total cases, Ms. MacIntyre said at the end of fiscal year '90 they had 413 open cases in the commission. There have been 433 cases filed during fiscal years '90, and they anticipate during fiscal year '91 there will be about 400 cases filed. She said they completed 351 cases during fiscal year '90.

Senator Aklestad asked how many cases there were where the facts went along with the complaint of the individual or if it was tossed out. Ms. MacIntyre said 40 percent of the cases that were completed, the case was resolved in favor of the complainant in one way or the other. Some were resolved through mediated settlements.

Senator Aklestad asked if most were wage disputes. Ms. MacIntyre said about 85 percent of the complaints filed allege discrimination in the area of employment and about 10 percent allege discrimination in housing. The other five percent are split among government service, education, insurance, those areas.

In a question from Senator Aklestad if there is a screening process taken before they take further steps on a case, Ms. MacIntyre said they are screened when an individual files a complaint with the commission. She said they receive about 2500 inquiries each year and through the screening process are able to work it down to roughly 400 a year that are filed.

Senator Nathe questioned if in the settlement of the cases, there is or should be a penalty to help defray the expenses of the Commission when they are successful. Ms. MacIntyre said there presently is not a penalty in the statute. When a case is settled, the money goes to the complainant. She noted there is legislation pending for penalties in housing discrimination complaints. If penalties are collected, they would be deposited in earmarked revenue account for housing discrimination enforcement. In a question from Senator Nathe as to paying the court costs, Ms. MacIntyre said the Commission acts as a neutral body and adjudicates complaints. They do not incur court costs other than administrative costs.

When asked by Senator Aklestad how many FTE's work on the cases now, Ms. MacIntyre said the Commission has nine FTE's.

Senator Aklestad said comparing their case load and that of the Workers' Compensation, he felt it is out of line.

Senator Fritz's amendment motion (exhibit B10) failed on a roll call vote, 3 voting yes, 16 voting no.

Page B-7

Senator Devlin moved to amend page B-7 (see exhibit B11, item 7).

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Senator Jacobson said it would be about three million dollars savings on the fund.

When questioned by Senator Waterman if the rates have dropped to the lowest possible level, Rep. Bradley said they are at schedule one. It is predicted at this time that it won't stay at schedule one. It will take more dollars at the first year of the next biennium to keep it in schedule one. She said the Department when they first testified said the schedules are designed to move up and down so that the trust fund does not get overly heavy. They shift depending on the state's unemployment rates. What we do with this small tax amount doesn't affect that. After the initial committee testimony, the Department sent out letters to job service individuals saying the committee's action would cause the schedule to move upward. Rep. Bardanouve requested agencies to work together to do an analysis on whether the subcommittee action would cause the schedules to go up, and language was eventually included to say if that small amount of money makes a difference, then it will be rolled into the trust fund.

Senator Aklestad said dramatic increases of rates employers paying in will increase. He said there was concern in previous sessions that these monies should supplement on the job training but should not be used to keep the doors open.

Rep. Bradley said the schedule will not go up due to the dollars for JTPA. Keeping people in working positions as rapidly as possible will keep the premiums down in schedule one.

Senator Devlin's amendment motion (exhibit B11, item 7) failed on a roll call vote, 8 voting yes, 11 voting no.

Senator Keating moved to amend page B-7, line 15 (see exhibit B11, item 8).

Senator Jacobson said the language is difficult to understand and maybe the language could have some flexibility to make it more readable.

Brian McCullough, Department of Labor, said they are not increasing appropriation authority of the department but are identifying within the UI division that they would be able to utilize this funding source. The reason for the insertion is that it is at the end of the reserve language that was put in by Rep. Cobb on how funds would be used.

Senator Keating moved the amendment with whatever language is appropriate to accomplish the task.

Senator Keating's amendment motion (exhibit B11, item 8) carried unanimously.

Senator Keating moved to amend page B-9, line 11 which corresponds with page B-11, line 18 (see exhibit 12, item 1)

Senator Keating asked Julia Robinson to comment on this.

Julia Robinson said there is one correction. Presently federal funds are in the Developmental Disability budget and they want to make sure they are in the medicaid budget because that is where it is matched from. All this does is moves the federal match to the correct budget.

Senator Keating's amendment motion (exhibit B12, item 1) carried unanimously.

Senator Keating moved to amend page B-9, line 11 (see exhibit B12, item 2)

Julia Robinson said these amendments were necessary because of the legislature's choice not to close Galen. With Galen remaining open, they need federal authority to fund the match for the programs at Galen and also at Eastmont, and that is what the money is for; it is all federal money.

Senator Keating's amendment motion (exhibit B12, item 2) carried unanimously.

Senator Aklestad moved to amend page B-9, line 14 and 15.

Senator Jacobson said she would allow this at this time because we haven't discussed it before, but there is a packet of amendments and she hoped if motions are being made, staff should be alerted as to what amendments are being made.

Senator Aklestad moved line 15 on B-9, strike the general fund monies of \$292,080 and general fund monies in fiscal year '93 of \$191,300.

Senator Aklestad, these are line item dollars.

Senator Jergeson said he would like to have information if there is a matching requirement. Ms. Robinson said that is part of the medicaid program so there is a match on medicaid. On administrative costs it is 50/50 and benefits in medicaid it is 72/28; 72 being the federal match.

Senator Weeding questioned the effect of this.

Ms. Robinson said if she understands the motion, the executive branch has proposed for the first year of the biennium doing a rebase study similar to what they are doing for nursing homes and hospitals and they are difficult to do and they are technical and they must contract for the services. She does not have inhouse staff to do it. In the second year of the biennium they are proposing increasing rates to hospitals by 5.5 percent.



They are assuming that amount of money will be adequate to cover the rebase.

Rep. Bradley said it would appear that the amendment would also strike the managed care dollars for the second half of the biennium which would mean there would not be \$800,000 of general fund savings from the managed care system.

Senator Aklestad questioned how much of the dollars are for actual study. He said his concern is we are not providing a service but are having another study. Senator Jacobson said she believes the first year.

Rep. Bradley said if Senator Aklestad wanted to strike only the general fund out of the study, it would be 50 percent of \$305,560. If they want to go to rebase, they need to go to some kind of a new system.

Senator Keating asked Ms. Robinson if this is like an actuarial study so we can efficiently expend funds. Ms. Robinson said 50 percent of the \$305,000 figure is federal money. She noted rebase studies are very technical. The medicaid program does not have to meet actual costs but it has to be within a range that is acceptable. With their proposals in the budget they have tried to provide figures that are adequate and can be defended in court.

Senator Keating asked regarding the \$300,000 for managed care system if that is in SB 390 that is saving \$400,000 in the biennium. Ms. Robinson said yes, there are three separate items in that dollar amount, one of which is managed care contract so they can contract for managed care across the state to save significant dollars but not changing the quality of service to medicaid recipients.

Senator Aklestad amended his motion to reflect that the percentage of dollar amount of the \$305,000 of general fund monies would only deal with the study and it would be his intention that in a budget of 500 and some million that there might be a little slack that if a study is needed, it would provide a study.

Senator Keating said the \$300,000 is a 50/50 match. In effect we are saving \$150,000 general fund.

Senator Aklestad's amendment motion failed on a voice vote.

Page B-10

Senator Nathe moved to amend page B-10, line 17 (see exhibit B13)

Senator Jacobson said this amendment would add \$10,737 in general fund money.

Senator Nathe's amendment motion (exhibit B13) carried unanimously.

Senator Keating moved to amend Pages B-10, line 25, page B-14, line 11, page B-13, line 13 (see exhibit B14, items 13, 14, 15)

Senator Keating said these amendments deal with the SEARCHS program. There is no general fund money involved in this.

Senator Jergeson said he wanted to point out he is not sure this is a rational way to budget for expensive computer systems.

Senator Hockett asked Rep. Bradley the history of this as far as the House was concerned. Rep. Bradley said the subcommittee put in the SEARCHS but it was taken out in House appropriations. She said there was restlessness built up in the House because of the unexpected cost of the TEAMS program. She concluded that the protective language in these amendments will be an assurance that this won't happen again.

Senator Keating's amendment motion (exhibit B14, items 13, 14, 15) carried unanimously.

Page B-14

Senator Keating moved to amend page B-14, line 8 (see exhibit B15)

Senator Keating said this gives the Department the authority to expend medicaid funds where they are most appropriate. It does not add to the budget.

Senator Keating's amendment motion (exhibit B15) carried unanimously.

Senator Keating moved to amend Page B-14, line 15 (see Exhibit B16, item 12).

Senator Keating asked Ms. Robinson to explain the amendment. Ms. Robinson said in order to get a waiver from the federal government they have to demonstrate there is cost savings. This language would help them pursue the waiver.

Senator Keating's amendment motion (exhibit B16, item 12) carried unanimously.

DEPARTMENT OF FAMILY SERVICES - Page B-14

Senator Waterman moved to amend page B-14, line 19 (see exhibit B17).

Senator Jacobson said it is duplicated in HB 559 with a different funding source.

Rep. Bradley said it funds it with reconciliation account dollars.

In a question from Senator Keating if this is the management information system, Senator Jacobson said yes, by adopting this amendment, we would restore it with general funds. If we chose to wait and use HB 569, it would restore it with some money from Rep. Cobb's bill. Senator Waterman said she would wait on this motion.

Senator Keating said he has an amendment on a later page dealing with the management information system going back to the executive budget that was permitted under the original budget to initiate the management information system for the recordkeeping for youth. He felt this program is essential to the Department of Family Services. He said he would like to have his amendment in the budget and start it subject to the finalization of HB 569.

Senator Waterman said she had no problem if Senator Keating wanted to pursue a motion and it could be superseded by our action on HB 569 if it passes.

Senator Jacobson said if Senator Keating wanted this in the budget now, we could hold the amendment until we see what happens on the other bill. Also coordinating language could be put in saying if that bill passes, this language comes out.

Senator Keating said he felt it would be a safeguard by the Department to have this in HB 2 by the time it gets to the floor. He said that while he opposes HB 569, he realizes this system is a necessity to the Department of Family Services or general fund money will be lost through sanctions. He concluded he wants to safeguard the Department but he does not want to be a party to expending money that is not absolutely necessary.

When mentioned by Senator Jacobson that the HB 569 could possibly be amended to a lesser amount, Senator Keating felt it would be much easier to accept this and be done with it.

Rep. Bradley said there are three different possibilities. One is using Rep. Rice's vehicle which does have reconciliation dollars to fund the system but those dollars if not used revert to the general fund. If we wanted to do the same thing as the other bill does but put it into HB 2 and keep it there as part of the entirety of the DFS budget, then Senator Waterman's amendment is in essence the same thing because the dollars eventually will revert to the general fund. What Senator Keating has proposed is a total of about \$71,000 of federal and \$167,000 of general fund dollars for a total of \$238,000 but that would not bring the system on line until later. It would be little more than planning dollars. The other two approaches are an endeavor to get the system on line and functioning by January 1994. The subcommittee felt this should get moving and on board. She concluded the total cost of this is small compared to the

computer systems we are seeing in SRS. It is a perfect example of how the two departments are being treated entirely different.

Senator Keating said by putting in more money it will shorten the time of installation by six months and that is somewhere around 1994. He does not think we should put up an additional \$200,000 or \$300,000 for that six month period. He added his amendment calls for \$87,000 in general fund money and \$62,000 federal money in fiscal year '92, which is mostly preparation and systems development. It does not deal with actual machinery but it gets the program going and within the federal requirements.

Senator Jacobson said she resisted Senator Keating's motion at this time and felt we should hold this until the other bill is heard.

Senator Hockett asked Tom Olsen to comment on this. Mr. Olsen from DFS said the executive budget gives money to continue to plan and do some early preparation work towards system development. The larger amount of money from the reconciliation fund would give the department the ability to get the system up and operational by January '94 and start tracking children. When questioned by Senator Hockett as to the other system, Mr. Olsen said they would have to come back to the next legislative session and ask for the money, and he added by that time they might have to deal with sanctions.

In a question from Senator Keating as to how other states are handling this, Mr. Olsen said other states are beginning to develop this sort of system. They are all trying to meet federal requirements.

Senator Waterman said she felt there was money last biennium put in the budget for a computer system for DFS which was not used. She asked Mr. Bob Mullin to comment on this because he was director of DFS during the last session.

Bob Mullin said the department was given approximately \$40,000 last session, not necessarily to plan for a system but to take steps to separate themselves from the SRS system.

Senator Jacobson said it was her position that she would rather see the fuller amount instead of the lesser amount and is fearful if Senator Keating's motion passes, we will never see it.

Senator Keating said if he made a motion, he would withdraw it.

Senator Keating moved to amend page B-14, line 19 (see exhibit B18).

Senator Keating said this would restore funding for the deputy director position.

Senator Jacobson said this is restoring \$82,000 general fund money.

Senator Aklestad said it was his understanding when this position was dropped, there were two upgrades in positions. He questioned if those upgrades would remain in place in addition to reinstating a deputy director.

Senator Keating asked Mr. Olsen to comment on this. Mr. Olsen said the two positions Senator Aklestad referred to were positions created under reorganization. He felt his department did not have management expertise to carry out what they were supposed to do. One of the positions is a grade 18 position and it will be division director for community services. That position is designed to create a continuum of care statewide. The other position is division administrator for juvenile corrections. He said there is no order to juvenile corrections, which could cause much trouble.

Senator Aklestad said he wanted to know what the other upgrades were and the general fund amount of them. Mr. Olsen said they are not upgrades; they were added in the subcommittee. They are new FTE's.

When asked by Senator Aklestad the general fund money for these two positions, Senator Jacobson said it is \$158,588.

Senator Keating's amendment motion (exhibit B18) carried with Senators Aklestad, Bengtson and Devlin opposed.

Page B-15

Senator Waterman moved to amend page B-15, line 24 (see exhibit B19)

When questioned by Senator Jacobson what Mr. Olsen's request was for the number of social workers, Mr. Olsen said they originally requested 64 and that 8 were approved in the executive budget.

In a question from Senator Keating that DFS had 8 social workers but as of now they had no social workers, Mr. Olsen said that was correct.

In a question from Senator Devlin regarding the number of social workers being discussed in the amendment, Senator Jacobson said it eventually will add 36 social workers and will cost \$1,300,000 in general fund.

Senator Devlin asked if that was in the original Governor's budget, Rep. Bradley said it was 8 for the biennium.

Senator Waterman's amendment motion (exhibit B19) failed on a roll call vote, with 9 voting yes, 10 voting no.

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Senator Keating said he would like to have restored the eight FTE social workers that was in the original budget. The department has to have those people in order to function.

Senator Keating moved page B-15, line 6, eight field staff social workers as was in the original budget.

Senator Waterman made a substitute motion to amend page B-15, line 24 (see exhibit B20).

Senator Waterman said this amendment would add eight in fiscal 1992 and an additional eight in fiscal 1993.

Senator Waterman said she would like to have Margaret Stewart comment on the critical need of this amendment. Senator Jacobson said it would be very unusual to have someone testifying on this as we are in executive action but she would allow Ms. Stewart to speak briefly.

Margaret Stewart said she consults at group homes in Helena. She said the state advisory council set as its top priority adequate staff which has not been addressed thus far by the legislature. She said the response to HB 100 represents a basic adequate program which is needed to service the children in the state. She noted there are more children now in foster care. She concluded the State is not protecting their children and said she is angry about it.

Senator Jacobson said she will not allow further testimony after public testimony has been given.

Senator Aklestad said he would like to have the director of DFS advise how many total social workers we have. Mr. Olsen said there are approximately 180 social workers and they investigated approximately 10,000 kids last year.

Senator Waterman's substitute motion (exhibit B20) failed on a roll call vote, with 9 voting yes, 10 voting no.

Senator Keating's original motion (see exhibit B21) carried unanimously.

Senator Bianchi moved to amend page B-15, line 24 (see exhibit B22)

Senator Jacobson said we used to have child care money in the 3 C's program but that was cut out by the Reagan administration and the funds dried up in 1981.

Rep. Bradley said when there was general fund dollars last biennium allocated for resource and referral, there was an allocation of \$60,000 for the first year which was leveraged with some federal dollars for a total of \$120,000 the second year of the biennium. That has now increased to \$214,000 a year. The

match is now 28/72 so it takes fewer general fund dollars.

Senator Waterman asked if federal fund dollars would be lessened if this amendment is not adopted. Ms. Julia Robinson said block grants have no match. She said we have expanded our commitment to day care in the state by funding through the JOBS program.

Senator Bianchi said he would like to have Katy Wall address this amendment. Ms. Wall said the money that would be lost is medicare match money. Block grant money would not be lost because the effort in dollars is maintained even though the areas it is placed is different.

Senator Waterman said she wanted to know if we are going to get more federal money if Senator Bianchi's motion is passed and if so, how much.

Ms. Robinson said there is no medicaid money in child care. She said here we are talking about AFDC and about JOBS. There is match money in the JOBS program that is applied to child care. Right now we are matching at 28/72 the information and referral system. The proposal put together by the committee would allow them to match the first quarter. That would maintain the current program. When the new federal block grant comes in, it would transfer some of the information referral program over to 100 percent federal money which would free up an additional match for actual day care services. There is a cap on the JOBS program. They are planning on using all of the match. She said there would be five million dollars spent on JOBS. She concluded the program is not like medicaid where there is more match. It is different kind of program where there is a cap. It can be funded this way, but it is not the best allocation of resources.

Senator Bianchi's amendment motion (exhibit B22) failed on a voice vote.

Senator Keating moved to amend page B-16, line 15 (see exhibit B23)

Senator Keating's motion carried unanimously on a voice vote.

Page B-9

Senator Nathe moved to amend page B-9, line 11 (see exhibit B24).

Senator Nathe said this amendment deals with medically needy. It applies to children that are AFDC children and those taking care of them. He said the cost is \$1.72 million. Of that amount \$485,000 is general fund money. He noted that taking away medical coverage from these caretakers stimulates the chance of them going back onto welfare.

Senator Jacobson said this is about one million dollars in total money.

In a question from Senator Hammond if this program is now in force, Senator Nathe said at this time in this biennium this program was in place, but it was taken out by the subcommittee and would not be in place in the forthcoming biennium. He is trying to put it in place.

Senator Jacobson asked Rep. Bradley what is the total of modifications in the budget. Rep. Bradley said she brought the committee's attention to costs on page B-102. She said they are trying to keep down the cost in face of the rising costs and demands. She added she does not disagree with Senator Nathe on this. It was in her opinion the most difficult committee decision, but it was a suggestion from the department to provide caretakers with medicaid coverage. She concluded the child still gets medicaid coverage. The relative is the person being removed from coverage.

Senator Jacobson said she would resist the motion. There is \$32 million over the LFA from the last biennium and by today's actions we have added another one-half million dollars to the budget.

Senator Nathe's amendment motion (exhibit B24) failed on a roll call vote, 3 voting yes, 16 voting no.

Senator Jergeson moved that Section B of the budget be closed. Motion carried unanimously.

### SECTION C NATURAL RESOURCES AND COMMERCE

Representative Kimberley, Chairman of the Subcommittee, said Section C contains seven agencies: Department of Public Service Regulation; Fish, Wildlife and Parks; State Lands; Livestock; Natural Resources and Conservation; Agriculture; Commerce.

Section C includes for the biennium, general fund of \$48.4 million and total funds of over \$303.4 million. The budget mods consist of \$2.46 million general fund.

#### PRESENTATION OF PUBLIC SERVICE COMMISSION - SECTION C

Rep. Kimberley presented the Public Service Commission portion of Section C, pages C-1.

#### PRESENTATION OF DEPARTMENT OF FISH, WILDLIFE AND PARKS - SECTION C

Rep. Kimberley presented the Fish, Wildlife and Parks portion of Section C, pages C-3 through C-36.



QUESTIONS FROM COMMITTEE ON FISH, WILDLIFE AND PARKS BUDGET

Senator Nathe questioned page C-6, what is geographic information system, for \$90,000 or \$180,000.

Rep. Kimberley said it is for the agency to correlate their project.

Senator Nathe questioned why there are two duplicate systems.

K. L. Cool, Director, said they are not duplicate systems. The GIS would be specific to wildlife management of those areas. It provides a data base that overlays onto the NRIS system of wildlife boundaries, land status, land use, vegetative habitat and cover types, history, elevation, from which they can derive proximity to water slope and then begin to manage the entire area in an integrated system. The concept would be to provide them with needed information in the base to give information on preferred habitat, vegetative response, forage allocation, grazing systems on lands. At the current time all the information is in handwritten form in manila folders and it cannot be utilized to manage those properties.

Senator Nathe asked Mr. Cool if this system is being developed for the lands they have purchased. Mr. Cool said this would be a report back item to the legislature, and they need this system to make the NRIS system important for management of wildlife.

Mr. Kimberley said the narrative shows it is not included in the 1995 biennium.

Senator Beck said regarding the Clark Fork study on fisheries, he asked if that \$100,000 on the investigation is above and beyond what is already there. Mr. Cool said that is correct. The database that would be collected would be fisheries information would have advantage to the litigation and action taken by the state but a long term benefit to the Department relative to fisheries management on the Clark Fork after the area is restored. He said when this budget was handled in House appropriations, there was an amendment made that allowed these funds to be recoverable in terms of a settlement. It is not a permanent positioning. It is tied to needs for information and database now.

Senator Hammond questioned the difference between block management and block management expansion. Mr. Cool said the report back items means the system is in place and funding would be continuing. The new mod would be expansion dollars necessary to bring a 4.5 million acre program between FWP and the private landowners to hopefully 7 million acres as a long term goal. He said the second mod described by Rep. Kimberley would provide funding for new areas in expansion. The first mod would continue

the program at current level.

Senator Aklestad asked for the total figure of all increased fees the department has imposed on people of the state. Mr. Cool said there is a fee increase that shows there is a reduction in resident fees and an increase in nonresident fees in certain categories. He said at the present time he isn't able to tell which fees will be imposed because it will come through action of the Senate and the House. The fee schedule will fund their appropriation for two years. He concluded the pay plan currently being considered with regard to his department, because they are funded by user funds or state special revenue and have no general funds, the pay plans have to be eaten out of current operating expenses.

PRESENTATION OF DEPARTMENT OF STATE LANDS - SECTION C

Representative Kimberley presented the Department of State Lands portion of the budget, Section C, pages C-37 through C-56.

PRESENTATION OF DEPARTMENT OF LIVESTOCK - SECTION C

Representative Kimberley presented the Department of Livestock portion of the budget, Section C, pages C-56 through C-70.

PRESENTATION OF DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION - SECTION C

Representative Kimberley presented the Department of Natural Resources and Conservation portion of the budget, Section C, pages C-71 through C-96.

PRESENTATION OF DEPARTMENT OF AGRICULTURE - SECTION C

Representative Kimberley presented the Department of Agriculture portion of the budget, Section C, pages C-97 through C-110.

PRESENTATION OF DEPARTMENT OF COMMERCE - SECTION C

Representative Kimberley presented the Department of Commerce portion of the budget, Section C, pages C-111 through C-160.

QUESTIONS FROM COMMITTEE ON DEPARTMENT OF COMMERCE BUDGET

Senator Jergeson questioned regarding the modification on C-138, automation of census, did the subcommittee look at the compatibility of this system with the computer system of the reapportionment commission. Rep. Kimberley said they did not.

When questioned by Senator Hammond regarding page C-145, replacing 17 vehicles in building codes bureau, Rep. Kimberley

said the vehicles are cycled and they come due every three years. In a question from Senator Hammond regarding how many FTE's they have, Rep. Kimberley said there are 30.

At this time, Chairman Jacobson asked those wishing to speak to their budget to do so.

#### DISCUSSION ON DEPARTMENT OF FISH, WILDLIFE AND PARKS BUDGET

K. L. Cool, Director, said the presented budget is within the level authorized by the executive. He said there are several modifications in that budget. About one-half of those were termed as report back items or items the committee in 1989 desired additional information on. There are six amendments resulting from bills that have passed both houses of the legislature. Four of them have been signed by the Governor, and two have been returned to the House with Senate amendments. The final amendment is asking for an opportunity to replace \$18,000 each year of license money with federal money available in the hunter safety program.

#### DISCUSSION ON DEPARTMENT OF STATE LANDS BUDGET

Dennis Casey, Commissioner, said the personal services reduction of four percent incorporated by the appropriations committee in the DSL budget, he would like the flexibility of spreading the reduction over the two year period and not limiting it to the second year of the biennium. Regarding the trust land access item, they would seek money for a programmatic environmental impact statement and have legislation introduced to provide the authority to implement a plan after the completion of the EIS. He noted if HB 778 becomes law in its present form, an EIS would not be necessary, but since the outcome is not certain, he said it was necessary to leave the \$300,000 in the budget. He concluded that amendments would be offered regarding FTE's in the department.

When questioned by Senator Bianchi regarding the use of the \$300,000, Mr. Casey said if HB 778 in its present form became law, there would not be a need for an EIS. It appears there could be a need for \$50,000 for administrative purposes for the program and there are discussions relative to using up to \$250,000 for an economic study rather than an EIS of state land uses.

Don Allen, Montana Wood Products Association, said an amendment will be offered by Senator Beck. He said regarding increasing timber sales, they would like to have considered an eight to one return on an investment of \$81,000 over the next biennium for a pilot project to see if this would work to boost state timber sales.

#### DISCUSSION ON DEPARTMENT OF LIVESTOCK BUDGET

Les Graham, Executive Secretary, said they worked with the subcommittee and House appropriations and are very satisfied with the work, and concluded he would be happy to answer questions.

DISCUSSION ON DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION BUDGET

Karen Barclay, Director, stated she is pleased with the actions taken in the House. She added four amendments would be presented. She concluded that she would be available to answer any questions.

DISCUSSION ON DEPARTMENT OF AGRICULTURE BUDGET

Everett Snortland, Director, stated his appreciation of the subcommittee's actions with regard to his department and concluded he and his staff would be available to answer questions.

DISCUSSION ON DEPARTMENT OF COMMERCE BUDGET

Chuck Brooke, Director, stated the presented budget is more than adequate to meet their statutory responsibilities and department objectives. He concluded they have one amendment to be offered and would be available to answer any questions.

AMENDMENTS TO SECTION C

NATURAL RESOURCES AND COMMERCE

DEPARTMENT OF PUBLIC SERVICE REGULATION - Page C-1

Senator Weeding moved to amend page C-1, line 12 (see exhibit C1).

Senator Jacobson questioned the LFA regarding this amendment. Roger Lloyd, LFA, said costs are based on nine and one-half dollars a square foot and added they are looking at a number of locations in Helena. He said the PSC is leaving it up to the Department of Administration to do the research on this. When questioned by Senator Jacobson if this sounds like a reasonable cost per square foot, Mr. Lloyd said he could not address that but added it is considerably more than they are currently paying, which is \$37,000 per year for rent.

In a question from Senator Devlin asked if this is paid by utilities or flows through the general fund, Senator Jacobson said it is general fund money. Mr. Lloyd, LFA, said it is funded by general fund which is reimbursed by fees that the PSC levies onto their customers.

Senator Jacobson questioned why the Public Service Commission is asking for 4,000 square feet more space than they

currently have. Wayne Budt of the PSC said they asked the Department of Administration to do a needs assessment of space, and those numbers are based on that.

Senator Keating asked if the Department of Transportation funding was in the budget or additional funds. Rep. Kimberley said it was not in the Governor's budget.

In a question from Senator Jergeson if this was an area that perhaps inadvertently was not included in the budget, Rep. Kimberley said it was never identified as a cost. Senator Jergeson said it was not in the executive budget but happened as a result of policy initiatives of the administration and suggested the administration when reviewing the Governor's budget should include this portion.

Senator Jacobson questioned Mr. Sundsted as to why they proposed the move without proposing the funding. Mr. Sundsted said at the time the budget was done, the Department of Highways did not know if the PSC would be required to move. He told the PSC if they were required to move that the administration would support a reasonable amount for moving expenses. When asked by Senator Jacobson if a revenue source has been identified for this, Mr. Sundsted said he felt it would be fees collected by the PSC to pay the rent.

In a question from Senator Beck regarding the fees, Mr. Sundsted said the PSC expenses come out of the general fund and their assessments go into the general fund in a like amount.

Regarding a question from Senator Waterman regarding the revenue source for the relocation costs, Mr. Sundsted said it was his understanding that the full amount would be collected through assessments and put back into the general fund for the amount of expenditures.

Regarding the one-time moving cost mentioned in the amendment, Senator Jacobson said it was her understanding in reading the amendment that the additional rental costs would be funded by PSC taxes that are deposited in the general fund; it does not speak to the one-time moving cost.

Mr. Wayne Budt said the PSC funding comes from an assessment of the utilities and railroads. He understands that the Department of Revenue takes the budget that is set and sets the fee or percentage that is needed to meet that revenue. That revenue is then put in the general fund and drawn out by the PSC. The amount not used goes back to reduce the tax the next time. Senator Jacobson said the LFA agrees that it will all come out of the fees.

Senator Weeding's amendment motion (exhibit C1) carried with Senators Aklestad, Hockett, Waterman, Harding, Fritz and Franklin opposed.

DEPARTMENT OF FISH, WILDLIFE AND PARKS - Page C-1

Senator Bengtson moved to amend page C-1, line 19 (see exhibit C2, item 1)

Senator Bengtson's amendment motion carried unanimously.

Senator Bengtson moved to amend page C-1, line 21 (see exhibit C2, item 2)

Senator Bengtson's amendment motion carried unanimously.

Page C-2

Senator Bengtson moved to amend page C-2, line 25 (see exhibit C3, item 1)

Senator Bengtson's amendment motion carried with Senators Aklestad and Fritz opposed.

Page C-3

Senator Bengtson moved to amend page C-3, line 22, and page C-6, line 23 (see exhibit C3, item 2)

Senator Bengtson's amendment motion carried with Senators Nathe, Fritz, Beck, Keating, Harding, Aklestad, and Hammond opposed.

Senator Bengtson moved to amend page C-3, line 22 (see exhibit C3, item 3)

Senator Bengtson's amendment motion carried with Senator Fritz opposed.

Senator Bengtson moved to amend page C-3, line 22 (see exhibit C4, item 1)

Senator Beck questioned if it would be for private water users for irrigation or for the State's purpose. Senator Bengtson said it is for FWP lands; it does not address private lands. Ms. Barclay of the Department of Natural Resources said HB 908 is the bill dealing with this and it responds to the establishment of water measuring devices; there will also be an amendment for her department for private lands.

Senator Beck questioned why the water user was not paying for it. Ms. Barclay said the amendment for her department will talk about costs in identifying the streams and for the Board to develop rules and for the DNRC to enforce that there are measuring devices installed where required.

Senator Bengtson's amendment motion carried with Senators Nathe, Aklestad, Keating, Beck opposed.

Page C-5

Senator Bengtson moved to amend page C-5, line 11 and line 23 (see exhibit C4, item 2)

Senator Bengtson's amendment motion carried with Senators Aklestad, Keating, Franklin, Beck, Hammond.

Pages C-4, C-6

Senator Devlin moved to amend page C-4, line 24 and C-6, line 23 (see exhibit C5, item 1)

Senator Devlin's amendment motion carried unanimously.

Page C-5

Senator Devlin moved to amend page C-5, line 23 (see exhibit C5, item 2)

Senator Devlin's amendment motion carried unanimously.

Page C-8

Senator Bianchi moved to amend page C-8, line 2 and page C-5, line 1 (see exhibit C6, items 1, 2)

Senator Hammond questioned if the Conservation Corps at the present time is part of the Department of Fish, Wildlife and Parks. Senator Bianchi said it is not. If this passes, a coordinator would be hired with general fund money that would work for the Department of FWP and coordinate with this private nonprofit corporation. When questioned if FWP would have authority over that money, Senator Bianchi said it is a new program as far as federal funding.

Senator Hammond stated his feeling that we are adding more bureaucracy. Senator Jacobson said it was her understanding from the Bianchi amendment that he is taking out the money for a coordinator and there is no general fund money; it is a pass through grant and saves the general fund \$55,000.

Senator Bengtson said the Montana Conservation Corps is now in operation. A concept was supported to make a youth conservation corps work particularly with the Department of FWP and they felt a coordinator was needed. When questioned by Senator Hammond if the FWP was in favor of this, Senator Bengtson said yes.

Mr. Cool of the Department of FWP said this position was not authorized in the executive budget but was placed in the budget at the request of the Montana conservation corps people.

Representative Kimberley said in order to receive federal

funds, it is necessary that they be matched with money of the Montana conservation corps. They were convinced a coordinator was needed to get the job done. Mr. Cool said he would agree with that.

In a question from Senator Jacobson if this was part of the executive budget, Mr. Sundsted said it was not. He added his understanding that they need general fund money to get federal funds. Mr. Bianchi said that was not true in his opinion, and asked Judy Carlson to comment on that.

Judy Carlson said it was her understanding that the coordinator in the Department of FWP would expedite this and would help get the federal funds. It was not her understanding that we needed matching dollars for that.

Senator Bianchi's amendment motion (exhibit C6) failed on a roll call vote, with 8 voting yes, 10 voting no.

DEPARTMENT OF STATE LANDS - Page C-9

Senator Bengtson moved to amend page C-9, line 23 (see exhibit C7)

Senator Bengtson stated her opposition to the amendment after reviewing it.

Senator Bengtson's amendment motion carried with Senator Bengtson opposed.

Page C-10

Senator Bengtson moved to amend page C-10, line 10 and 12 (see Exhibit C8)

Senator Bengtson's motion carried unanimously.

Senator Beck moved to amend page C-10, line 21 (see exhibit C9)

Senator Beck said this amendment regards increasing timber production.

In a question from Senator Hammond regarding the amendment, Rep. Kimberley said this amendment was not discussed in subcommittee.

Dennis Casey of Department of State Lands said he met with a firm called Forestry Resources and this proposal was a result of that. He said although he agrees that a \$27,000 investment would result in additional timber sales in FY '92, for FY '93 it would depend if the pilot study was successful.

Senator Jacobson questioned the size of the Department of



State Lands budget. Rep. Kimberley said the budget as shown on page C-37 is \$27.3 million.

Senator Jergeson said in the appropriations subcommittee on education, they were presented with a modification to pay for an extension forester and added his feeling that at this point there is more than one project being discussed and this should have further study before definite action is taken.

Senator Beck's amendment motion (exhibit C9) failed on a voice vote.

Page C-9

Senator Weeding moved to amend page C-9, line 23 (see exhibit C10) Senator Weeding said he would like Mr. Casey to speak to this amendment.

Mr. Casey said this is general fund money, and he hoped the number of FTE's could be increased. This amendment if approved would provide additional money for the FTE's.

Senator Weeding's amendment motion (exhibit C10) passed on a roll call vote, with 10 voting yes, 9 voting no.

Senator Jacobson noted that we have added as much in this section as was added to the entire human services budget.

DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION - Page C-13

Senator Weeding moved to amend page C-13, lines 9 and 11, strike the words "Eastern Plains". He said this is supposed to be a statewide position.

Rep. Kimberley said this came out of House appropriations saying Eastern Montana coordinator, and he felt it would not have come out of the committee without that added.

Senator Weeding said there are RCD's over the entire state, and it was always the intent that they be a statewide coordinator.

Senator Weeding's amendment motion carried with Senators Aklestad, Tveit, Hammond and Devlin opposed.

Page C-15

Senator Weeding moved to amend page C-15, line 11 (see exhibit C11, item 1)

In a question from Senator Aklestad if the money now is earmarked for one particular dam, Ms. Barclay said that was correct. The bill that passed would direct monies to be deposited into an account and could be utilized for all state

water projects. She added that the water rights compact would be brought before this legislative session and there would be federal dollars matched with state dollars to rehabilitate a specific dam, therefore a package would be developed to utilize some of the dollars on the Tongue River dam project rather than trying to utilize general fund dollars. It is a state owned dam so it is an appropriate use of that account.

Senator Weeding's amendment motion (exhibit C11, item 1) carried unanimously on a voice vote.

Senator Jergeson moved to amend page C-15, line 11 (see exhibit C11, item 2).

Senator Jergeson's amendment motion carried unanimously.

DEPARTMENT OF AGRICULTURE - Page C-16

Senator Bengtson moved to amend page C-16, line 21 (see exhibit C12)

Senator Bengtson's amendment motion carried unanimously.

Senator Bengtson moved to amend page C-16, lines 5, 9, 19 (see exhibit C13, items 1, 2, 3)

Senator Jacobson said she was informed by the LFA that this is necessary to eliminate the negative general fund appropriation because there is not one.

Senator Bengtson's amendment motion (exhibit C13, items 1, 2, 3) carried unanimously.

DEPARTMENT OF COMMERCE - Pages C-17, C-18, C-20, C-21

Senator Bengtson moved to amend pages C-17, C-18, C-20, C-21 (see exhibit C14, items 1 through 7)

Senator Bengtson's amendment motion carried unanimously.

Senator Bianchi moved to amend page C-18, line 2 (see exhibit C15)

Senator Bianchi said his motion includes bills shown on his amendment that have been starred. Senator Jacobson noted some of the bills dealing with this proposed amendment have been passed and some have not.

Senator Bianchi said his amendment motion includes the bills that have a star in front of them and further the motion would include asking the LFA to adjust the amounts of money.

Senator Bianchi's amendment motion (see exhibit C15) carried with Senators Aklestad and Tveit opposed.

Page C-8

Senator Nathe moved to amend page C-8, line 11 (see exhibit C16)

Senator Nathe said his motion would add \$125,000 a year for PILT payments, payment in lieu of taxes to the counties. It would be added to each year of the biennium.

In a question from Senator Keating as to general fund money from whose budget, Senator Nathe said it is Department of State Lands. He said what they raise in revenue from surface management goes into the school foundation program. The oil money goes into the common school trust and that interest goes into the school foundation program. The specific operation of the Department of State Lands comes out of the state general fund. We do not appropriate any money from the money that they generate in their operation.

Senator Keating asked Mr. Dennis Casey how much they spend in administration and how much is earned on State lands that offsets the general fund that is used. Mr. Casey said the total amount of money that the state receives in a year including interest from the trust and legacy account is about \$50 million. About \$35 of that is distributed to the schools and about \$15 million goes into the trust and legacy account. That account is continually building. He said about \$3 million is spent for administration.

In a question from Senator Hammond what portion of state lands are not school trust lands, Mr. Casey said he did not know the total. There are 5.2 million surface acres of trust land and about 6.2 million of subsurface and he does not know the other ownership.

In a question from Senator Beck if this amendment was addressed in the House, Rep. Kimberley said it was offered on the House floor by Rep. Cody and it failed.

Senator Jacobson advised the committee that they have now spent \$346,000 in general fund money in this section of the budget. In all sections, we have spent one-half million dollars. This would add another \$250,000 general fund money in this section alone.

Senator Nathe's amendment motion (exhibit C16) failed on a voice vote.

Page C-13

Senator Weeding moved to amend page C-13, line 14 (see exhibit C17)

Senator Jacobson said it was her understanding this was

addressed in the Fish and Game committee. Senator Weeding said this is the DNRC side of it.

Senator Jacobson questioned Ms. Barclay on funding if this is not passed. Ms. Barclay said they do not have flexibility; it is a bare bones budget.

Senator Jacobson said if it is not funded, they will have to find the money within their existing budget.

Senator Weeding's amendment motion (exhibit C17) passed on a roll call vote, with 10 voting yes, 9 voting no.

Page C-20

Senator Jergeson moved to amend page C-20, line 8 (see exhibit C18)

Senator Jergeson's amendment motion (exhibit C18) carried unanimously on a voice vote.

Page C-20 and page C-23

Senator Jergeson moved to amend page C-20, lines 1 and 2 (see exhibit C19) and the language on page C-23, lines 9 through 11.

Senator Jergeson said this eliminates automation of the census. He added he is not trying to get rid of a computer system for the census but thinks we can find a system compatible for both functions.

Senator Keating asked Mr. Brooke of the Department of Commerce if this can be done. Mr. Brooke said no, that the money in his department is not for computer hardware but for conversion of data. By eliminating this would preclude them from providing census data to the reapportionment people.

Senator Jergeson said there are two different systems and we must come up with one system that serves the functions of both. He hoped a system can be approved that is appropriate.

Senator Jergeson's amendment motion failed on a roll call vote, with 6 voting yes, 13 voting no.

Page C-17 and Page C-22

Senator Weeding moved to amend page C-17, line 23 and C-22, line 23 (see exhibit C20)

Senator Jacobson said she would like the LFA to explain this amendment. Roger Lloyd, LFA, said the amendment will raise the state special by \$3,000 in 1992 and \$2,000 in 1993.

Senator Jacobson asked John Shontz the effect of the amendment. Mr. Shontz said it is in response to SB 244 and takes \$5,000 out of \$15,000 that the legislature appropriated two years ago to do a study to establish a school of dental hygiene. There is \$12,000 left over that they are tentatively going to give to the Board of Regents. This would reappropriate \$5,000 of the \$12,000 and give the Board of Regents the \$7,000 balance. It is not general fund; if it is not done, the money will not revert to the general fund.

Senator Weeding's amendment motion (see exhibit C20) carried unanimously.

Page C-13

Senator Bengtson discussed an amendment to Page C-13, line 14 but said she was not going to move the amendment. (see exhibit C21)

Senator Bengtson said with regard to vacancy savings and the unfunded pay exception costs, the budgets are not like we thought they were.

Senator Keating moved that Section C of the budget be closed. Motion carried on a voice vote.

**PERSONAL SERVICE REDUCTION AMENDMENT**

Senator Jacobson distributed to the committee an amendment on personal service reduction (see Jacobson exhibit 1), and moved the amendment.

Senator Jacobson told the committee that a sheet from 1988 indicating that the only place where there was less than four percent vacancy savings was in the Department of Institutions and they were above the two percent. The Governor's salary plan would have taken 4.5 in the first year and 9 in the second year. This is a fairly modest suggestion and adds consistency throughout the budget. It would decrease the general fund by approximately \$5.56 million.

Senator Jergeson assumed the Chair while Senator Jacobson made her motion.

Senator Aklestad questioned regarding the vacancy savings referred to in the House. Senator Jacobson said the House took some vacancy savings in some areas in the second year in some agencies and if we were to add back what they removed, we would be adding \$2.9 general fund to this budget. She said she is proposing for consistency sake that we take it across all of HB 2 in a more consistent manner.

When asked by Senator Aklestad if this would touch every budget to varying degrees, Senator Jacobson said yes. She added

in the past in vacancy savings, it has been done more in this manner than in the manner done in the House. She suggested that there would probably be more reversions beyond this but this is assuring us that there would be this amount of money and it does go into the incremental part of the university systems when the last legislative session did not revert any money at all.

Senator Keating said he would resist the motion. He said vacancy savings has been argued for a number of years as a blanket reduction to appropriations because it did not allow for proper department management. In the last biennium personal services was line itemed and took no vacancy savings and said any unused money would revert. This way the departments could be run efficiently. There was a six percent vacancy savings reversion at the end of the biennium which helped us cover our supplemental. He said a vacancy savings interrupts the proper and efficient management of government and suggested we stay with our line item on personal services and fund the departments to the extent they think they need to be funded and run the government the way it is supposed to be run. Taking vacancy savings in general impacts the match money and oftentimes are forfeiting 70 percent match in federal money by the personal services reductions.

Senator Jacobson said the budget still contains the language that you cannot move money out of personal services. This amount of money is a reasonable amount of money and we are simply reducing personal services and saying this amount of money can be expected to not have been spent anyway. We know historically if they have further savings in personal services, it would still revert to the general fund. She concluded everyone would be treated consistently and we would go into the incremental budgets of the university system.

Senator Bengtson stated her opposition to the motion. She added there is no historical analysis on the reversions. The departments finally have been allowed to revert.

Senator Waterman stated her feeling that it would hurt some people. Senator Jacobson said they still can't move money from personal services and we know there are some people that are going to leave and they will be hired back at lower jobs. She concluded none of those on the list were below four percent except the Department of Institutions and they were above two percent. She added if we are going to reduce personal services in some areas, it should be consistent throughout the budget.

Senator Aklestad stated his support of Senator Jacobson's motion in that it is a fair proposal. With the proposal, we don't need as many tax dollars now.

Senator Devlin stated he would resist the motion in that it would create a hardship on the smaller departments.

Senator Nathe stated his support of the motion. He said crunch time is coming and we are putting money in rather than taking money out. The only way to reduce this and get away from some of the pressure to increase taxes is to look at something like this motion. He concluded there is this choice or the choice of looking at some horrendous taxes.

Senator Keating said bills are passed that add more duties to government and more FTE's; certain programs are not closed down. He said we come before this body with \$100 million raises for employees and then we say we will cut four percent vacancy savings.

Senator Jacobson concluded that this is one of the most painless ways to cut \$5.4 million out of the budget and make it consistent throughout the budget. Vacancy savings will still be reverted over and above what she is asking for. She reminded the committee that the Governor's office felt they could generate 4.5 in the first year and 9 in the second year and she is asking for 4 and in some cases she is asking for 2.

Senator Jacobson's motion carried on a roll call vote, with 13 voting yes, 6 voting no.

#### SECTION D INSTITUTIONS AND CULTURAL EDUCATION

Representative Menahan presented Section D to the committee.

#### DISCUSSION ON DEPARTMENT OF INSTITUTIONS BUDGET

Curt Chisholm, Director, said the budget as presented is reasonably adequate to take care of most of the department's needs. He said there was a great deal of effort in restructuring the department to reflect budgets in the three main program areas. It is the department's responsibility to manage corrections; comprehensive mental health services on a statewide basis; chemical dependency services on a statewide basis. They operate two of the state's DD or MR facilities, the facility at Eastmont and the veterans' home at Columbia Falls. He said they are now able to see what they are spending on mental health and chemical dependency. He said there is lack of flexibility at times and the department needs to move monies within those program areas. More flexibility is needed to move monies from personal services and operations as the need surfaces during the upcoming biennium. He said there are three pilot projects dealing with special mental health needs at the present time. He added there is a civil lawsuit pending at the present time against the state which requires a large sum of money. He noted they will revert at the end of the current biennium close to \$5 million in unused general fund money, but they asked for \$1.6 million in supplemental so the net effect was they reverted close to \$3.5 million from the total department budget. He said they

SENATE FINANCE & CLAIMS COMMITTEE

April 6, 1991

Page 56 of 56

need flexibility in dealing with the budget. He concluded the Galen issue is dead at the present time, and they intend to operate the facility for two more years during which time the program is studied, as well as the Warm Springs facility.

Kathy McGowan, representing the Montana Council of Mental Health Centers, stated their support for flexibility because of the pilot projects mentioned by Mr. Chisholm.

Senator Jacobson said there are controversial amendments to this section of the budget and because the committee has been in hearing for so many hours, she would rather have the amendments presented on Monday, April 8th. After getting a consensus from the committee, Senator Jacobson said we would reconvene at 3:00 p.m. on Monday.

ADJOURNMENT

Adjournment At: 7:30 p.m.

  
\_\_\_\_\_  
JUDY JACOBSON, Chairman

  
\_\_\_\_\_  
LYNN STALEY, Secretary

JJ/lis



ROLL CALL

FINANCE & CLAIMS COMMITTEE

DATE 4/6

LEGISLATIVE SESSION

NAME	PRESENT	ABSENT	EXCUSED
SENATOR JACOBSON CHAIRMAN	✓		
SENATOR JERGESON, VICE CHAIRMAN	✓		
SENATOR AKLESTAD	✓		
SENATOR BECK	✓		
SENATOR BENGTON	✓		
SENATOR BIANCHI	✓		
SENATOR DEVLIN	✓		
SENATOR FRITZ	✓		
SENATOR HAMMOND	✓		
SENATOR HARDING	✓		
SENATOR HOCKETT	✓		
SENATOR KEATING	✓		
SENATOR MANNING	✓ present at 8:30		✓
SENATOR NATHE	✓ present at 8:30		
SENATOR STIMATZ	✓		

Each day attach to minutes.

ROLL CALL

FINANCE & CLAIMS COMMITTEE, CONTINUED

DATE \_\_\_\_\_

\_\_\_\_ LEGISLATIVE SESSION \_\_\_\_

NAME	PRESENT	ABSENT	EXCUSED
SENATOR TVEIT	✓		
SENATOR VAUGHN	✓		
SENATOR WATERMAN	✓		
SENATOR WEEDING	✓		
<i>Senator Franklin</i>	✓		

Each day attach to minutes.

Amendments to House Bill No. 2  
Third Reading Copy

Prepared for Senator Fritz  
For Senate Finance and Claims

April 4, 1991

1. Page A-11

Following: line 1

Insert: "n. Victim of DUI Offenders (Line Item)

73,038 (state special revenue fiscal 1992)

72,538" (state special revenue fiscal 1993)

2. Page A-11

Following: line 8

Insert: "Item 1n is contingent on passage and approval of Senate Bill  
No. 321."

LFA will amend totals.

Note: SB 321 revises the Crime Victim Compensation Act to provide compensation from the crime victim compensation account to innocent victims of DUI offenders. This amendment only increases spending authority from this fund. No new or additional revenue is included. Existing victim compensation funds are used.

SENATE FINANCE AND CLAIMS

EXHIBIT NO. 1

DATE 4-6-91

BILL NO. HB 2

Amendments to House Bill 2  
Third Reading Copy

For Senate Finance and Claims  
April 5, 1991  
Prepared by the Department of Justice

1. Page A-11  
Following: line 25  
Insert: "d. Litigation Costs (Line Item)  
400,000" (general fund fiscal 1992)
2. Page A-13, line 17  
Strike: "Item 1b is a biennial appropriation."  
Insert: "Items 1b and 1d are biennial appropriations."

The amendment appropriates general fund to cover costs associated with the Crow Coal litigation and water rights negotiations.

SENATE FINANCE AND CLAIMS  
EXHIBIT NO. 2  
DATE 4-6-91  
BILL NO. HB 2

2

Amendments to House Bill 2  
Third Reading Copy

For Senate Finance and Claims  
April 5, 1991

Prepared by the Department of Justice

1. Page A-12  
Following: line 4  
Insert: "a. Staff Expansion to Address Work Backlog (Line  
Item)  
623,542 (state special revenue fiscal 1992)  
425,945" (state special revenue fiscal 1993)

The amendment will add 10.00 FTE to begin to address the current backlog of license background checks, operator application processing, and tax return processing and auditing.

SENATE FINANCE AND CLAIMS  
EXHIBIT NO. 3  
DATE 4-6-91  
BILL NO. HB 2

# ROLL CALL VOTE

SENATE COMMITTEE FINANCE AND CLAIMS

Date APRIL 6, 1991 House Bill No. 2 Time       

NAME	YES	NO
SENATOR JACOBSON		✓
SENATOR JERGESON		✓
SENATOR AKLESTAD		✓
SENATOR BECK		✓
SENATOR BENGTSON	✓	
SENATOR BIANCHI	✓	
SENATOR DEVLIN	✓	
SENATOR FRITZ		✓
SENATOR HAMMOND		✓
SENATOR HARDING	✓	
SENATOR HOCKETT	✓	
SENATOR KEATING		✓

Lynn Stealey  
Secretary

Chairman

Motion: Senator Waterman Motion  
(Exhibit 3)  
Failed

ROLL CALL VOTE

SENATE COMMITTEE FINANCE AND CLAIMS

Date APRIL Bill No.                      Time                     

NAME	YES	NO
SENATOR MANNING		
SENATOR NATHE		
SENATOR STIMATZ		✓
SENATOR TVEIT		✓
SENATOR VAUGHN		✓
SENATOR WATERMAN	✓	
SENATOR WEEDING	✓	
SENATOR FRANKLIN		✓

Secretary

Chairman

Motion: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Amendments to House Bill 2  
Third Reading Copy

For Senate Finance and Claims  
April 5, 1991  
Prepared for the Department of Justice

1. Page A-12.  
Following: line 6  
Insert: " a. Express Stations (Line Item)  
570,972 (general fund fiscal 1992)  
527,152" (general fund fiscal 1993)

This amendment, to be funded by an increase in the annual driver license fee contained in HB0568, will provide more expedient driver licensing service to the public through the addition of "express stations".

2. Page A-13.  
Following: line 19  
Insert: "Item 4a is contingent upon the passage and approval of HB0568."

HB0568, as amended, increases the regular driver license fee from \$3 to \$4 per year and revises the disposition of fees so that general fund revenue is increased to fund additional driver service stations.

SENATE FINANCE AND CLAIMS  
EXHIBIT NO. 4  
DATE 4-6-91  
BILL NO. HB 2



HIGHWAY PATROL HANDHELD RADIOS

Amendments to House Bill 2  
Third Reading Copy

For Senate Finance and Claims  
April 5, 1991  
Prepared for the Department of Justice

1. Page A-12.  
Following: line 11  
Insert: " b. Handheld Radios (Line Item)  
51,000 (state special revenue fiscal 1992)  
57,000" (state special revenue fiscal 1993)

The amendment will provide for the purchase of additional handheld radios for patrol officers to increase mobile communication capabilities.

SENATE FINANCE AND CLAIMS  
EXHIBIT NO. 5  
DATE 4-6-91  
BILL NO. HB 2

Ex 5

ROLL CALL VOTE

SENATE COMMITTEE FINANCE AND CLAIMS

Date APRIL 6, 1991 House Bill No. 2 Time \_\_\_\_\_

NAME	YES	NO
SENATOR JACOBSON		✓
SENATOR JERGESON	✓	
SENATOR AKLESTAD		✓
SENATOR BECK		✓
SENATOR BENGTON	✓	
SENATOR BIANCHI	✓	
SENATOR DEVLIN	✓	
SENATOR FRITZ		✓
SENATOR HAMMOND		✓
SENATOR HARDING	✓	
SENATOR HOCKETT	✓	
SENATOR KEATING		✓

Lynn Steacy  
Secretary

\_\_\_\_\_  
Chairman

Motion: Senator Waterman motion - 5 fls  
in patrol division  
Carried

ROLL CALL VOTE

SENATE COMMITTEE FINANCE AND CLAIMS

Date APRIL Bill No.                      Time                     

NAME	YES	NO
SENATOR MANNING		
SENATOR NATHE		
SENATOR STIMATZ	✓	
SENATOR TVEIT		✓
SENATOR VAUGHN		✓
SENATOR WATERMAN	✓	
SENATOR WEEDING	✓	
SENATOR FRANKLIN	✓	

Secretary

Chairman

Motion: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**AMENDMENTS TO HOUSE BILL 2**  
Third Reading Copy

For Senate Finance and Claims  
April 5, 1991

**DEPARTMENT OF REVENUE:**

4. Page A-16, line 23  
Strike: "1,749,022 (General Fund FY92)  
1,751,283" (General Fund FY93)  
Insert: "1,649,662 (General Fund FY92)  
1,721,974" (General Fund FY93)

JUSTIFICATION: Estimates of elected and deputy assessors salaries for FY92 and FY93 have been revised. The revised estimates are \$99,360 less in fiscal year 1992 and \$29,309 less than originally projected in fiscal 1993.

SENATE FINANCE AND CLAIMS  
EXHIBIT NO. 6  
DATE 4-6-91  
BILL NO. HB 271

Amendments to House Bill No. 2  
Third Reading Copy

Requested by Senator Jacobson  
For the Committee on Senate Finance and Claims

April 3, 1991

Regarding page A-14, item 2.

(The following is a directive to the LFA and not an amendment to House Bill 2)

"Within Item 2, page A-14, the legislative fiscal analyst is directed to move \$3,992,732 in fiscal 1992 and \$4,215,082 in fiscal 1993 from personal services to operating expenses (contract services), as shown in the table on page A-119 of the LFA House Bill 2 narrative (senate finance and claims copy)."

This amendment reverses action by the House Committee of the Whole, which moved the same amounts from operating expenses to personal services. The amendment provides the department the flexibility to use the funds to hire consultants for project design rather than hiring additional FTE for in-house design. While the amendment does not directly amend House Bill 2, it does revise the table in the accompanying LFA House Bill 2 narrative, adjusting first level expenditures within an appropriation. First level expenditures have been adopted as legislative intent in Section 3, Page BP-1 of House Bill 2.

SENATE FINANCE AND CLAIMS  
EXHIBIT NO. 7  
DATE 4-6-91  
BILL NO. HB 2

Amendments to House Bill No. 2  
Third Reading Copy

Prepared for Senator Fritz  
For Senate Finance and Claims

April 4, 1991

1. Page A-17.

Following: line 22

Insert: "a. Capitol Restoration Commission (Line Item)

11,634 (state special revenue fiscal 1992)

11,634" (state special revenue fiscal 1993)

2. Page A-20.

Following: line 21

Insert: "Item 1a funds the capitol restoration commission. Item 1a is contingent on passage and approval of House Bill No. 500."

3. Page A-19.

Following: line 15

Insert: "m. Family Services Computer System (Line Item)

78,200 (proprietary funds fiscal 1992)

93,200" (proprietary funds fiscal 1993)

4. Page A-20.

Following: line 22

Insert: "Item 6m is contingent on passage and approval of House Bill No. 569."

5. Page A-20.

Following: line 8

Insert: "c. Genetics Program Assessment (Line Item)

20,252 (proprietary funds fiscal 1992)

20,252" (proprietary funds fiscal 1993)

6. Page A-21.

Following: line 7

Insert: "Item 9c funds the state share of the genetics program fee assessment. Item 9c is contingent on passage and approval of House Bill No. 696."

7. Page A-20.

Following: line 16

Insert: "a. Property Tax Appraisal Course (Line Item)

\$3,672" (general fund fiscal 1992)

SENATE FINANCE AND CLAIMS

EXHIBIT NO. 8

DATE 4-6-91

BILL NO. HB 2

*XS held until another bill passes - no action*

8. Page A-21.

Following: line 14

Insert: "Item 11a is contingent on passage and approval of Senate Bill No. 375."

9. Page A-20.

Following: line 14

Insert: "c. Administrative Support (Line Item)

10,880 (proprietary funds fiscal 1992)

10,858" (proprietary funds fiscal 1993)

10. Page A-21.

Strike: lines 13 and 14 in their entirety.

Insert: "In item 10c, a 0.5 FTE is added for administrative support of claims processing and legal defense."

LFA will amend totals.

*Fritz*

HIGHWAY PATROL OFFICERS & DISPATCHERS

Amendments to House Bill 2  
Third Reading Copy

For Senate Finance and Claims  
April 5, 1991

Prepared for the Department of Justice

1. Page A-12, line 9.  
Following: "(Line Item)"  
Insert: " a. Additional Patrol Officers and Dispatchers (Line Item)  
309,600 (state special revenue fiscal 1992)  
218,404" (state special revenue fiscal 1993)

The amendment will add 4.00 FTE Highway Patrol officers and 4.00 FTE communication dispatchers and the necessary vehicles, equipment and supplies.

*In Gov. Budget*

SENATE FINANCE AND CLAIMS  
EXHIBIT NO. 9  
DATE 4-6-91  
BILL NO. HB 2



SENATE COMMITTEE FINANCE AND CLAIMS

Date APRIL Bill No.                      Time                     

NAME	YES	NO
SENATOR MANNING	✓	
SENATOR NATHE		✓
SENATOR STIMATZ	✓	
SENATOR TVEIT		✓
SENATOR VAUGHN	✓	
SENATOR WATERMAN		✓
SENATOR WEEDING		✓
SENATOR FRANKLIN	✓	

**Secretary**

Chairman

**Motion:**

ROLL CALL VOTE

SENATE COMMITTEE FINANCE AND CLAIMS

Date APRIL \_\_\_\_\_ Bill No. \_\_\_\_\_ Time \_\_\_\_\_

NAME	YES	NO
SENATOR MANNING	✓	
SENATOR NATHE		✓
SENATOR STIMATZ	✓	
SENATOR TVEIT		✓
SENATOR VAUGHN	✓	
SENATOR WATERMAN		✓
SENATOR WEEDING		✓
SENATOR FRANKLIN	✓	

Secretary

Chairman

Motion: \_\_\_\_\_

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AMENDMENT TO HB 2

Page 1 of 1  
April 5, 1991

Move that HB 2 (third reading copy -- blue) be amended as follows:

1. Page A-7

Following: line 20

Insert: "item d Legal Fees & Court Costs (line item)  
45,000 Fiscal 1992 General Fund"

Signed: Sen. Tveit  
Larry J. Tveit

SENATE FINANCE AND CLAIMS

EXHIBIT NO. 10

DATE 4-6-91

BILL NO. HB 2

# ROLL CALL VOTE

SENATE COMMITTEE FINANCE AND CLAIMS

Date APRIL 6, 1991 House Bill No. 2 Time       

NAME	YES	NO
SENATOR JACOBSON		✓
SENATOR JERGESON	✓	
SENATOR AKLESTAD		✓
SENATOR BECK		✓
SENATOR BENGTON		
SENATOR BIANCHI	✓	
SENATOR DEVLIN		✓
SENATOR FRITZ		✓
SENATOR HAMMOND		✓
SENATOR HARDING	✓	
SENATOR HOCKETT		✓
SENATOR KEATING		✓

Lynn Stacey  
Secretary

Chairman

Motion: Senator Iwert motion to amend  
(exhibit 10)  
failed

Date APRIL \_\_\_\_\_ Bill No. \_\_\_\_\_ Time \_\_\_\_\_

NAME	YES	NO
SENATOR MANNING	✓	
SENATOR NATHE	✓	
SENATOR STIMATZ	✓	
SENATOR TVEIT	✓	
SENATOR VAUGHN	✓	
SENATOR WATERMAN		✓
SENATOR WEEDING	✓	✓
SENATOR FRANKLIN		

Chairman

Motion: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

COMPUTER PROCESSING FEE

Amendments to House Bill 2  
Third Reading Copy

For Senate Finance and Claims  
April 5, 1991  
Prepared for the Department of Justice

1. Page A-13.  
Following: line 6  
Insert: " b. Processing Fee Increase (Line Item)  
52,530 (general fund fiscal 1992)  
57,300" (general fund fiscal 1993)

This amendment will provide spending authority for increases in the flat computer processing fee charged to the agency by the Department of Administration.

SENATE FINANCE AND CLAIMS

EXHIBIT NO. 11

DATE 4-6-91

BILL NO. HB 2

# ROLL CALL VOTE

SENATE COMMITTEE FINANCE AND CLAIMS

Date APRIL 6, 1991 House Bill No. 2 Time \_\_\_\_\_

NAME	YES	NO
SENATOR JACOBSON		✓
SENATOR JERGESON		✓
SENATOR AKLESTAD		✓
SENATOR BECK		✓
SENATOR BENGTON		✓
SENATOR BIANCHI		✓
SENATOR DEVLIN		✓
SENATOR FRITZ		✓
SENATOR HAMMOND		✓
SENATOR HARDING		✓
SENATOR HOCKETT		✓
SENATOR KEATING	✓	

Lynn Stealey  
Secretary

\_\_\_\_\_  
Chairman

Motion: Senator Iwert motion (exhibit 11)

Failed

ROLL CALL VOTE

SENATE COMMITTEE FINANCE AND CLAIMS

Date APRIL Bill No.                      Time                     

NAME	YES	NO
SENATOR MANNING		✓
SENATOR NATHE		✓
SENATOR STIMATZ	✓	
SENATOR TVEIT	✓	
SENATOR VAUGHN		✓
SENATOR WATERMAN	✓	
SENATOR WEEDING		✓
SENATOR FRANKLIN		✓

Secretary

Chairman

**Motion:**

.....

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.....



Amendment to HB 2  
3rd Reading Copy

1. Page A-18,

Following: line 16

Insert: "16,521,034" (proprietary fund fiscal 1992)  
"16,269,747" (proprietary fund fiscal 1993)

2. Page A-18, lines 21, 22, 23 and 24.

Strike: Lines 21 through 24 in their entirety.

Renumber: Subsequent sections

SENATE FINANCE AND CLAIMS

EXHIBIT NO. 12

DATE 4-6-91

BILL NO. HB 2

Proposed Amendments to House Bill 2  
The General Appropriations Act of 1991  
Senate Finance & Claims Committee

1. Page A-19.  
Following: Line 15  
Insert: "m. Family Services Computer System (Line Item)"

Fiscal 1992  
Proprietary  
"78,200"

Fiscal 1993  
Proprietary  
93,200"

2. Page A-20.  
Following: Line 22  
Insert: "Item 6m is contingent upon the passage and approval  
of HB569."

Note: ISD requires FTE's and associated spending authority added to its proprietary account in order to develop the computer system authorized by HB 569 for the Department of Family Services. The funds authorized in the bill are based on the hourly rate charged by ISD for computer programming services and limit the Department of Family Services to using ISD due to the low hourly rates charged by ISD compared with the private sector. This amendment would enable ISD to hire the computer programmers necessary to develop the new system.

SENATE FINANCE AND CLAIMS  
EXHIBIT NO. 14  
DATE 4-6-91  
BILL NO. HB2

AMENDMENTS TO HOUSE BILL NO. 2, THIRD READING  
For Senate Finance and Claims  
Submitted by the Department of Administration

1. Page A-20.  
Following: Line 8  
Insert: "c. State Employee Combined Campaign (Line Item)"

<u>Fiscal 1992</u>	<u>Fiscal 1993</u>
<u>State Special Revenue</u>	<u>State Special Revenue</u>
"10,000	10,000"

The district court ruled that the state must allow all qualifying charitable organization to participate in an employee-sponsored worksite solicitation campaign. The executive budget recommends a fee charged charitable organizations to cover the cost of pledge cards, promotional materials, and other administrative cost associated with the combined campaign.

2. Page A-20.  
Following: Line 8  
Insert: "d. Professional Development Center Growth in Workload (Line Item)"

<u>Fiscal 1992</u>	<u>Fiscal 1993</u>
<u>Proprietary</u>	<u>Proprietary</u>
"9,112	21,180"

Increased attendance at state training seminars and workshops requires the above, additional appropriation authority.

3. Page A-20.  
Following: Line 8  
Insert: "e. Communications for Group Insurance Requirements (Line Item)"

<u>Fiscal 1992</u>	<u>Fiscal 1993</u>
<u>Proprietary</u>	<u>Proprietary</u>
"8,000	8,000"

Various state and federal laws, rules and regulations require notifying employees and retirees of changes in group benefits and insurance programs. The executive budget recommends using proprietary fees from the employee's group benefits fund to prepare and distribute periodic information and communication about employee benefits and group insurance programs.

SENATE FINANCE AND CLAIMS

EXHIBIT NO. 15

DATE 4-6-91

BILL NO. HB2

AMENDMENTS TO HOUSE BILL NO. 2  
For Senate Finance and Claims  
April 2, 1991

1. Page A-21  
Following: Line 23:  
  
Insert: "d. HB187- Construction premiums (Line Item)"  
"230,570 196,765" (FY92 & FY93 Proprietary)

Page A-22  
Following: Line 1  
Insert: "Item 1d is contingent upon the passage and  
approval of HB-187"

The amendments to HB-187 reduces the fiscal impact by over 50%. HB-187 as amended requires the State Fund to implement a system of credits for high wage paying employers in the construction industry. This requires special reporting, analysis of payroll, hour pay, and rates actuarial services, data processing changes, and audit. The amended added 2 FTE as opposed to 8 FTE in the original bill. We are dealing with \$25,000,000 to \$30,000,000 in premium and the need to develop an accurate and proper program is obvious. The funds will be derived from premiums with no general fund impact.

2. Page A-21  
Following: Line 23  
Insert: "e. HB-342- Independent Contractors (Line Item)"  
"33,582 12,166" (FY92 & FY93 Proprietary)
- Page A-22  
Following: Line 1  
Insert: "Item 1e is contingent upon the passage and approval  
of HB-342."

The fiscal impact of HB-342, which mandates workers' compensation insurance coverage for independent contractors, sole proprietors, and working partnerships, will increase operating expenses associated with informing employers of the proposed mandated coverage.

SENATE FINANCE AND CLAIMS  
EXHIBIT NO. 16  
DATE 4-6-91  
BILL NO. HB 2

Amendments to House Bill No. 2  
Third Reading Copy

Prepared for Senator Fritz  
For Senate Finance and Claims

April 4, 1991

1. Page A-23

Following: line 23

Insert: "b. Earthquake Program (Line Item)  
47,300 (federal revenue fiscal 1992)  
47,300" (federal revenue fiscal 1993)

LFA will amend totals.

SENATE FINANCE AND CLAIMS

EXHIBIT NO. 17

DATE 4-6-91

BILL NO. HB2

Proposed Amendments to House Bill 2  
The General Appropriations Act of 1991  
Senate Finance & Claims Committee

1. Page A-20.

Following: Line 14

Insert: "c. Administrative Support (Line Item)"

Fiscal 1992  
Proprietary

"10,880

Fiscal 1993  
Proprietary

10,858"

2. Page A-21, lines 13 and 14.

Strike: lines 13 and 14 in their entirety

Insert: "In item 10c, a .50 FTE is added for administrative support  
of legal defense and claims processing."

SENATE FINANCE AND CLAIMS

EXHIBIT NO. 18

DATE 4-6-91

BILL NO. HB 2



# Montana Council for Maternal and Child Health

2030 Eleventh Avenue, Suite 10 • Helena, Montana 59601 • (406) 443-1674

## SUSTAINING MEMBERS

Healthy Mothers, Healthy

Babies

The Montana Coalition

March of Dimes,

Montana Big Sky Chapter

Montana Academy of

Family Physicians

Montana Chapter,

American

Academy of Pediatrics

Montana Perinatal

Association

Montana Section,

American College of

Obstetrics and Gynecology

Montana Section

Nurses Association of the

American College of

Obstetrics

and Gynecology

Shodair Children's Hospital

## Testimony for Senate Finance and Claims Committee

### Re: HB 2, DHES Immunization Program

The Montana Council for Maternal and Child Health urges the appropriation of state general funds to the DHES Immunization Program to insure that no child goes without essential immunizations required by state law.

Montana currently receives grant funds from the federal Center for Disease Control, which it uses to purchase vaccine through a discounted federal contract with vaccine suppliers. This vaccine is then provided to Montana residents through local health departments and other participating clinics, at no cost, regardless of the patient's ability to pay. Voluntary donations for administration costs are permitted, but no one may be denied vaccine for failure to pay. In contrast, private physicians purchase their vaccine supplies directly from the manufacturer, at a cost up to twice that of the federal contract, and charge patients for both the vaccine and administration costs.

The cost of vaccine has risen sharply in the past five years, and new medical standards have increased the number of recommended doses of some vaccines. At the same time, the federal grant for 1991 currently stands at less than the state received in 1990. Most other states contribute state funds to purchase additional vaccine, at the discounted federal contract rate. A chart showing the contributions of other states in our region is attached.

**Montana cannot maintain an adequate supply of vaccine at public clinics using its federal grant funds alone.** It has limited vaccine supply to local clinics, which can therefore remain open only a few hours each week.

Annual retrospective studies by DHES of Montana's entering school children show that many of Montana's preschool children are not fully immunized, and most are far behind schedule. For example, only 54% have completed their full schedule by age 2.

#### **Montana needs additional vaccine in two critical areas:**

1) The routine immunization needs of Montana's children cannot be maintained with the current federal grant. And no additional vaccine can be provided to help Montana's young children catch up on their vaccine schedules.

2) A second dose of MMR, which is now universally recognized as essential to prevent measles outbreaks, cannot be administered to more than a handful of Montanans without a substantial investment for additional vaccine.

The Joint Human Services Subcommittee endorsed a biennial appropriation of \$194,686 in general fund for the purchase of additional vaccine. We urge you to restore this amount to HB 2.

Paulette Kohman, Executive Director

SENATE FINANCE AND CLAIMS  
EXHIBIT NO. B 1  
DATE 4-6-91  
BILL NO. HB 2

# State Immunization Program Vaccine Cost Worksheet

**I. Annual Routine Preschool Vaccine Costs:**  
(based on 12,000 children per age cohort)

Vaccine	# doses needed	Vaccine Cost	Total Cost
DTP	60,000	6.913	\$ 414,780
OPV	48,000	1.92	92,160
Hib	48,000	5.22	250,560
MMR	12,000	15.329	183,948
Total Annual Preschool requirements			\$ 941,448
Annual award from CDC (Calendar 1991):			\$ 596,523
Carryover funds (December 1990 grant):			+ 97,300
CDC Total:			<u>\$ 693,823</u>
Total Annual Shortfall:			247,625
<b>Total Biennial need, routine preschool Immunizations:</b>			<u><b>\$ 495,250</b></u>

**II. New recommendation: second dose MMR for 12-year olds:**  
(based on 12,000 children per age cohort)

Routine Costs, Annually:

MMR	12,000	14.713	\$ 183,948
Annual award from CDC (MMR #2)			74,330
Total Annual Shortfall:			109,618
<b>Total Biennial need, routine MMR # 2 for 12-year-olds:</b>			<b>\$ 219,236</b>

"Catch-up" MMR for college entrants only, phased in over 6 years:  
(based on 12,000 college entrants per year)

1992 MMR	12,000	14.713	\$ 183,948
1993 MMR	12,000	14.713	183,948
Biennial Total			<b>367,896</b>
1994 MMR	12,000	14.713	183,948
1995 MMR	12,000	14.713	183,948
Biennial Total			<b>367,896</b>
1996 MMR	12,000	14.713	183,948
1997 MMR	12,000	14.713	183,948
Biennial Total			<b>367,896</b>

**Total Biennial need (1993 Biennium):**

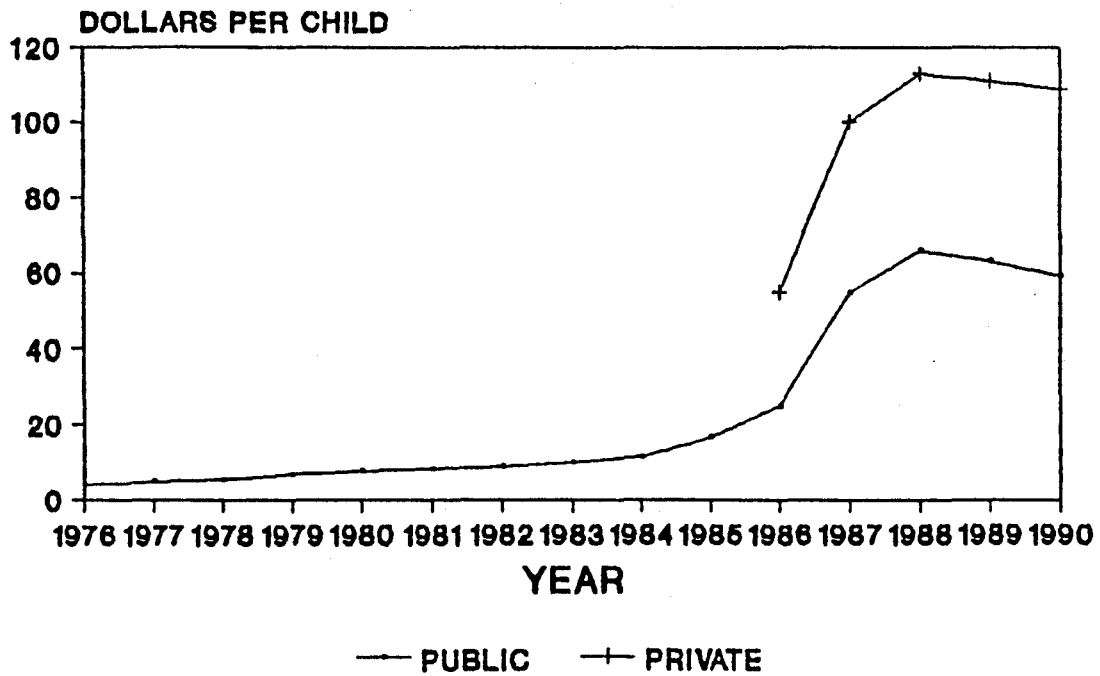
Routine Preschool Vaccine:	\$ 495,250
Routine MMR for 12-year-olds:	219,236
"Catch-up" MMR for College Entrants:	367,896
<b>Total Biennial need:</b>	<u><b>\$ 1,082,382</b></u>



STATE	1989 CDC Funds AWARDED	PERCENT OF FUNDS ALLOCATED	ANNUAL LIVE BIRTHS	% LIVE BIRTHS	STATE VACCINE FUNDS	STATE OTHER FUNDS	STATE TOTAL FUNDS
	5,071,400						
	6,569,670						
Colorado	1,538,675	23.45	58,054	42.15	350,000	30,000	380,000
Montana	910,191	13.87	14,146	10.27	0	31,570	31,570
North Dakota	843,533	12.86	11,500	8.35	230,000	0	230,000
South Dakota	910,331	13.87	11,253	8.17	80,000	73,131	153,131
Utah	1,622,703	24.73	34,142	24.79	709,900	0	709,900
Wyoming	735,688	11.21	8,633	6.27	163,845	12,000	175,845
TOTALS	6,561,121	100.00	137,728	100.00	1,533,745	146,701	1,680,446

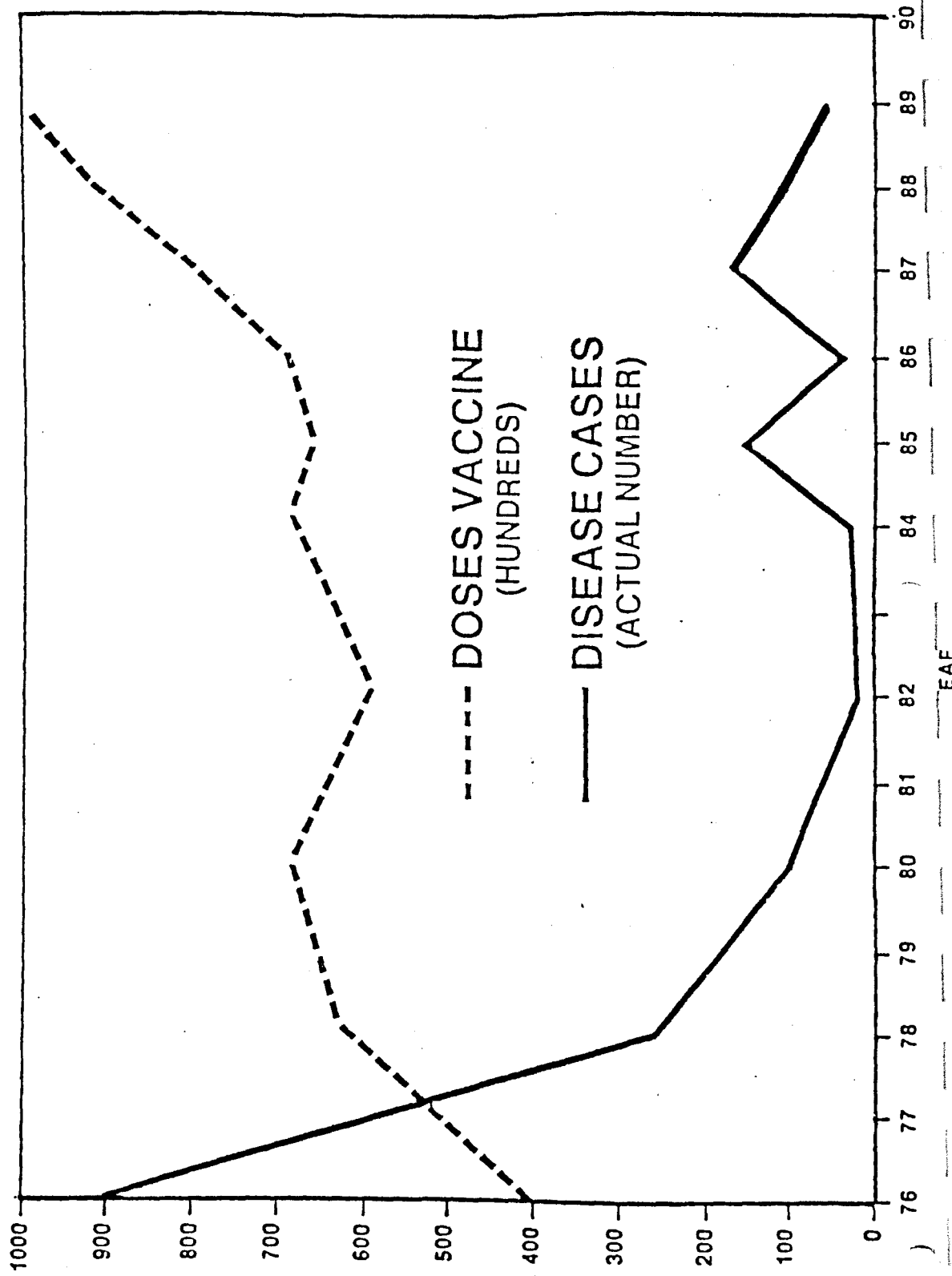
Data Provided by U.S. Department of Health and Human Services,  
Division of Preventive Health Services

## PRIVATE VS. PUBLIC VACCINE COSTS 1976 - 1990

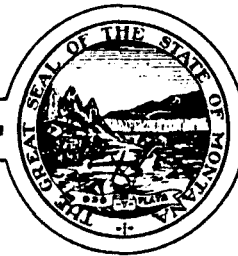


Vaccine Types: 5 DTP, 4 OPV, 1 MMR

Montana Immunization Program's Total  
Vaccine Doses Used and Number of  
Childhood Diseases Reported (Measles,  
Mumps, Rubella, Polio, Diphtheria, Tetanus,  
and pertussis) 1976-1989



DEPARTMENT OF  
HEALTH AND ENVIRONMENTAL SCIENCES



STAN STEPHENS, GOVERNOR

COGSWELL BUILDING

STATE OF MONTANA

FAX # (406) 444-2606

HELENA, MONTANA 59620

Results of Montana's Retrospective Survey  
For the School Year 1988-89

A "look back" or retrospective survey was performed by the Montana Immunization Program for the school year 1988-89. The survey assessed the timing of immunizations for 2 year old children. Children not fully immunized at school entry were not included in this survey. The following procedures were used:

1. Only schools chosen for the program's annual school validation survey were included in the survey. In the validation survey, schools are chosen randomly with larger schools being weighted by population to ensure the results reflect the status of all school children at the time of the survey.
2. Only school entering grades were used. (kindergarten or first grade if no kindergarten class was in the school)
3. All immunization records of either the kindergarten or 1st grade class were used.
4. A photocopy of the actual immunization record was obtained to reduce the error associated with transcribing recorded information on to a tally sheet.
5. The following criteria were used: a) the individual record must show the child had received a minimum of 4 DTP (or Td), 3 POLIO, and one MMR; b) immunization dates must be recorded for each dose given (check marks were not accepted for use in this survey); and; c) there was no exemption claimed. Only records meeting all of these criteria for each of the vaccine categories were used.
6. The child's birth date, school, county, and all immunization dates were enter onto a computer program, designed by the Centers for Disease Control. No patient identifiers were used.

Number of schools included in the survey data: 14  
Sample population: 485 student records

The computer program tabulated the data and looked at specific age categories by vaccine type. The age categories which were chosen

for analysis correspond with the timing of immunizations, as recommended by the Immunization Practices Advisory Committee (ACIP). The computer also looked at the timing of immunizations by individual vaccine types and combinations of immunizations for each individual school record.

This data is summarized, for the entire state as follows:

	<u>Number</u>	<u>Percent</u>
<u>Before age 3 months</u>		
(ACIP Recommended Schedule: at age 2 months, DTP #1 and Polio #1)		
- one dose of DTP	359	74.02
- one dose of Polio	358	73.81
- one dose each of DTP and Polio	357	73.61
<u>Before age 7 months</u>		
(ACIP Recommended Schedule continued: at age 6 months of age, receive DTP #3; Polio and DTP #2 should have been given at 4 months of age);		
- 3 DTP	234	48.25
- 2 Polio	378	77.94
- 3 DTP and 2 Polio	232	47.84
<u>Before 1st Birthday</u>		
(this looks at the same vaccines which were recommended by age 7 months)		
- 3 DTP	366	75.46
- 2 Polio	419	86.39
- 3 DTP and 2 Polio	365	75.26
<u>At age 12-15 months</u>		
(ACIP recommends an MMR at 15 months; this looks at those immunized at 15 months and any who were immunized as early as the 1st Birthday)		
- 1 Measles/Mumps/Rubella (MMR)	174	35.88
<u>Before 19 months</u>		
(ACIP Recommends a 4th dose of DTP at 18 months)		
- 4 DTP	93	19.13
- 3 Polio	374	71.55
- 4 DTP and 3 Polio and 1 MMR	91	19.76
<u>12-23 months</u>		

(This looks at children up to 24 months of age for an MMR which was recommended at 15 months.)

- 1 MMR	383	78.97
---------	-----	-------

#### Before 2nd Birthday

(ACIP Recommended Schedule: by age 2, should have received 4 DTP, 3 Polio, and 1 MMR)

- 4 DTP	206	42.47
- 3 DTP	430	88.66
- 3 Polio	389	80.21
- 4 DTP and 3 Polio and 1 MMR	201	41.44
- 3 DTP and 3 Polio and 1 MMR	389	80.21

Average age of MMR Immunization = 22.19 months

Average age at completion of primary series = 34.83 months

---

For this application, 1 month = 30.5 days

Histories with dates showing Month and Year only were entered as H.

#### DISCUSSION

The Immunization Program will continue to do retrospective surveys of school entering children as it is now a requirement of the federal immunization grant. The survey data should be used by health care providers to 1) assess their delivery of immunizations, 2) identify potential problem areas and 3) determine a means to improve in the timing of vaccination of Montana children.

Hib immunization was not assessed as it is not currently a part of the Montana Certificate of Immunization (school record).

Overall, the state summary reflects the individual results found in each school and each county. Some of the highlights (low-lights) of this survey are as follows:

- A significant number of children, who are susceptible to measles are not immunized on schedule. The average age for receiving the MMR (22.19 months) is 6 months beyond the recommended time for it to be given (15 months). Also, more than 20% of the children surveyed did not have an MMR by age 2.

- All of the children, whose records were used in the survey, had at least 1 MMR, 4 DTP and 3 Polio by school entry. It appears that one of the factors which determines when children are immunized is the entry into

school and meeting the requirements of the Immunization Law.

- There appears to be a major problem with children failing to be immunized on schedule with DTP. At age 7 months, more than 50% of the children had not received 3 doses of DTP. At age 19 months, more than 80% of all children had not received the recommended number of 4 DTP vaccinations. Also, by age 24 months, more than 56% still had not received 4 doses of DTP.

If there were schools in your county which were included in the survey, a copy of 1) that school's report and 2) the county summary is attached.

The retrospective survey data for the school year 1989-90 has been obtained. The report for that survey will be forwarded to you as quickly as possible.

# RETROSPECTIVE REVIEW OF IMMUNIZATION HISTORIES

AREA: MONTANA SCHOOL YEAR:  
COUNTY: NOT SPECIFIED  
DISTRICT: NOT SPECIFIED 1989 - 1990  
SCHOOL: NOT SPECIFIED  
GRADE: PUBLIC KINDERGARTEN

TOTAL CHILDREN:	356	
HISTORIES NOT USABLE: *	0	0.0
TOTAL IN DENOMINATOR:	356	

CHILDREN WHO HAVE HAD:	NUMBER	PERCENT
1 DOSE EACH DT(P) AND POLIO BEFORE AGE 3 MONTHS:	307	86.2
3 DT(P) AND 2 POLIO BEFORE AGE 7 MONTHS:	194	54.4
3 DT(P) AND 2 POLIO BEFORE FIRST BIRTHDAY:	296	83.1
4 DT(P), 3 POLIO, MSLS, MPS, RUB BEFORE 19 MONTHS:	99	27.8
4 DT(P), 3 POLIO, MSLS, MPS, RUB BEFORE 2ND BIRTHDAY:	191	53.6
3 DT(P), 3 POLIO, MSLS, MPS, RUB BEFORE 2ND BIRTHDAY:	275	77.2
1 DT(P) BEFORE AGE 3 MONTHS:	307	86.2
3 DT(P) BEFORE AGE 7 MONTHS:	195	54.7
3 DT(P) BEFORE FIRST BIRTHDAY:	297	83.4
4 DT(P) BEFORE 19 MONTHS:	99	27.8
4 DT(P) BEFORE 2ND BIRTHDAYS:	193	54.2
3 DT(P) BEFORE 2ND BIRTHDAY:	326	91.5
1 POLIO BEFORE AGE 3 MONTHS:	307	86.2
2 POLIO BEFORE AGE 7 MONTHS:	314	88.2
2 POLIO BEFORE FIRST BIRTHDAY:	340	95.5
3 POLIO BEFORE 19 MONTHS:	235	66.0
3 POLIO BEFORE 2ND BIRTHDAY:	289	81.1
MEASLES, MUMPS AND RUBELLA AT AGE 12-15 MONTHS:	160	44.9
MEASLES, MUMPS AND RUBELLA AT AGE 12-23 MONTHS:	295	82.8
AVERAGE AGE AT MEASLES, MUMPS, RUBELLA:	20.58	MONTHS
AVERAGE AGE AT COMPLETION OF PRIMARY SERIES:	31.84	MONTHS

FOR THIS APPLICATION, THE DEFINITION OF ONE MONTH IS 30.5 DAYS.

\* NOT USABLE MEANS THERE WERE UNRESOLVABLE QUESTIONS ABOUT ACCURACY OR COMPLETENESS OF DATA.

PRINTED 01/02/91 AT 08:03 AM





DEPARTMENT OF HEALTH & HUMAN SERVICES

Office of Child Support Enforcement

Region VIII  
Federal Office Building  
1961 Stout St.  
Denver CO 80294

APR 01 1991

Ms. Julia E. Robinson  
Director  
Department of Social and  
Rehabilitation Services  
P.O. Box 4210  
Helena, Montana 59604

RECEIVED

APR - 3 1991

ADMINISTRATION

Dear Ms. Robinson:

This letter is to advise you of our concern about Montana's failure to implement one of the Child Support Enforcement provisions of the Family Support Act of 1988 (P.L. 100-485). Specifically, Section 123 of the Family Support Act added a State Plan requirement under Title IV-D of the Social Security Act (the Act) prescribing that every State that did not have a statewide automated tracking and monitoring system in effect as of October 13, 1988, must submit an advance planning document that meets Federal requirements by October 1, 1991. Additionally, by October 1, 1995, every State must have an approved system in effect. However, the Secretary may waive the above requirements for any State which demonstrates that it has an alternative system or systems that enable the State to be in substantial compliance with IV-D requirements.

It is our understanding that proposed State legislation related to the funding and development of the Montana System for Enforcement and Recovery of Child Support (SEARCHS) was defeated recently by the Montana legislature. Our concern is that this action could result in the State's failure to meet the requirements of the Family Support Act by October 1, 1991, which would subsequently result in a disapproval of Montana's IV-D State Plan.

As you know, if Montana's IV-D State Plan is disapproved in accordance with section 452(a)(3) and 455(a)(1)(A) of the Social Security Act, there would be no authority to expend Federal funds under Title IV-D of the Act for the operation of the State's child support enforcement program. A determination that a State IV-D plan is disapproved will result in immediate suspension of all Federal payments for the State's child support enforcement program, and such payments will continue to be withheld until the State IV-D plan can be approved by the Office of Child Support Enforcement. In addition, Montana may be subject to reduction in funding of its Aid to Families with Dependent Children program under Title IV-A of the Act.

SENATE FINANCE AND CLAIMS

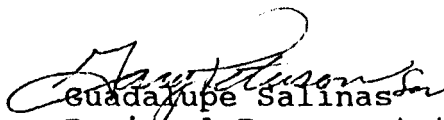
EXHIBIT NO. B2

DATE 4-6-91

BILL NO. HP2

Due to the extreme gravity of this situation, we urge you to take whatever steps are necessary to ensure that the State of Montana's IV-D program remains in compliance with Federal statutes and regulations.

Sincerely,

  
Guadalupe Salinas  
Regional Representative  
OCSE/FSA




DEPARTMENT OF HEALTH & HUMAN SERVICES

Family Support Administration

Region VIII  
Federal Office Building  
1961 Stout Street  
Denver, CO 80294-3538

FAX TRANSMITTAL SHEET

FROM: Guadalupe Salinas, Regional Adm.  
Retransmission: Call (303) 844-5646

APPROVAL:   
DATE: APR 1 1991

# of Pages C + 2 (# ea page)

// Dept of Social Services  
Denver, Colorado  
Machine #: 866-4214  
Verify #: 866-3063 Kathy Huskey  
ATTN:

// Dept of Social Services  
(353-4237) Pierre, SD  
Machine #: (605) 773-4855  
Verify #: (605) 773-3165  
ATTN:

☒ // Dept of Social & Rehabilitation  
Services Helena, MT  
Machine #: (406) 444-1970  
Verify #: (406) 444-5622  
ATTN:  
JON MEREDITH  
CSED, 444-4614

// Dept of Social Services  
Salt Lake City, UT  
Machine #: (801) 538-4212  
Verify #: (801) 538-4004  
ATTN:

// Dept of Human Service  
Bismarck, ND  
Machine #: (701) 224-2359  
Verify #: None indicated  
ATTN:

// Dept of Health and Social  
Service Cheyenne, WY  
Machine #: (307) 777-7747  
Verify #: (307) 777-7656  
ATTN:

// Other  
Machine #: \_\_\_\_\_  
Verify #: \_\_\_\_\_  
ATTN: \_\_\_\_\_

// Other  
Machine #: \_\_\_\_\_  
Verify #: \_\_\_\_\_  
ATTN: \_\_\_\_\_

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*Judith Carlson*

Testimony before the  
Senate Finance and Claims Committee

RE: HB 2 General Appropriations

April 5, 1991

Madame Chair, members of the committee, I am Judith H. Carlson, ACSW, testifying on behalf of the Montana Chapter, National Association of Social Workers. I am a licensed social worker myself and the mother of two sons who are professional social workers. I know personally the commitment that social workers have to their jobs and to the families and children they serve.

I also am aware that theirs is a highly sensitive job requiring the utmost skill and delicacy as they deal with the emotionally charged relationship of parent to child. Sometimes they make mistakes. Sometimes it's like walking through a mine field, trying to take the right steps to insure a safe healthy environment for kids.

The HB 100 study, commissioned by the last Legislature, should not be a dust collector. It examines what personnel and other needs the Department must have to fulfil our obligation to our vulnerable children.

There are two of the recommendations in the report that I want to highlight for you.

1. The department needs a credible information system. It probably should not take on any new responsibilities until an accurate and usable system is in place. I hope you will be making funds available for this effort. The sooner the better - as I understand it will take 2-3 years for any system to be up and running.

2. The HB 100 study verifies the need for 124 new social workers to do protective services, 108 off reservations and 16 on reservations..

The Child Welfare League of America, the standard setting agency in the child care field, states that effective protection of children cannot occur if CPS workers' caseloads exceed their standards. The attached table illustrates their standards along with the present caseload size.

We recommend that you make a beginning effort to reduce these caseloads and support at least a first step toward meeting the final goal. An additional 36 social workers will cost about \$35,000 each per year including salary, fringe, operating and equipment expense with half of that being General Fund.

SENATE FINANCE AND CLAIMS  
EXHIBIT NO. B3  
DATE 4-6-91

What are the consequences of high caseloads? I think it is safe to say that one reason we have so many children in foster care and in pricy psychiatric care is that we have not provided the needed services in their own homes. Social workers have time only to respond to crises. They are "crisis workers" not social workers. That means that kids continue to come into the system, into foster and substitute care, and then they don't get out. That results in the failure to find permanent homes for those children whose parents' rights have been terminated. Children remain in foster care at tremendous expense, both in dollars and in kids' lives.

Caseloads in Montana are approaching those in Missouri, New Mexico, and other states at the time class action suits were won in those states on behalf of clients. Those agencies were found to have violated the legal rights of children to effective protection from abuse and neglect because of excessively high caseloads. As I understand it, the State is subject to action by the federal government for its shocking neglect of children on our Indian reservations.

Attached is a chart, rough to be sure, which shows the increase in the number of children served by our DFS social workers. That increase from 1984 to 1990 is 26% in the number of children placed out of their own homes; and a 32% increase in the number of children involved in child abuse and neglect investigations. Yet, there was only a 5% increase in the number of social workers to help those children!

Seven children died of child abuse in 1990 in the state of Montana. Isn't it time we did something to stop this sense waste of our children? We have numerous pending court cases involving the state's actions regarding specific children and families. We shouldn't have to wait for the courts to tell us to do something.

When caseloads are too high, social workers burn out on the job. They want to do the best they can for kids, but the heat is too hot and they get out of the kitchen! This results in staff turnover and repeated recruiting, hiring and training costs. Managers and social workers, and indeed the State itself, are at greater risk for inappropriate decisions, insufficient administrative review, and inability to provide training to workers.

None of you would countenance neglect of your own children. None of you should countenance neglect of any of our Montana children. Although not the total answer in this complex age, the addition of 36 social workers will be an honest start on a solution to a growing problem.

Judith H. Carlson, ACSW  
MT Chapter, NASW

COMPARISONS fy 84 - fy 90\*

	FY 84	FY 90	% Incrse
# chrn in out-of-home placement (foster care)	2300	3125	26%
# chrn involved in child abuse/neglect investigtns	7000	10,250	32%
# of child protection social workers	123	130	5%

\*Estimates based on best information available, from Position Control reports, ACE, and current counts.

Submitted by:  
 Judith H. Carlson  
 MT Chapter, NASW  
 4/5/91

AMENDMENTS TO HOUSE BILL 2

Third Reading Copy

For Senate Finance and Claims

April 5, 1991

Kent  
Jerry  
①  
①9

DEPARTMENT OF HEALTH AND ENVIRONMENTAL SCIENCES:

do ①  
Page B-1, following line 4

Insert: "a. Personnel Specialist (Line Item)  
26,559 (Proprietary FY 1992)  
26,500" (Proprietary FY 1993)

JUSTIFICATION: In FY 1990 the department added by budget amendment a personnel specialist position because of the significant increase in Department FTE and the corresponding workload in the personnel section. In FY 1984 the department was authorized 220.85 FTE, 275.91 FTE in FY 1988, 360.65 FTE in FY 1991 and in excess of 390 FTE in the 92-93 Biennium. The personnel section currently contains one personnel officer and one payroll technician which will not be able to process the current workload if this position is not added. This position is currently filled.

2. Page B-2, following line 16

Insert: "d. VIN Inspection SB 232 (line item)  
26,544 (State Special Revenue FY 1992)  
27,323" (State Special Revenue FY 1993)

Page B-5, following line 22

Insert: "Item 4d is contingent upon the passage and signing of SB 232."

JUSTIFICATION: SB 232 requires the Junk Vehicle program to take appropriate action against wrecking yards that fail to maintain proper records as required by the Montana Department of Justice within SB 232.

Amendments to House Bill No. 2  
Third Reading Copy

Requested by Sen. Weeding  
For the Committee on Finance and Claims

Prepared by Paul Sihler  
April 3, 1991

1. Page B-2.

Following: line 14

Insert: "c. Landfill Management -- EQC (Line Item)"  
"302,909" (State Special, 1992)  
"304,761" (State Special, 1993)

Renumber: subsequent subsection.

SENATE FINANCE AND CLAIMS

EXHIBIT NO. B5

DATE 4-6-91

BILL NO. HB.2



Environmental Quality Council  
Proposed Solid Waste Budget Modification

**WHAT IS THE AMENDMENT?**

This amendment to HB 2 restores the EQC's proposed budget modification for the DHES Solid Waste program. The modification is necessary to implement the EQC solid waste bills, most of which have already passed both houses of the Legislature. The funding for the modification is provided by SB 209 (solid waste management fees).

This proposed budget modification is a component of the EQC's solid waste recommendations that resulted from a 1.5 year study of solid waste management under SJR 19. The modification was endorsed by the House Human Services Subcommittee but later dropped by the full Appropriations-Finance and Claims committee. However, the full committee acknowledged that it would be necessary to reinsert the modification if the EQC's legislative recommendations were enacted (see attached bill status report).

**WHY IS THE MODIFICATION NEEDED?**

The budget modification is needed to:

- Provide DHES the authority to spend the revenue raised by SB 209; and
- Provide DHES with the staff and resources necessary to carry out its responsibilities under HB 160 (Integrated Waste Management Act), HB 377 (Megalandfill Siting Act), HB 239 (Infectious Waste Management Act), and HB 145 (encourages oil recycling).

**WHAT DOES THE AMENDMENT DO?**

The budget modification increases the DHES Solid Waste program staff level by 5.34 FTE's in 1992 and by an additional .5 FTE in 1993. It also adds \$90,000 of contracted services authority that is necessary under HB 160 to prepare and implement the state's solid waste management plan.

# ROLL CALL VOTE

SENATE COMMITTEE FINANCE AND CLAIMS

Date APRIL 6, 1991 House Bill No. 2 Time       

NAME	YES	NO
SENATOR JACOBSON	✓	
SENATOR JERGESON	✓	
SENATOR AKLESTAD		✓
SENATOR BECK	✓	
SENATOR BENGTON		
SENATOR BIANCHI	✓	
SENATOR DEVLIN		✓
SENATOR FRITZ	✓	
SENATOR HAMMOND		✓
SENATOR HARDING		✓
SENATOR HOCKETT	✓	
SENATOR KEATING		✓

Lynn Staley  
Secretary

Chairman

Motion: Sen. Weeding Amendment motion  
(exhibit B 5)

Passed

Date APRIL \_\_\_\_\_ Bill No. \_\_\_\_\_ Time \_\_\_\_\_

Motion: \_\_\_\_\_



TERESA OLCOTT COHEA  
LEGISLATIVE FISCAL ANALYST

STATE OF MONTANA  
*Office of the Legislative Fiscal Analyst*  
STATE CAPITOL  
HELENA, MONTANA 59620  
406/444-2986

SENATE FINANCE COMMITTEE ACTION ON ON HOUSE BILL 2

AGENCY	GENERAL FUND	OTHER FUNDS	FY92 FTE	FY93 FTE
<b>GENERAL GOVERNMENT AND HIGHWAYS</b>				
<b>LEGISLATIVE AUDITOR</b>				
Sunrise applications		\$5,000		
Actuarial evaluations		\$20,000		
<b>LEGISLATIVE COUNCIL</b>				
Coal tax oversight		(\$12,000)		
Regional conferences		\$12,000		
<b>GOVERNOR'S OFFICE</b>				
NASBO	\$10,000			
<b>STATE AUDITOR'S OFFICE</b>				
Office equipment	\$6,915			
Bad debt collection	(\$173,430)	\$296,240	2.00	2.00
<b>JUSTICE</b>				
DUI victims assistance		\$145,576		
Handheld radios		\$51,000		
Patrol officers/dispatchers		\$528,004	8.00	8.00
Litigation costs	\$400,000			
Gaming control		\$524,744	5.00	5.00
<b>REVENUE</b>				
Assessors' salaries	(\$198,720)			
<b>MILITARY AFFAIRS</b>				
Veterans' cemetery		\$99,000		
Earthquake management		\$94,600	1.00	1.00
<b>ADMINISTRATION</b>				
Tort claims		\$66,292	0.50	0.50
Combined campaign		\$20,000		
Professional development center		\$30,292		
Group insurance		\$16,000		
<b>STATE FUND</b>				
HB817		\$857,099	8.00	8.00
<b>TOTAL SECTION A ACTION (4/6)</b>	<b>\$44,765</b>	<b>\$2,753,847</b>	<b>24.50</b>	<b>24.50</b>

SENATE FINANCE AND CLAIMS  
EXHIBIT NO. 86  
DATE 4/6/91  
BILL NO. HB 2

Kurt DHES  
Kurt

AMENDMENT HOUSE BILL 2 (BLUE COPY)

P. B-5

Line 13, after "conducting the" insert "Clark Fork"

Line 16, after "damage", insert "litigation."

Line 17, after "policy committee", delete "serves to", insert "shall".

Line 18, after "resource damage", insert "litigation".

Line 18, after "program policy", delete "decisions", insert "recommendations".

Line 20, delete "and the attorney general of the state", add "The attorney general or his designated representative may act in an advisory capacity to the natural resource damage litigation program policy committee."

SENATE FINANCE AND CLAIMS

EXHIBIT NO. B 7

DATE 4-6-91

BILL NO. HB 2

AMENDMENTS TO HOUSE BILL 2  
Third Reading Copy  
Department of Health & Environmental Sciences

7. Page B-3, following line 11  
Insert: "a. Health Planning Specialist HB 445 (Line Item)  
16,289 (General Fund FY 1992)  
16,251" (General Fund FY 1993)

Page B-5, following line 21  
Insert: "Item 6a is contingent upon the passage and signing of HB 445."

JUSTIFICATION: HB 445 indefinitely extends the Certificate of Need Law by repealing the expiration date of the law. Because the current law expires on July 1, 1991 the Department of Health and Environmental Sciences (DHES) deleted a portion of a position that is required to administer the program. Without this position the department cannot provide the required services.

8. Page B-5, lines 20 and 21  
Strike: "and the attorney general of the state"  
Insert: "the attorney general or his designated representative may act in an advisory capacity to the natural resource damage program policy committee"

JUSTIFICATION: Under the current federal law 42USC 9607(f)(2)B the Governor of the state is identified as the Trustee of the Natural Resources Damage Assessment and Litigation suit against the Atlantic Richfield Company (ARCO). Part of the Governor's responsibilities as Trustee is to identify representatives to guide and make Natural Resource Damage program policy decisions. It is more appropriate for the attorney general to act in an advisory capacity to the committee rather than a voting member.

9. Page B-5, following line 22  
Insert: "The LFA is directed to recalculate the indirect cost assessments to Department of Health and Environmental Sciences programs using the following rates applied to 100% of personal services:

	<u>FY92</u>	<u>FY93</u>
General Rate	14.00%	12.00%
Environmental Sciences Div.	3.00%	3.00%
Statewide Cost Allocation	3.75%	3.75%

AMENDMENTS TO HOUSE BILL 2

Third Reading Copy

Department of Health & Environmental Sciences

JUSTIFICATION: This amendment is to reduce the budget for indirect cost assessments on the assumption that the department will renegotiate rates with the federal government due to a major increase in FTE and personal services proposed in HB 2. Preliminary estimates of savings over the biennium are as follows:

<u>Gen Fund</u>	<u>State Spec</u>	<u>Fed Spec</u>	<u>Proprietary</u>	<u>Total</u>
\$175,000	\$274,000	\$308,000	\$20,000	\$777,000

# ROLL CALL VOTE

SENATE COMMITTEE FINANCE AND CLAIMS

Date APRIL 6, 1991 House Bill No. 2 Time           

NAME	YES	NO
SENATOR JACOBSON		✓
SENATOR JERGESON		✓
SENATOR AKLESTAD		✓
SENATOR BECK	✓	
SENATOR BENGTON	✓	
SENATOR BIANCHI	✓	
SENATOR DEVLIN	✓	
SENATOR FRITZ		✓
SENATOR HAMMOND		✓
SENATOR HARDING	✓	
SENATOR HOCKETT		✓
SENATOR KEATING	✓	

Lynn Staley  
Secretary

Chairman

Motion: Senator Keating amendment  
motion (exhibit B 9, item 2)

Passed



Date APRIL Bill No.                      Time                     

NAME	YES	NO
SENATOR MANNING		
SENATOR NATHE	✓	
SENATOR STIMATZ	✓	
SENATOR TVEIT	✓	
SENATOR VAUGHN		✓
SENATOR WATERMAN	✓	
SENATOR WEEDING		✓
SENATOR FRANKLIN	✓	

Chairman

Motion: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

AMENDMENTS TO HOUSE BILL 2

Third Reading Copy

For Senate Finance and Claims

April 5, 1991

Kerry Jerry  
①  
②  
③  
④  
⑤

DEPARTMENT OF LABOR AND INDUSTRY:

do ① Page B-6, line 3

Insert "b. Jobs for Montana graduates (line item)

126,517 (Federal Revenue FY92)

124,485" (Federal Revenue FY93)

\$126,000 ADMIN TRX

1/2 add until later

Page B-8, following line 2

Insert: "The amount of unemployment insurance administrative tax funding for the jobs for Montana's graduates program may not be increased."

JUSTIFICATION: This amendment will provide a base level of funding for this program to continue. This program targets high school students that are otherwise not likely to complete high school and /or not likely to successfully make the transition from school into the work force.

do ② Page B-6, line 12

Strike: "2,766,128 (Proprietary FY92)

2,719,021" (Proprietary FY93)

Insert: "2,787,914 (Proprietary FY92)

2,740,760" (Proprietary FY93)

75% 1100 GEN

PERSONAL SERVICE  
to CURRENT LEVEL

DEPUTY

45 ~ JUSTIFICATION: This amendment will reinstate the budget for the Commissioner's Office of the Department of Labor and Industry so it is fully funded at the current level as requested by the Executive.

SENATE FINANCE AND CLAIMS

EXHIBIT NO. B9

DATE 4-6-91

BILL NO. HB2

1/2 add until later

AMENDMENTS TO HOUSE BILL 2  
Third Reading Copy  
Department of Labor and Industry

3.

Page B-6, line 16

Strike: "1,462,292 (State Special Revenue FY92)

1,422,317" (State Special Revenue FY93)

Insert: "1,393,376 (State Special Revenue FY92)

1,352,174" (State Special Revenue FY93)

*Decrease \$140,000 work comp*

Page B-8, following line 9

Insert: "Item 4 is increased by \$68,916 in FY92 and \$70,143 in FY93 (State Special Revenue) if HB 837 is not passed into law."

JUSTIFICATION: This amendment will decrease state special revenue budget by \$68,916 for FY 1992 and \$70,143 for FY93 due to HB-837. The bill revises the Workers Compensation Law and the Occupational Disease Act.

*Reduced 10-hr panels*

4.

Page B-6, following line 16

Insert: "a. Consideration of Investment Income HB 187 (line item)

45,400 (State Special Revenue FY92)

39,445" (State Special Revenue FY93)

*Driveline Link*

*calls for 1 FTE COMPLIANCE SPEC.*

Page B-8, following line 9

Insert: "Item 4a is contingent upon passage of HB 187."

JUSTIFICATION: This amendment will increase the state special funding budget by \$45,400 for FY 1992 and \$39,445 for FY93 to fully fund HB-187. This bill requires investment income earned or realized by certain workers' compensation insurers be considered when determining premium rates; defining "construction industry"; requiring that premium rates to be paid for workers' compensation for the construction industry be computed on the number of hours worked rather than on a percentage of payroll.

*Dept Labor has regulatory obligation*

AMENDMENTS TO HOUSE BILL 2  
Third Reading Copy  
Department of Labor and Industry

7. Page B-7, lines 8 and 9  
Strike: lines 8 and 9 in their entirety

Page B-8, lines 7, 8, and 9  
Strike: lines 7 through 9 in their entirety

JUSTIFICATION: To refrain from utilizing state unemployment insurance administrative tax funds to supplant lost federal JTPA funds.

Page B-7, line 15  
Following: "costs",

Insert: ", except amounts necessary to comply with federal requirements that a cost allocation plan for non-unemployment insurance tax collections be established, up to a maximum of \$100,000 each fiscal year"

JUSTIFICATION: This amendment is required to allow the Department of Labor and Industry to comply with the U.S. Department of Labor's requirement that the cost of collecting the contributions from employers is reasonably allocated between the Unemployment Insurance Federal Administrative Grant and the Unemployment Insurance Administrative Tax that is used for non-Unemployment Insurance activities. Any requirement to use state funds for collection activities would be implemented within the appropriation of federal revenues provided in the general appropriations act for the Unemployment Insurance Division.

*Dept Labor requires a distribution of admin costs allocated to each revenue source (program) collections \$100,000 has to come out of admin tax*

Amendments to House Bill No. 2  
Third Reading Copy

Requested by Senator Fritz  
For the Senate Finance and Claims Committee

Prepared by Terri Perrigo  
April 5, 1991

1. Page B-6, line 24.  
Strike: "44,816 37,869"  
Insert: "67,885 60,885"

LFA will amend totals.

Add 1.0 FTE to Human Rights Commission Case Backlog budget  
modification.

SENATE FINANCE AND CLAIMS  
EXHIBIT NO. B10  
DATE 4-6-91  
BILL NO. UB2

# ROLL CALL VOTE

SENATE COMMITTEE FINANCE AND CLAIMS

Date APRIL 6, 1991 House Bill No. 2 Time \_\_\_\_\_

NAME	YES	NO
SENATOR JACOBSON		✓
SENATOR JERGESON		✓
SENATOR AKLESTAD		✓
SENATOR BECK		✓
SENATOR BENGTON		✓
SENATOR BIANCHI		✓
SENATOR DEVLIN		✓
SENATOR FRITZ	✓	
SENATOR HAMMOND		✓
SENATOR HARDING		✓
SENATOR HOCKETT		✓
SENATOR KEATING		✓

Lynn Healey  
Secretary

\_\_\_\_\_  
Chairman

Motion: Senator Fritz amendment motion  
(Exhibit B 10)

\_\_\_\_\_

\_\_\_\_\_

Date APRIL                      Bill No.                      Time                     

Motion: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

# ROLL CALL VOTE

SENATE COMMITTEE FINANCE AND CLAIMS

Date APRIL 6, 1991 House Bill No. 2 Time           

NAME	YES	NO
SENATOR JACOBSON		✓
SENATOR JERGESON		✓
SENATOR AKLESTAD	✓	
SENATOR BECK	✓	
SENATOR BENGTON	✓	
SENATOR BIANCHI		✓
SENATOR DEVLIN	✓	
SENATOR FRITZ		✓
SENATOR HAMMOND	✓	
SENATOR HARDING	✓	
SENATOR HOCKETT		✓
SENATOR KEATING		✓

Lynn Stalder  
Secretary

Chairman

Motion: Senator Devlin amendment  
motion (exhibit B11 Item 7)

Failed



Date APRIL \_\_\_\_\_ Bill No. \_\_\_\_\_ Time \_\_\_\_\_

NAME	YES	NO
SENATOR MANNING		
SENATOR NATHE	✓	
SENATOR STIMATZ	✓	
SENATOR TVEIT	✓	
SENATOR VAUGHN		✓
SENATOR WATERMAN		✓
SENATOR WEEDING		✓
SENATOR FRANKLIN		✓

Chairman

Motion: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

*Dawkins*

- \* 7. Page B-7, lines 8 and 9  
Strike: lines 8 and 9 in their entirety

Page B-8, lines 7, 8, and 9  
Strike: lines 7 through 9 in their entirety

JUSTIFICATION: To refrain from utilizing state unemployment insurance administrative tax funds to supplant lost federal JTPA funds.

8. Page B-7, line 15  
Following: "costs",  
Insert: ", except amounts necessary to comply with federal requirements that a cost allocation plan for non-unemployment insurance tax collections be established, up to a maximum of \$100,000 each fiscal year"

JUSTIFICATION: This amendment is required to allow the Department of Labor and Industry to comply with the U.S. Department of Labor's requirement that the cost of collecting the contributions from employers is reasonably allocated between the Unemployment Insurance Federal Administrative Grant and the Unemployment Insurance Administrative Tax that is used for non-Unemployment Insurance activities. Any requirement to use state funds for collection activities would be implemented within the appropriation of federal revenues provided in the general appropriations act for the Unemployment Insurance Division.

Amendments to House Bill 2  
Third Reading Copy  
In the Department of Social & Rehabilitation Services  
For Senate Finance and Claims  
April 5-6, 1991

do ① Page B-9, Line 11.

Strike: "167,740,803

173,343,078"

Insert: "169,649,594

175,269,752"

Page B-11, Line 18.

Strike: "17,983,125

17,934,110"

Insert: "16,074,334

16,007,436"

This is a technical amendment to move the transfer of federal revenue for Developmental Disability Case Management from the Developmental Disability Program (14) to the Medical Services Program (07). The federal fund amounts are \$1,908,791 in FY92 and \$1,926,674 in FY93.

do ② Page B-9, Line 11.

Strike: "167,740,803

173,343,078"

Insert: "168,068,634

173,979,221"

1-8 b7 This amendment increases federal Medicaid reimbursement to the general fund for allowable costs of the Department of Institutions. This increase of \$327,831 in FY92 and \$636,143 in FY93 is the result of updated estimates of long term bed days in the Center for the Aged which will be eligible for medicaid reimbursement and a reflection of Galen programs remaining open. The current HB 2 amounts were based upon the executive recommendation of Galen closure.

3. Page B-10.

Following: Line 17.

Insert: "o. Implementation of HB 545 (Line Item)

51,329

(General Fund FY92)

130,111

(Federal Revenue FY92)

71,063

(General Fund FY93)

181,831"

(Federal Revenue FY93)

This amendment reflects the fiscal impact of HB545 which implements requirements of the Medicaid Program. As outlined in the fiscal note, parts of the impact have already been included in HB2. This amendment represents continuation of hospice care as outlined in the fiscal note and purchase of Medicare benefits for qualified disabled and working individuals (QDWI) at a lower level than outlined in the fiscal note. The reduction in QDWI benefits results from updated information now available to SRS regarding the number of individuals expected to qualify. The projected number eligible in the fiscal note has been reduced.

SENATE FINANCE AND CLAIMS  
EXHIBIT NO. B12

DATE 4-6-91

BILL NO. HB 2

Amendments to House Bill No. 2  
Third Reading Copy

Requested by Senator Nathe  
For the Senate Finance and Claims Committee

Prepared by Carroll South  
April 5, 1991

1. Page B-10

Following: line 17

Insert: "o. Provider Rate Increase (Line Item)"

"3,536" (general fund 1992)

"8,964" (federal special revenue 1992)

"7,201" (general fund 1993)

"18,424" (federal special revenue 1993)

LFA will compute totals

This amendment provides a 5% rate increase each year of the  
biennium for medicaid waiver group home providers.

SENATE FINANCE AND CLAIMS  
EXHIBIT NO. B 13  
DATE 4-6-91  
BILL NO. HB 2

Amendments to House Bill 2  
Third Reading Copy  
In the Department of Social & Rehabilitation Services  
For Senate Finance and Claims  
April 5-6, 1991

do 13. Page B-10.

Following Line 25.

Insert: "c. SEARCHS Operations (Line Item)

396,337	(State Special Revenue FY92)
3,567,031	(Federal Revenue FY92)
226,975	(State Special Revenue FY93)
1,322,777"	(Federal Revenue FY93)

This amendment would add the executive recommended modification for the SEARCHS computer system to HB 2. The funds will be used to develop and install a computer system that is federally certifiable for the Child Support Enforcement Division which is required by the federal government in the Family Support Act of 1988. The system will allow caseworkers to process cases within the prescribed federal time frames, increase reliability of data, and ensure interface for child support efforts with AFDC and Medicaid automated systems. Proposed amendment 14, below, will indicate the intent of the legislature as to future operating costs of the system and provide a system review prior to the development phase. Funding for development of the system is 90% federal. Operation of the system will be funded 66% federal. State matching funds are provided by the Child Support State Special Revenue Account.

do 14. Page B-14.

Following Line 11.

Insert: "It is the intent of the legislature that annualized expenses for operation of SEARCHS not exceed \$1,500,000. This amount includes expenses for any facilities management contracting that may be utilized for system operations, computer processing costs directly associated with operation of the system and other personal services and not-personal services costs directly charged to the management and operation of the system. The department shall not proceed with development of SEARCHS until it has demonstrated to the satisfaction of the Governor's Office of Budget and Program Planning and to the Legislative Finance Committee that the projected annualized operational costs of the system will not exceed the limit imposed in this statement of intent."

This amendment expresses the intent of the legislature relating to the future costs of operating the proposed SEARCHS computer system. Prior to system development, the department will be required to present to OBPP and the Legislative Finance Committee and LFA, system design information which will allow projections of on-going costs of the system. If the system design presented does not lead to a conclusion that annualized costs will be \$1,500,000 or less, the system will not be developed or implemented.

Amendments to House Bill 2  
Third Reading Copy  
In the Department of Social & Rehabilitation Services  
For Senate Finance and Claims  
April 5-6, 1991

do 15 Page B-13, Line 13.

Following: "medicaid match"

Insert: "or development of the SEARCHS computer project"

This amendment reinstates language which was approved by the Human Services Appropriations Subcommittee. If amendment number 13 above is adopted the cost of developing and implementing the SEARCHS computer project should not be included in the calculation which requires the department to return \$1.25 for each \$1.00 expended from the child support special revenue account.

~~16. Page B-9.~~

~~Following Line 7.~~

~~Insert: "b. Parental Contribution to Cost of Out-Of-Home Care HB 993 (Line Item)~~

<del>10,145</del>	(State Special Revenue FY92)
<del>19,692</del>	(Federal Revenue FY92)
<del>10,294</del>	(State Special Revenue FY93)
<del>19,981</del>	(Federal Revenue FY93)

~~This amendment would add funding for operating costs required relating to the approximately 350 additional child support cases which would be generated annually by referral from the Department of Family Services for collection of parental contributions to out-of-home care which is mandated by HB 993.~~

~~17. Page B-13.~~

~~Following Line 14.~~

~~Insert: "Item 4b is contingent on passage and approval of HB 993."~~

~~This amendment would add contingent language on the appropriation added in amendment 16 above for implementation of HB 993.~~

Amendments to House Bill No. 2  
Third Reading Copy

*Keating*

Requested by Senator Keating  
For the Senate Finance and Claims Committee  
April 5, 1991

1. Page B-14, line 8.

Following: "participation."

Insert: "This provision shall not be construed to prohibit the  
department from implementing coverage provided in 53-6-  
101(3)(1)."

- End -

Amendments to House Bill 2  
Third Reading Copy  
In the Department of Social & Rehabilitation Services  
For Senate Finance and Claims  
April 5-6, 1991

10. Page B-10.

Following Line 17.

Insert: "v. Targeted Case Management Benefits Cost for the  
Mentally Ill for SB391 (Line Item)

1,510,752

(Federal Revenue FY92)

1,524,996"

(Federal Revenue FY93)

This amendment adds benefit and claims costs associated with implementation of the Targeted Case Management for the Mentally Ill portion of SB 391.

11. Page B-14.

Following Line 8.

Insert: "Item 6o is contingent on passage and approval of HB 545.  
Item 6p is contingent on passage and approval of HB 978.  
Item 6q is contingent on passage and approval of SB 151.  
Item 6r is contingent on passage and approval of SB 306.  
Item 6s is contingent on passage and approval of HB 786.  
Items 6t, 6u, and 6v are contingent on passage and approval of SB 391.  
If SB 391 is passed and approved, the FY93 appropriations in item 6 for medical assistance are reduced by the following amounts: \$702,500 general fund and \$1,797,500 federal revenue."

This amendment places contingent language on those items added due to passage of one house at the present time. The reduction in the medical assistance appropriation is a projected cost savings due to implementation of SB 391 and can be made if that bill is passed and approved.

ds 12. Page B-14.

Following Line 15.

Insert: "The department may pursue funding under the federal ICF/MR program for additional intensive service slots funded by the 1991 legislature if the federal government fails to approve adequate medicaid waiver funding under the Home and Community-Based Waiver Program."

This amendment gives SRS leverage with the federal government when applying for an amendment (increase) in slots and dollar amounts approved by the 1991 legislature for the Home and Community-Based Medicaid Waiver. Similar language was contained in HB 100 as approved by the previous legislature.

SENATE FINANCE AND CLAIMS

EXHIBIT NO. B16

DATE 4-6-91

BILL NO. HB 2



Amendments to House Bill No. 2  
Third Reading Copy

Requested by Senator Waterman  
For the Senate Finance and Claims Committee

Prepared by Sandy Whitney  
April 3, 1991

1. Page B-14, line 19.

Strike: "1,652,795" (general fund fiscal 1992)

"529,219" (federal special revenue fiscal 1992)

Insert: "2,280,171" (general fund fiscal 1992)

"805,843" (federal special revenue fiscal 1992)

2. Page B-14, lines 22 and 23.

Strike: lines 22 and 23 in their entirety

Renumber: subsequent subsections

3. Page B-16, line 13.

Strike: line 13 in its entirety

Insert: "Within item 1 in fiscal 1992 is a biennial appropriation  
of \$627,376 from the general fund and \$276,624 from federal  
special revenue for a management information system."

SENATE FINANCE AND CLAIMS

EXHIBIT NO. B17

DATE 4-6-91

BILL NO. HB 2

Amendments to House Bill 2  
Third Reading Copy  
In the Department of Family Services  
For Senate Finance and Claims  
April 5-6, 1991

*best*

Page B-14, Line 19.

Strike:	<u>"1,652,795</u>	<u>529,219</u>	<u>1,652,591</u>	<u>520,514"</u>
Insert:	<u>"1,693,773</u>	<u>542,337</u>	<u>1,693,631</u>	<u>533,438</u>

This amendment would restore funding for the deputy director position.

SENATE FINANCE AND CLAIMS  
EXHIBIT NO. B18  
DATE 4-6-91  
BILL NO. HB 2

Amendments to House Bill No. 2  
Third Reading Copy

Requested by Senator Waterman  
For the Senate Finance and Claims Committee

Prepared by Sandy Whitney  
April 5, 1991

1. Page B-15, line 24.

Following: line 23

Insert: "i. Additional Social Workers  
404,664 (general fund fiscal 1992)  
71,411 (federal special revenue fiscal 1992)  
918,013 (general fund fiscal 1993)  
162,002" (federal special revenue fiscal 1993)

LFA will adjust totals.

This amendment will add 9 FTE social workers every six months of  
the 1993 biennium.

SENATE FINANCE AND CLAIMS

EXHIBIT NO. B 19

DATE 4-6-91

BILL NO. HB 2

# ROLL CALL VOTE

## SENATE COMMITTEE FINANCE AND CLAIMS

Date APRIL 6, 1991 House Bill No. 2 Time         

NAME	YES	NO
SENATOR JACOBSON		✓
SENATOR JERGESON	✓	
SENATOR AKLESTAD		✓
SENATOR BECK		✓
SENATOR BENGTSON		✓
SENATOR BIANCHI	✓	
SENATOR DEVLIN		✓
SENATOR FRITZ	✓	
SENATOR HAMMOND		✓
SENATOR HARDING	✓	
SENATOR HOCKETT		✓
SENATOR KEATING		✓

Lynn Staley  
Secretary

Chairman

Motion: Senator Waterman motion  
(exhibit B19)

Filed

ROLL CALL VOTE

SENATE COMMITTEE FINANCE AND CLAIMS

Date APRIL \_\_\_\_\_ Bill No. \_\_\_\_\_ Time \_\_\_\_\_

NAME	YES	NO
SENATOR MANNING		
SENATOR NATHE	✓	
SENATOR STIMATZ		✓
SENATOR TVEIT		✓
SENATOR VAUGHN	✓	
SENATOR WATERMAN	✓	
SENATOR WEEDING	✓	
SENATOR FRANKLIN	✓	

Secretary

Chairman

**Motion:**

Amendments to House Bill No. 2  
Third Reading Copy

Requested by Senator Waterman  
For the Senate Finance and Claims Committee

Prepared by Sandy Whitney  
April 5, 1991

1. Page B-15, line 24.

Following: line 23

Insert: "i. Additional Social Workers  
237,082 (general fund fiscal 1992)  
41,838 (federal special revenue fiscal 1992)  
465,123 (general fund fiscal 1993)  
82,081" (federal special revenue fiscal 1993)

LFA will adjust totals.

This amendment will add 8 FTE social workers in fiscal 1992 and  
an additional 8 FTE in fiscal 1993.

SENATE FINANCE AND CLAIMS  
EXHIBIT NO. B 20  
DATE 4-6-91  
BILL NO. HB 2

# ROLL CALL VOTE

SENATE COMMITTEE FINANCE AND CLAIMS

Date APRIL 6, 1994 House Bill No. 2 Time           

NAME	YES	NO
SENATOR JACOBSON		✓
SENATOR JERGESON	✓	
SENATOR AKLESTAD		✓
SENATOR BECK		✓
SENATOR BENGTON		✓
SENATOR BIANCHI	✓	
SENATOR DEVLIN		✓
SENATOR FRITZ	✓	
SENATOR HAMMOND		✓
SENATOR HARDING		✓
SENATOR HOCKETT		✓
SENATOR KEATING		✓

Lynn Sealey  
Secretary

Chairman

Motion: Senator Waterman substitute  
amendment motion (exhibit B 30)

Failed

ROLL CALL VOTESENATE COMMITTEE FINANCE AND CLAIMSDate APRIL Bill No.            Time           

NAME	YES	NO
SENATOR MANNING		
SENATOR NATHE	✓	
SENATOR STIMATZ	✓	
SENATOR TVEIT		✓
SENATOR VAUGHN	✓	
SENATOR WATERMAN	✓	
SENATOR WEEDING	✓	
SENATOR FRANKLIN	✓	

Secretary                                   Chairman                                   

Motion:



Kest 7

Amendments to House Bill 2  
Third Reading Copy  
In the Department of Family Services  
For Senate Finance and Claims  
April 5-6, 1991

Page B-15

Following: Line 6.

Insert: "b. Staff Increases (Line Item)

237,082	(General Fund FY92)
41,838	(Federal Revenue FY92)
228,480	(General Fund FY93)
40,320"	(Federal Revenue FY93)

Renumber Subsequent Sections

This amendment would reinstate 8.00 FTE in both fiscal years with related operating and equipment costs as included in the executive budget. These FTE are field staff social workers.

SENATE FINANCE AND CLAIMS  
EXHIBIT NO. B21  
DATE 4-6-91  
BILL NO. HB 2

Amendments to House Bill No. 2  
Third Reading Copy

Requested by Senator Bianchi  
For the Senate Finance and Claims Committee

Prepared by Sandy Whitney  
April 5, 1991

1. Page B-15, line 24.

Following: line 23

Insert: "i. Child Care Resource and Referral  
45,000 (general fund fiscal 1992)  
140,816 (federal special revenue fiscal 1992)  
60,000 (general fund fiscal 1993)  
187,755" (federal special revenue fiscal 1993)

LFA will adjust totals.

This amendment will add \$433,571 for child care resource and referral to the \$428,752 appropriation currently in House Bill 2 for a total of \$862,323 for the biennium. A total of \$180,000 was approved during the current biennium for the program.

SENATE FINANCE AND CLAIMS  
EXHIBIT NO. 322  
DATE 4-6-91  
BILL NO. HB 2

Amendments to House Bill 2  
Third Reading Copy  
In the Department of Family Services  
For Senate Finance and Claims  
April 5-6, 1991

kest 7

Page B-16

Following: Line 15.

Insert: "In item 2H, the department may use the funds to contract for direct services on reservations, or pay for placement services."

This amendment provides authority to the Department of Family Services to use the funds provided in item 2H to either contract for direct services on reservations or pay for placement costs for placement of children on reservations.

The flexibility is needed for two main reasons: a) more direct services would better serve the clients by allowing more options than just out-of-home care and; b) the federal government (BIA) is threatening a law suit if the state does not provide equal services to Indian clients.

SENATE FINANCE AND CLAIMS  
EXHIBIT NO. B 23  
DATE 4-6-91  
BILL NO. HB 2

Amendments to House Bill No. 2  
Third Reading Copy

Requested by Senator Nathe  
For the Senate Finance and Claims Committee

Prepared by Carroll South  
April 5, 1991

1. Page B-9, line 11.

Strike: "53,719,686 167,740,803	55,334,255	173,343,078"
Insert: "54,206,703 168,975,302	55,816,280	174,576,444"

LFA will compute totals

This amendment increases medicaid funding \$1.72 million (\$485,000 general fund) each year of the biennium to provide medicaid coverage to AFDC-related "medically needy" caretaker relatives who are not eligible for medicaid coverage under the "categorically needy" program.

SENATE FINANCE AND CLAIMS  
EXHIBIT NO. B 24  
DATE 4-6-91  
BILL NO. HB 2

ROLL CALL VOTE

SENATE COMMITTEE FINANCE AND CLAIMS

Date APRIL 6, 1991 House Bill No. 2 Time           

NAME	YES	NO
SENATOR JACOBSON		✓
SENATOR JERGESON		✓
SENATOR AKLESTAD		✓
SENATOR BECK		✓
SENATOR BENGTSO		✓
SENATOR BIANCHI		✓
SENATOR DEVLIN		✓
SENATOR FRITZ		✓
SENATOR HAMMOND		✓
SENATOR HARDING		✓
SENATOR HOCKETT		✓
SENATOR KEATING		✓

Lynn Stacey  
Secretary

Chairman

Motion: Senator Rath's amendment  
motion (exhibit B24)

Failed

Date APRIL \_\_\_\_\_ Bill No. \_\_\_\_\_ Time \_\_\_\_\_

NAME	YES	NO
SENATOR MANNING		
SENATOR NATHE	✓	
SENATOR STIMATZ	✓	
SENATOR TVEIT		✓
SENATOR VAUGHN		✓
SENATOR WATERMAN	✓	
SENATOR WEEDING		✓
SENATOR FRANKLIN		✓

Chairman

Motion: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

AMENDMENTS TO HOUSE BILL NO. 2, THIRD READING  
For Senate Finance and Claims  
Requested by the Public Service Commission  
Submitted by Senator Harp  
April 4, 1991

1. Page C-1

Following: Line 12

Insert: "f. PSC Relocation (Line Item)"

"176,310 108,120" (FY92 & FY93 General Fund)

Following: Line 16

Insert: "Item 1f is contingent upon the passage and approval of  
SB#164."

The passage and approval of SB164 creates a Department of Transportation (DOT). According to an analysis recently completed by the Department of Highways, the subsequent consolidation of DOT programs into the Highways Building will require the office space currently occupied by the Department of Public Service Regulation. The relocation of PSC will increase rental cost \$108,840 in FY92 and \$108,120 in FY93. PSC will incur one-time moving cost of \$67,470 in FY92. The additional rental cost will be funded by PSC taxes that are deposited into the general fund.

SENATE FINANCE AND CLAIMS  
EXHIBIT NO. C1  
DATE 4-6-91  
BILL NO. HB 2

Amendments to House Bill No. 2  
Third Reading Copy

Requested by Senator Bengtson  
For the Senate Finance and Claims Committee

Prepared by Roger Lloyd  
April 1, 1991

1. Page C-1, line 19.  
Strike: "1,204,241"  
Insert: "1,202,155"

2. Page C-1, line 21.  
Strike: "51,580"  
Insert: "53,666"

LFA will amend totals.

This amendment makes technical adjustments to the legislative  
audit funding within the Department of Fish, Wildlife and Parks.

SENATE FINANCE AND CLAIMS  
EXHIBIT NO. C2  
DATE 4-6-91  
BILL NO. HB 2



DEPARTMENT OF FISH WILDLIFE AND PARKS  
PROPOSED AMENDMENTS TO HB 2 (BLUE COPY)

AMENDMENT #1

Page C-2

Following line 25

Insert: " k. License Drawings (line item)"

"10,000" (FY92 state special revenue)

"7,500" (FY93 state special revenue)

Description

This amendment allows the Department to implement the provisions of HB 91. The legislation provides for a 7 year waiting period for hunters who were issued a moose, sheep or goat license. The additional costs are to provide for computer programming changes and temporary staff to monitor compliance with the waiting period.

The amendment adds \$10,000 of state special revenue and .20 FTE in FY92 and \$7,500 of state special revenue and .30 FTE in FY93.

AMENDMENT #2

Page C-3

Following Line 22

Insert: " k. Evaluation of Fish Introductions (line item)"

"18,750" (FY92 state special revenue)

"56,250" (FY92 federal special revenue)

Page C-6

Line 23, following 3c,

Insert: "3k,"

Description

This will allow the department to implement the provisions of HB 576. The bill requires environmental reviews when fish species are transplanted in waters where they have not previously existed. More extensive environmental impacted statements will be needed for the more complicated fish transplants. The department can absorb the environmental reviews as a part of daily operations. However, a budget adjustment is necessary for the EIS's. It is assumed 1 EIS will be necessary in the biennium at a cost of \$75,000.

The amendment adds \$75,000 as a biennial appropriation. 75% of the project is federal funded, and 25% is state special revenue.

SENATE FINANCE AND CLAIMS  
EXHIBIT NO. C 3  
DATE 4-6-91  
BILL NO. HB 2

AMENDMENT #3

Page C-3

Following Line 22

Insert: "k. Paddlefish Roe (line item)"

"26,000" (FY92-state special revenue)

"26,000" (FY93-state special revenue)

Description

HB 115 amended the laws relating to the marketing of paddlefish roe by expanding the area where the roe can be collected. The law requires that a non-profit entity collect and market the roe. The proceeds are split 50% to the non-profit corporation and 50% to the department. The department must spend these funds on monitoring paddlefish populations to assure that overharvest does not occur, and to assure compliance with fishing regulations.

Over the past two years, the department has used state special and federal revenues to temporarily run the program. The department will replace the state special revenues with a portion of agencies share of the sale of the paddlefish roe. Because of the expanded area where the roe can be collected, there will be additional revenues of approximately \$26,000 per year that can be used to better manage the paddlefish population.

This amendment will add \$26,000 per year under the state special revenue category.

DEPARTMENT OF FISH WILDLIFE AND PARKS  
PROPOSED AMENDMENTS TO HB 2 (BLUE COPY)

AMENDMENT #1

Page C-3

Following Line 22

Insert: " k. Water Measuring Devices (line item)"  
      "7,250" (FY92 state special revenue)  
      "21,750" (FY93 state special revenue)

Description

This amendment will allow the Department of Fish, Wildlife and Parks to implement the provisions of HB 908. The legislation requires the Department of Natural Resources and Conservation to identify chronically dewatered watercourses. For those identified watercourses which occur on FWP lands, and where FWP has a diversion structure, FWP would be required to install measuring devices at these sites to assure the correct amount of water is removed.

The amendment would add \$7,250 in FY92 and \$21,750 in FY93. The funding would come from state special revenues.

AMENDMENT #2

Page C-5

Following Line 11

Insert: " f. Off-Highway Vehicles (line item) "  
      "98,700" (FY92 state special revenue)  
      "98,700" (FY93 state special revenue)

Page C-5

Following Line 23

Insert: " f. Off-Highway Vehicles (line item)"  
      "10,900" (FY92 state special revenue)  
      "10,900" (FY93 state special revenue)

Description

This amendment allows the department to implement the provisions of HB 309. The program is funded by 1/8 of 1% of the highway fuel tax. The legislation requires the department to develop and maintain off-highway vehicle (OHV) facilities, to repair areas that are damaged by OHV's, and to develop an OHV safety program.

The amendment is for a total of \$109,600 per year and .16 FTE funded from state special revenue.

SENATE FINANCE AND CLAIMS  
EXHIBIT NO. C4  
DATE 4-6-91  
BILL NO. HB 2

DEPARTMENT OF FISH WILDLIFE AND PARKS  
PROPOSED AMENDMENTS TO HB 2 (BLUE COPY)

AMENDMENT #1

Page C-4

Following Line 24

Insert: " h. Development and Maintenance of Real Property (line item)"

"534,800" (FY92- state special revenue)

Page C-6

Line 23

Following 5g

Insert: "5h" (provides for a biennial appropriation)

Description

This amendment will allow the Department to comply with the provisions of SB 252. The bill revises the allocation of funds that may be used for development and maintenance of wildlife lands.

Under current law, 20% of select hunting license sales are deposited into a trust account. Only the interest earnings are available to spend. SB 252 modifies this allocation and allows for one half of the funds coming into the trust to be spent directly for such things as fencing, road maintenance, weed control, development of wildlife habitat, etc.

The request is for a biennial appropriation of \$534,800 and 1.5 FTE (part-time employees) funded from state special revenues.

AMENDMENT #2

Page C-5

Line 23

Strike: "25,000"

Insert: "6,250" (FY92 state special revenue)

"18,750" (FY92 federal special revenue)

Strike: "25,000"

Insert: "6,250" (FY93 state special revenue)

"18,750" (FY93 federal special revenue)

Description

This item is a budget modification that will update the volunteer hunter education program by replacing instructor and student manuals, videos tapes, etc. The original project was approved at \$25,000 per year and funded with 100% general license dollars.

Federal funds are now available to fund 75% of this project. The department recommends keeping the same dollar amount, but replacing \$18,750 per year of state special revenue with federal special revenue.

SENATE FINANCE AND CLAIMS  
EXHIBIT NO. C5  
DATE 4-6-91  
BILL NO. HB2

Amendments to House Bill No. 2  
Third Reading Copy

Requested by Senator Bianchi  
For the Senate Finance and Claims Committee

Prepared by Roger Lloyd  
April 5, 1991

1. Page C-5, line 1.  
Strike: "55,000 55,000" (General Fund)

LFA will amend totals.

2. Page C-8, line 2.  
Strike: lines 2 through 4  
Insert: "Item 6 contains \$246,266 from federal funds in fiscal  
1992 and \$246,173 from federal funds in fiscal 1993 for a  
pass-through grant to the Montana conservation corps."

This amendment eliminates the general fund appropriation for the  
Montana Conservation Corps within the Parks Division of the  
Department of Fish, Wildlife and Parks.

SENATE FINANCE AND CLAIMS  
EXHIBIT NO. C 6  
DATE 4-6-91  
BILL NO. HB 2

# ROLL CALL VOTE

SENATE COMMITTEE FINANCE AND CLAIMS

Date APRIL 6, 1991 House Bill No. 2 Time       

NAME	YES	NO
SENATOR JACOBSON	✓	
SENATOR JERGESON	✓	
SENATOR AKLESTAD	✓	
SENATOR BECK		✓
SENATOR BENGTON		✓
SENATOR BIANCHI	✓	
SENATOR DEVLIN		✓
SENATOR FRITZ	✓	
SENATOR HAMMOND		✓
SENATOR HARDING		✓
SENATOR HOCKETT		✓
SENATOR KEATING	✓	

Lyne Stealey  
Secretary

Chairman

Motion: Senator Bianchi Amendment  
motion (exhibit C6)

Failed

ROLL CALL VOTE

SENATE COMMITTEE FINANCE AND CLAIMS

Date APRIL Bill No.                      Time                     

NAME	YES	NO
SENATOR MANNING		
SENATOR NATHE		
SENATOR STIMATZ	✓	
SENATOR TVEIT		✓
SENATOR VAUGHN		✓
SENATOR WATERMAN		✓
SENATOR WEEDING		✓
SENATOR FRANKLIN	✓	

Secretary

Chairman

**Motion:**

Amendments to House Bill No. 2  
Third Reading Copy

Requested by Senator Bengtson  
For the Senate Finance and Claims Committee

Prepared by Roger Lloyd  
April 2, 1991

1. Page C-9, line 23.  
Strike: "121,722 131,329"  
Insert: "104,720 99,616"

LFA will amend totals.

This amendment reduces general fund in the Land Administration Division of the Department of State Lands by \$17,002 in fiscal 1992 and \$31,713 in fiscal 1993. These reductions reflect operating and equipment expenses associated with the House Appropriation Committee's amendment which reduced FTE in the Trust Land Management modification but did not reduce operating or equipment expenses.

SENATE FINANCE AND CLAIMS  
EXHIBIT NO. C7  
DATE 4-6-91  
BILL NO. HB 1



Amendments to House Bill No. 2  
Third Reading Copy

Requested by Senator Bengtson  
For the Senate Finance and Claims Committee

Prepared by Roger Lloyd  
April 1, 1991

1. Page C-10, line 10.  
Strike: "173,100 173,100"  
Insert: "158,733 158,733"

2. Page C-10, line 12.  
Strike: "363,200 286,200"  
Insert: "339,445 262,445"

LFA will amend totals.

This amendment reduces federal authority in the Forestry Division of the Department of State Lands by the same amount as the federal indirect funding in the Central Management Division.

SENATE FINANCE AND CLAIMS  
EXHIBIT NO. C 8  
DATE 4-6-91  
BILL NO. HB 2

Amendments to House Bill No. 2  
Third Reading Copy

Requested by Senator Beck  
For the Senate Finance and Claims Committee

Prepared by Roger Lloyd  
April 6, 1991

1. Page C-10, line 21.

Following: line 20

Insert: "j. Pilot Study for Increasing Timber Production (Line  
Item)"

"27,000        54,000" (General Fund)

This amendment appropriates general fund to the Forestry Division within the Department of State Lands for a pilot project to evaluate whether contracting is an economically feasible method to increase timber production without hiring additional full time state employees.

SENATE FINANCE AND CLAIMS

EXHIBIT NO.           C9          

DATE           4-6-91          

BILL NO bx02518.a15 HB2

Department of State Lands

Proposed Amendments to HB 2 (third reading (blue) copy)

1. Page C-9, Line 23

Strike: "121,722 121,722 131,329 131,329"

Insert: "159,659 159,659 201,978 201,978"

The Executive Budget, approved by the appropriations subcommittee, included 4.25 FTE (FY92) and 6.75 FTE (FY93) for trust land management program and 2.00 FTE (FY92) and 3.00 FTE (FY93) for administering the federal farm programs. The full House Appropriations Committee reduced the trust land management positions to 2.00 FTE in FY92 and 3.00 FTE in FY93 and eliminated the positions for the federal farm programs for a total reduction of \$347,531. This amendment restores \$108,586 of personal services for 2.25 FTE in FY92 and 3.75 FTE in FY93 for the trust land management program. The total cost for the restored trust land management FTE is \$157,301, which includes \$48,715 for operational expenses and equipment.

S:\pc11\DSL-AMD

SENATE FINANCE AND CLAIMS

EXHIBIT NO. C 10

DATE 4-6-91

BILL NO

HB 2

# ROLL CALL VOTE

SENATE COMMITTEE FINANCE AND CLAIMS

Date APRIL 6, 1991 House Bill No. 2 Time           

NAME	YES	NO
SENATOR JACOBSON		✓
SENATOR JERGESON	✓	
SENATOR AKLESTAD		✓
SENATOR BECK		✓
SENATOR BENGTSON	✓	
SENATOR BIANCHI		✓
SENATOR DEVLIN		✓
SENATOR FRITZ		✓
SENATOR HAMMOND		✓
SENATOR HARDING	✓	
SENATOR HOCKETT	✓	
SENATOR KEATING	✓	

Lynn Staley  
Secretary

Chairman

Motion: Senator Weeding amendment  
motion (exhibit C10)

Passed

Date APRIL \_\_\_\_\_ Bill No. \_\_\_\_\_ Time \_\_\_\_\_

NAME	YES	NO
SENATOR MANNING		
SENATOR NATHE	✓	
SENATOR STIMATZ	✓	
SENATOR TVEIT	✓	
SENATOR VAUGHN		✓
SENATOR WATERMAN	✓	
SENATOR WEEDING	✓	
SENATOR FRANKLIN		✓

Chairman

**Motion:**

PROPOSED AMENDMENTS TO HOUSE BILL 2

(third reading copy)  
for Senate Finance and Claims

Requested by Department of Natural Resources and Conservation

1. Page C-15,  
Following: Line 11  
Insert: "Any revenues collected in the state water project hydroelectric power generation special revenue account established in House Bill 586 are appropriated to the department for the rehabilitation of the Tongue River Dam. The revenues will only be used if federal authorization for the project rehabilitation is secured."

Explanation:

Plans for the rehabilitation of the Tongue River Dam are underway with negotiations being conducted to acquire federal funding. DNRC proposes amending HB 2 to appropriate the revenues earned by the Broadwater hydroelectric facility for the rehabilitation of the Tongue River Dam.

2. Page C-15.  
Following: Line 11  
Insert: "Any fines collected under the provisions of 85-2-122 and deposited in the water rights appropriation account in accordance with 85-2-318 are appropriated to the department to carry out the enforcement functions required under section 85-2-114."

Explanation: Senate Bill 368 would establish a Montana water use enforcement program. This amendment is proposed to assist with the implementation of this new program.

SENATE FINANCE AND CLAIMS  
EXHIBIT NO. C 11  
DATE 4-6-91  
BILL NO. HB 2

Amendments to House Bill No. 2  
Third Reading Copy

Requested by Senator Bengtson  
For the Senate Finance and Claims Committee

Prepared by Roger Lloyd  
April 5, 1991

1. Page C-16, line 21.

Strike: lines 21 and 22 in their entirety

This amendment strikes contingency language in the Department of  
Agriculture for the appropriation concerning Senate Bill No. 3.  
This legislation has been signed by the Governor.

SENATE FINANCE AND CLAIMS

EXHIBIT NO. C 12

DATE 4-6-91

BILL NO. HB 2

Amendments to House Bill No. 2  
Third Reading Copy

Requested by Senator Bengtson  
For the Senate Finance and Claims Committee

Prepared by Roger Lloyd  
April 1, 1991

1. Page C-16, line 5.

Strike: "705,934 1,489,570 707,807 1,487,875"

Insert: "317,680 1,877,824 191,888 2,003,794"

2. Page C-16, line 9.

Strike: "(388,254) 614,137 (515,919) 738,009"

Insert: "225,883 222,090" (State Special Revenue, fiscal 1992  
and fiscal 1993)

LFA will amend totals.

3. Page C-16, line 19.

Following: line 18

Insert: "If House Bill No. 964 is not passed and approved, the  
general fund appropriation in item 3 is increased by  
\$388,254 in fiscal 1992 and state special revenue is  
decreased by \$388,254 in fiscal 1992, and general fund is  
increased by \$515,919 in fiscal 1993 and state special  
revenue is decreased by \$515,919 in fiscal 1993."

This amendment eliminates the negative general fund appropriation  
and increases the state special revenue appropriations for the  
ground water program workload modification in the Department of  
Agriculture and adjusts the general fund appropriation and the  
state special revenue appropriation for the division to  
compensate.



Amendments to House Bill No. 2  
Third Reading Copy

Requested by Senator Bengtson  
For the Senate Finance and Claims Committee

Prepared by Roger Lloyd  
April 1, 1991

1. Page C-17, line 15.

Strike: "2,134"

Insert: "2,434"

2. Page C-18, line 6.

Strike: "2,058"

Insert: "1,912 144" (State Special Revenue, Proprietary in 1992)

3. Page C-18, line 22.

Strike: "3,949"

Insert: "2,633 1,316" (General Fund, Federal Special Revenue in 1992)

4. Page C-20, line 10.

Strike: "2,710,776 2,834,635"

Insert: "2,736,349 2,860,208"

5. Page C-20, line 12.

Strike: "52,994"

Insert: "1,848"

6. Page C-21, line 13.

Strike: "1,984,160 1,977,653"

Insert: "1,987,994 1,981,486"

7. Page C-21, line 15.

Strike: "64,762"

Insert: "57,095"

LFA will amend totals.

This amendment makes technical adjustments to the legislative  
audits funding within the Department of Commerce.

SENATE FINANCE AND CLAIMS  
EXHIBIT NO. C14  
DATE 4-6-91  
BILL NO. HB 2  
hbX02510.a15

DEPARTMENT OF COMMERCE  
AMENDMENTS TO HOUSE BILL NO. 2, THIRD READING  
For Senate Finance and Claims  
April 5, 1991

1. Page C-18

Following: Line 2

Insert: "c. POL Misc. Legislation"

"293,435 252,350" (FY92 & FY93 State Special)

"117,210 100,472" (FY92 & FY93 Proprietary)

This amendment implements twelve (12) Professional and Occupational Licensing bills with state special revenue from licensing & fees as stipulated in the following fiscal notes. Administrative overhead charges are reflected in the proprietary account of the POL Bureau. These bills create 3.00 FTE in the Boards and 2.85 FTE in the POL Bureau.

- 1.1 HB118\*\* provides for pharmacy technicians through the Board of Pharmacy at a cost of \$12,361 in FY92 and \$7,567 in FY93.
- 1.2 HB620 creates a Board of Respiratory Care at a cost of \$16,765 in FY92 and \$13,900 in FY93.
- 1.3 HB667 provides 1.00 FTE to the Board of Medical Examiners at a cost of \$39,392 in FY92 and \$35,598 in FY93.
- 1.4 HB692 transfers funding to the School of Pharmacy at a cost of \$35,594 in FY92 and \$32,279 in FY93.
- 1.5 HB1002 provides 1.00 FTE to the Board of Outfitters at a cost of \$64,293 in FY92 and \$57,699 in FY93.
- 1.6 SB008 creates a Board of Real Estate Appraisers at a cost of \$35,477 in FY92 and \$24,391 in FY93.
- 1.7 SB066\*\* creates a Board of Naturopathic Physicians at a cost of \$6,072 in FY92 and \$4,687 in FY93.
- 1.8 SB112\*\* provides a 1.00 FTE executive secretary for the Board of Real Estate at a cost of \$63,391 in FY92 and \$57,655 in FY93.
- 1.9 SB135\*\* provides the licensing of wholesale drug distributors at a cost of \$5,000 in FY92 and \$4,128 in FY93.
- 1.10 SB172 creates a Board of Midwifery at a cost of \$8,625 in FY92 and \$8,000 in FY93.
- 1.11 SB174 provides for continuing education for psychologists at a cost of \$5,565 in FY92 and \$5,546 in FY93.
- 1.12 SB307 adds a fifth dentist to the Board of Dentistry at a cost of \$900 each year of the biennium.

\*\* Signed into law by Governor

SENATE FINANCE AND CLAIMS

EXHIBIT NO. C 15

DATE 4-6-91

BILL NO. HB 2

Amendments to House Bill No. 2  
Second Reading Copy

Requested by Representative Dorothy Cody  
For the Committee of the Whole

Prepared by Legislative Fiscal Analyst  
March 23, 1991

1. Page C-8, line 11.

Strike: "1,470,841"

Insert: "1,595,841"

Strike: "1,875,211"

Insert: "2,000,211"

Strike: "1,471,625"

Insert: "1,596,625"

Strike: "1,871,064"

Insert: "1,996,064"

*Pilt Payment*

SENATE FINANCE AND CLAIMS  
EXHIBIT NO. C 16  
DATE 4-6-91  
FILE NO. HB 2  
hbX02002.ape

PROPOSED AMENDMENTS TO HOUSE BILL 2

(third reading copy)  
for Senate Finance and Claims

Requested by Department of Natural Resources and Conservation

1. Page C-13, Line 14.  
Strike: "2,603,943 and 2,597,912"  
Insert: "2,641,358 and 2,634,327"

Explanation:

To administer House Bill 908 the department will require 1.00 FTE (grade 14 step 2) at \$27,415 per year plus \$10,000 in FY92 and \$9,000 in FY93 for operational expenses.

- ~~2. Page C-13, Line 14.  
Strike: "2,603,943 and 2,597,912"  
Insert: "2,632,124 and 2,623,868"~~

~~Explanation:~~

~~To administer Senate Bill 303 the department will require 1.00 FTE (grade 13 step 2) at \$25,216 per year plus \$2,965 in FY92 and \$740 in FY93 for operational expenses.~~

SENATE FINANCE AND CLAIMS

EXHIBIT NO. C 17

DATE 4-6-91

ROLL CALL VOTE

SENATE COMMITTEE FINANCE AND CLAIMS

Date APRIL 6, 1991 House Bill No. 2 Time           

NAME	YES	NO
SENATOR JACOBSON	✓	
SENATOR JERGESON	✓	
SENATOR AKLESTAD		✓
SENATOR BECK	✓	
SENATOR BENGTSON	✓	
SENATOR BIANCHI	✓	
SENATOR DEVLIN		✓
SENATOR FRITZ		✓
SENATOR HAMMOND		✓
SENATOR HARDING		✓
SENATOR HOCKETT	✓	
SENATOR KEATING		✓

Lynn Staley  
Secretary

Chairman

Motion: Senator Weeding Amendment  
Motion (exhibit C17)

Passed

10 yes  
9 no

Date APRIL \_\_\_\_\_ Bill No. \_\_\_\_\_ Time \_\_\_\_\_

NAME	YES	NO
SENATOR MANNING		
SENATOR NATHE		✓
SENATOR STIMATZ	✓	
SENATOR TVEIT		✓
SENATOR VAUGHN	✓	
SENATOR WATERMAN		✓
SENATOR WEEDING	✓	
SENATOR FRANKLIN	✓	

Chairman

**Motion:**

*Jergeson*

5. Page C-20

Following: Line 8

Insert: "c. Single Audit Act (Line Item)"  
"144,551 147,320" (FY92 & FY93 Proprietary)

Page C-23

Following: Line 11

Insert: "Item 12c is contingent upon the passage and approval of  
HB#328."

HB328 adopts the single audit act and generally revises the law relating to audits of local governments. The fiscal impact of HB328 includes 1.50 FTE in FY92 and 2.50 FTE in FY93.

6. Page 21

Following: Line 11

Insert: "b. R & D Loans (Line Item)"  
"50,000 50,000" (FY92 & FY93 General Fund)

Page C-23

Following: Line 15

Insert: "Item 18b is contingent upon the passage and approval of  
SB#242."

SB242 authorizes the Montana Science & Technology Alliance to lend \$5.1 million of in-state investment funds for research and development projects. The fiscal impacts of SB242 include 1.00 FTE to administer the loan program. General fund will be used to administer the program.

SENATE FINANCE AND CLAIMS

EXHIBIT NO. C 18

DATE 4-6-91

PILL NO. HB 2

page C 20 lines 1 & 2

strike lines 1 & 2 in their entirety

this eliminates automation of the census

SENATE FINANCE AND CLAIMS

EXHIBIT NO. C 19

DATE 4-6-91

BILL NO. 11 R 1



# ROLL CALL VOTE

SENATE COMMITTEE FINANCE AND CLAIMS

Date APRIL 6, 1991 House Bill No. 2 Time           

NAME	YES	NO
SENATOR JACOBSON	✓	
SENATOR JERGSON	✓	
SENATOR AKLESTAD		✓
SENATOR BECK		✓
SENATOR BENGTSON		✓
SENATOR BIANCHI		✓
SENATOR DEVLIN		✓
SENATOR FRITZ		✓
SENATOR HAMMOND		✓
SENATOR HARDING		✓
SENATOR HOCKETT	✓	
SENATOR KEATING		✓

Lynn Staley  
Secretary

Chairman

Motion: Senator Jergson motion (exhibit C 19)  
& also amend page C 23, lines 9 through 11

Failed

Date APRIL \_\_\_\_\_ Bill No. \_\_\_\_\_ Time \_\_\_\_\_

NAME	YES	NO
SENATOR MANNING		
SENATOR NATHE		✓
SENATOR STIMATZ	✓	
SENATOR TVEIT		✓
SENATOR VAUGHN		✓
SENATOR WATERMAN		✓
SENATOR WEEDING	✓	
SENATOR FRANKLIN	✓	

Chairman

Motion: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Amendments to House Bill No. 2  
Third Reading Copy

Requested by Senator Weeding  
For the Senate Finance and Claims Committee

Prepared by Roger Lloyd  
April 5, 1991

1. Page C-17, line 23.

Strike: "2,042,341 2,024,214"

Insert: "2,045,341 2,026,214"

3,000

2,000

*for license fees  
not for R. L. fee*

LFA will amend totals.

2. Page C-22, line 23.

Following: line 22

Insert: "Item 5 contains \$3,000 in fiscal 1992 and \$2,000 in  
fiscal 1993 for the board of dentistry to implement  
mandatory continuing professional education requirements for  
dentists and dental hygienists."

SENATE FINANCE AND CLAIMS  
EXHIBIT NO. C20  
DATE 4-6-91  
BILL NO. HB 2  
hbX02516.a15

PROPOSED AMENDMENT TO HOUSE BILL 2

DNRC  
Water Resources Division  
FY 93

Personal Services	Vacancy Savings <sup>1</sup>	Unfunded Reclassification Costs	Unfunded Pay Exception Costs	Total Funding Shortfall
\$3,615,715	\$144,628	\$24,500	\$94,900	\$264,028
	4%	.7%	2.6%	7.3%

<sup>1</sup> The House Appropriations Committee imposed at 4% vacancy savings on Personal Services in FY93.

Pay Exception Funding Sources

01100	General Fund	\$ 3,572
02145	Broadwater	4,060
02435	Water Development	32,340
02458	RIT	<u>54,928</u>
		\$94,900

- Page C-13, Line 14.  
Strike: "2,597,912 and 2,066,349"  
Insert: "2,601,484 and 2,157,677"

SENATE FINANCE AND CLAIMS

EXHIBIT NO. C 21

DATE 4-6-91

BILL NO. HB 2

"GLOBAL" AMENDMENT TO HOUSE BILL 2  
SENATOR JACOBSON

I move a personal service reduction of 4% for both fiscal 1992 and fiscal 1993 for all state agencies, with the following exceptions:

- 0% for vo-techs
- 0% for U-system instruction and support(4% for incremental programs)
- 0% for elected judges in Judiciary(4% for remaining staff)
- 0% for agencies with 20 or fewer FTE
- 2% for the Department of Institutions

This personal service reduction will be handled as provided in section 6 of the boilerplate. Each agency will be allowed to allocate the reduction among the programs within the agency.

Attached is a chart showing the amount of personal service reduction in each agency, based on HB2 as approved by the House. The personal services reductions will be amended by the LFA to reflect action in the Senate Finance and Claims Committee. The funding splits are based on all control variables with personal services.

This amendment will reduce general fund costs in House Bill 2 by \$5.56 million.[\$8.53 million shown on the sheet minus the \$2.97 million personal service reduction already contained in the bill.]

SENATE FINANCE AND CLAIMS  
EXHIBIT NO. Jacobson Ex 1  
DATE 4-6-91  
BILL NO. HB 2

# Office of Legislative Fiscal Analyst

## Vacancy Savings Calculations

Code	Agency Name	Estimated Current Fiscal 1992	Estimated Modified Fiscal 1992	Estimated Total Fiscal 1992	Estimated Current Fiscal 1993	Estimated Modified Fiscal 1993	Estimated Total Fiscal 1993	Estimated Total Fiscal 92-93
1101	Legislative Auditor	(77,199)	(4,513)	(81,712)	(77,123)	(4,503)	(81,626)	(163,338)
1102	Legislative Fiscal Analyst							
1104	Legislative Council	(57,850)	(3,676)	(61,526)	(62,461)	(3,679)	(66,140)	(127,666)
1109	Legislature - Senate							
1110	Legislature - House							
1111	Environmental Quality Council							
1112	Consumer Counsel							
2110	Judiciary	(52,359)	(3,788)	(56,147)	(50,244)	(3,636)	(53,880)	(110,027)
3101	Governors Office	(86,487)		(86,487)	(82,970)		(82,970)	(169,457)
3201	Secretary Of States Office	(25,206)	(8,102)	(33,308)	(25,164)	(8,132)	(33,296)	(66,604)
3202	Commissioner Of Political Prac							
3401	State Auditors Office	(73,274)	(963)	(74,237)	(70,286)	(923)	(71,209)	(145,446)
3501	Office Of Public Instruction	(168,276)	(11,715)	(179,991)	(168,008)	(11,609)	(179,617)	(359,608)
3511	Billings Vo Tech							
3512	Butte Vo Tech							
3513	Great Falls Vo Tech							
3514	Helena Vo Tech							
3515	Missoula Vo Tech							
4107	Crime Control Division							
4108	Highway Traffic Safety							
4110	Department Of Justice	(739,879)	(4,420)	(744,299)	(704,973)	(3,918)	(708,891)	(1,453,190)
4201	Public Service Regulation	(61,147)	(600)	(61,747)	(61,105)	(600)	(61,705)	(123,452)
5101	Board Of Public Education							
5102	Commissioner Of Higher Ed	(71,352)	(7,519)	(78,871)	(71,208)	(6,985)	(78,193)	(157,064)
5103	University Of Montana	(132,525)		(132,525)	(132,525)		(132,525)	
5104	Montana State University	(96,469)		(96,469)	(96,469)		(96,469)	
5105	Mont College Of Min Sc & Tech	(37,581)		(37,581)	(37,581)		(37,581)	
5106	Eastern Montana College	(35,589)		(35,589)	(35,589)		(35,589)	
5107	Northern Montana College	(19,081)		(19,081)	(19,081)		(19,081)	
5108	Western Montana College	(21,551)		(21,551)	(21,551)		(21,551)	
5109	Agricultural Exper Station	(327,371)	(1,842)	(329,213)	(327,371)	(4,668)	(332,039)	
5110	Cooperative Extension Service	(166,609)		(166,609)	(166,609)		(166,609)	
5111	Forestry & Cons Exper Station							
5112	Bureau Of Mines	(39,584)		(39,584)	(39,584)		(39,584)	
5113	School For The Deaf & Blind	(96,974)	(1,330)	(98,304)	(96,820)	(1,330)	(98,150)	(196,454)
5114	Montana Arts Council							
5115	Library Commission	(30,169)	(710)	(30,879)	(30,138)	(709)	(30,847)	(61,726)
5116	Montana Council On Vocational							
5117	Historical Society	(50,681)		(50,681)	(50,632)		(50,632)	(101,313)
5119	Fire Services Training School							
5201	Dept Of Fish, Wildlife & Parks	(620,594)	(26,290)	(646,884)	(614,853)	(26,258)	(641,111)	(1,287,995)
5301	Dept Health & Environ Sciences	(368,998)	(110,391)	(479,389)	(353,960)	(86,326)	(440,286)	(919,675)
5401	Department Of Highways	(2,601,794)		(2,601,794)	(2,608,648)		(2,608,648)	(5,210,442)
5501	Department Of State Lands	(372,438)	(23,732)	(396,170)	(357,388)	(27,905)	(385,293)	(781,463)
5603	Department Of Livestock	(138,490)	(4,873)	(143,363)	(137,003)	(4,862)	(141,865)	(285,228)
5706	Dept Nat Resource/Conservation	(306,849)	(4,644)	(311,493)	(294,172)	(4,448)	(298,620)	(610,113)
5801	Department Of Revenue	(683,847)	(7,016)	(690,863)	(656,220)	(6,495)	(662,715)	(1,353,578)
6101	Department Of Administration	(380,205)	(5,021)	(385,226)	(367,213)	(4,809)	(372,022)	(757,248)
6103	State Comp. Mutual Ins. Fund	(176,681)	(44,765)	(221,446)	(175,615)	(44,664)	(220,279)	(441,725)
6104	Public Employees Retirement Bd							
6105	Teachers Retirement Board							
6107	Long Range Building Plan							
6201	Department Of Agriculture	(106,596)	(5,090)	(111,686)	(102,079)	(5,217)	(107,296)	(218,982)
6401	Department Of Institutions	(1,087,548)	(25,031)	(1,112,579)	(1,048,309)	(28,138)	(1,076,447)	(2,189,026)
6501	Department Of Commerce	(414,871)	(13,627)	(428,498)	(399,654)	(15,394)	(415,048)	(843,546)
6602	Labor & Industry	(691,215)	(9,990)	(701,205)	(690,520)	(9,966)	(700,486)	(1,401,691)
6701	Adjutant General	(103,952)	(1,203)	(105,155)	(104,018)	(1,200)	(105,218)	(210,373)
6901	Dept Social & Rehab Services	(931,356)	(10,231)	(941,587)	(892,562)	(12,831)	(905,393)	(1,846,980)
6911	Department Of Family Services	(611,553)	(17,983)	(629,536)	(611,316)	(17,948)	(629,264)	(1,258,800)
Legislative, Judicial, Executive Total		(\$11,187,840)	(\$357,223)	(\$11,545,063)	(\$10,964,662)	(\$342,485)	(\$11,307,147)	(\$22,852,210)
University System Total		(\$876,360)	(\$1,842)	(\$878,202)	(\$876,360)	(\$4,668)	(\$881,028)	(\$1,759,230)
Grand Total		(\$12,064,200)	(\$359,065)	(\$12,423,265)	(\$11,841,022)	(\$347,153)	(\$12,188,175)	(\$24,611,440)

Note: University System includes the six units and experiment stations.

# Office of Legislative Fiscal Analyst

## Vacancy Savings Calculations

Code	Agency Name	Estimated Current Fiscal 1992	Estimated Modified Fiscal 1992	Estimated Total Fiscal 1992	Estimated Current Fiscal 1993	Estimated Modified Fiscal 1993	Estimated Total Fiscal 1993	Estimated Total Fiscal 92-93
<b>Funding Summary</b>								
	General Fund			(4,300,083)			(4,226,826)	(8,526,909)
	State Special Revenue Fund			(3,502,024)			(3,429,790)	(6,931,814)
	Federal Revenue Fund			(3,000,756)			(2,932,427)	(5,933,183)
	Capital Projects Fund			(10,212)			(9,448)	(19,660)
	Proprietary Fund			(1,100,682)			(1,080,466)	(2,181,148)
	Expendable Trust Fund			(8,261)			(7,978)	(16,239)
	Current Unrestricted Fund			(501,247)			(501,240)	(1,002,487)
	<b>Total Savings</b>			<b>(\$12,423,265)</b>			<b>(\$12,188,175)</b>	<b>(\$24,611,440)</b>
	<b>Total General Fund</b>			<b>(4,300,083)</b>			<b>(4,226,826)</b>	<b>(8,526,909)</b>
	<b>All Other Funds</b>			<b>(8,123,182)</b>			<b>(7,961,349)</b>	<b>(16,084,531)</b>
	<b>Total Funds</b>			<b>(\$12,423,265)</b>			<b>(\$12,188,175)</b>	<b>(\$24,611,440)</b>

# ROLL CALL VOTE

SENATE COMMITTEE FINANCE AND CLAIMS

Date APRIL 6, 1991 House Bill No. 2 Time           

NAME	YES	NO
SENATOR JACOBSON	✓	
SENATOR JERGESON	✓	
SENATOR AKLESTAD	✓	
SENATOR BECK		✓
SENATOR BENGTON		✓
SENATOR BIANCHI	✓	
SENATOR DEVLIN		✓
SENATOR FRITZ	✓	
SENATOR HAMMOND	✓	
SENATOR HARDING	✓	
SENATOR HOCKETT	✓	
SENATOR KEATING		✓

Lynn Staley  
Secretary

Chairman

Motion: Senator Jacobson vacancy  
covering motion (Jacobson Exhibit 1)

Passed



Date APRIL \_\_\_\_\_ Bill No. \_\_\_\_\_ Time \_\_\_\_\_

NAME	YES	NO
SENATOR MANNING <i>excused</i>		
SENATOR NATHE	✓	
SENATOR STIMATZ	✓	
SENATOR TVEIT		✓
SENATOR VAUGHN	✓	
SENATOR WATERMAN		✓
SENATOR WEEDING	✓	
SENATOR FRANKLIN	✓	

Chairman

Motion: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

4-6-91

COMMITTEE ON

Finance. *Chambers*

HB 2

## VISITORS' REGISTER

NAME	REPRESENTING	BILL #	Check One	
			Support	Oppose
Bill Good	DMIA - DES	HB2		
Doug Broker	DMIA			
Ed Hall	MBCC			
Brad Johnson	Dept. of Justice - GLD			
Dennis Sheehy	State Auditors office	HB2		
Burt Dalk	Dept. of Admin.	HB2		
LINDA KING	PERD / ADMIN	HB2	✓	
Laurie Ekanger	Admin. / Personnel	HB2		
David Seem	Teachers' Retirement	HB2	✓	
Cathy Reardon	Dept. of Admin	HB2		
Chuck Virag	Dept. of Admin	HB2	✓	
Wade Riley	Whispery Admin	HB2	?	
Mawmi Eicholtz	" " "	HB2		
Bea Lunda	DFS Helen, not	HB2		
JUDITH CARLSON	HRDCs, NASW			
Paulette Kohnman	Lat Council Match Hike	HB2	✓	
Julie Robinson	SRS	HB2		
Mike Billings	SRS	HB2		
JOHN DONWON	SRS	HB2		
DAVE THORSEN	SRS	HB2		
MIKE <del>BRIDGES</del> HANSHEW	SRS	HB2		
Nancy Elley	SRS	HB2		
Janiye Frisch	SRS	HB2		
<del>John M...</del>	SRS	HB2		
Penny Robbe	SRS	HB2		
Jen Meredith	SRS	HB2		

COMMITTEE ON Finance & Claims

## VISITORS' REGISTER

[illegible]