

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 53rd LEGISLATURE - REGULAR SESSION

JOINT SUBCOMMITTEE ON INSTITUTIONS & CULTURAL EDUCATION

Call to Order: By REP. ED GRADY, Chairman, on February 19, 1993,
at 8:00 am

ROLL CALL

Members Present:

Rep. Ed Grady, Chair (R)
Sen. Eve Franklin, Vice Chair (D)
Sen. Gary Aklestad (R)
Sen. Tom Beck (R)
Sen. J.D. Lynch (D)
Rep. Red Menahan (D)
Rep. Linda Nelson (D)

Members Excused: NONE

Members Absent: NONE

Staff Present: Sandra Whitney, Legislative Fiscal Analyst
Mary LaFond, Office of Budget & Program Planning
Judy Murphy, Committee Secretary

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

Committee Business Summary:

Hearing: NONE
Executive Action: DEPARTMENT OF CORRECTIONS; MONTANA
HISTORICAL SOCIETY; MONTANA STATE
LIBRARY; MONTANA ARTS COUNCIL; AND
MENTAL HEALTH AND VETERAN'S HOME

Questions, Responses, and Discussion:

Sandra Whitney, Legislative Fiscal Analyst, told the committee
they have reached their target plus \$29,427.

CHAIRMAN GRADY said there is approximately \$300,000 saved by
changing to a boot camp at SRFC. State lands will not have to
fund some FTE positions. The committee can take credit for this
amount since the committee took the action to close SRFC. The
cigarette tax money can also be credited to this committee since
the committee took the action.

EXECUTIVE ACTION ON DEPARTMENT OF CORRECTIONS

Tape No. 1:A

Mickey Gamble, Department of Corrections Administrator, explained the targeted case managers concept. TCM's are assigned to focus on inmates who are eligible for parole whose capabilities for developing an acceptable parole plan are handicapped by lack of programming, marginal intelligence, physical infirmities, lack of an outside support system, misunderstanding of the correctional process or lack of motivation. Targeted case managers attend every meeting of the Board of Pardons, taking care to note the Board's requirements in every case. The TCM spends many hours per month developing community resources by maintaining communications with parole agents, mental health services, Social Security, physicians, therapists, nursing homes, pre-release centers, family members and chemical dependency facilities. In 1992 the TCM's were involved in 10-day furloughs: 140 furloughs approved; all successfully paroled. Intensive supervision: advocated 11 approved placements. Supervised release: advocated 20; BOP approved one. **EXHIBIT 1** He said since the positions were sun setted they were left out of the budget.

REP. RED MENAHAN asked if the original proposal eliminated 43 FTE positions in the department? Mr. Gamble said yes. REP. MENAHAN asked if this number could not have been left at 40 FTE and two TCMS established? Mr. Gamble said this could be done and the department felt since the positions had been sun setted the issue needed to come before the committee.

Motion: REP. MENAHAN made a motion to cut the FTEs to 40 and that two TCMS would remain.

Questions, Responses, and Discussion:

SEN. GARY AKLESTAD said he thought the first time the committee dealt with this issue there was one TCM position. He does not understand why there needs to be a duplication of effort.

SEN. TOM BECK said earlier one TCM position had been cut. He said if MSP is going to downsize he feels the two positions will be necessary due to the amount of screening which will take place in order to release the inmates to community-based programs.

Vote: The motion CARRIED unanimously.

Questions, Responses, and Discussion:

Mr. Gamble said the department is asking for \$66,000 per year for the upcoming biennium for jail payments to counties for parole violators. **EXHIBIT 2**

Ms. Whitney said there were two pieces to jail payments. There were parts which got cut in the two special sessions. She was directed not to put cuts back into the current level so she used

the '92 actual expenditures. These amounts of \$34,557 and \$35,672 are the LFA current level. The department is asking for an additions of \$31,443 and \$30,328 to bring the original amount to \$66,000.

SEN. AKLESTAD said the reason the figures were left out of the budget was so the department could not work the figures back into the base.

Mr. Gamble feels this is not exactly what happened. The department was told to curtail it for a year.

Ms. Whitney said it was only used for six months of last year and the appropriation for '93 was not cut.

SEN. BECK asked if any of the supplementals were used to make jail payments?

Mr. Gamble said no.

Ms. Whitney said the medical expense for the department of corrections has been a biennial appropriation and now it is in the budget as two separate annual appropriations.

Mr. Gamble said the department would like it biennial.

SEN. J.D. LYNCH asked what the expense would be for this biennium?

Mr. Gamble told the committee it would amount to \$3 million for this biennium.

Ms. Whitney said currently in the budget there is \$1,426,441 in FY 94 and \$1,507,785 in FY 95.

SEN. LYNCH asked why the department needs so much money?

Mr. Gamble said in the last biennium the department spent \$3.2 million and this biennium the department is only asking for \$3 million.

Pam Joehler, Central Services Administration, said the department spent \$1.3 million in 1992.

SEN. LYNCH asked how much will be saved by entering into a PTO with the Powell County Memorial Hospital in Deer Lodge?

Mr. Gamble said the provider the department is working with should save approximately 10%.

Ms. Whitney said in 1992 the department spent \$1,286,000.

SEN. BECK thinks the amount should be made a biennial appropriation.

CHAIRMAN GRADY feels the amount should be left as it is which is annual.

EXECUTIVE ACTION ON MONTANA HISTORICAL SOCIETY

Tape No. 1:A

REP. MENAHAN said yesterday the committee had talked about drafting a bill to use some of the bed tax money. He was told by the Speaker there may be a vehicle the committee can use to obtain \$65,000.

SEN. LYNCH asked if we want to take money out or just give the department the flexibility to use the money?

CHAIRMAN GRADY said the figures the committee is using are the figures the committee has already taken out.

Brian Cockhill, Montana Historical Society Director, said one issue MHS has is to take approximately \$30,000 per year general fund, and then increase the overall budget with an additional \$30,000 which MHS would spend on such things as: additional touring in the Capitol, OGM, brochures for self-guided tours, and a rehabilitation grant. If the bill does not pass MHS will not be giving tours in the Capitol and at OGM.

REP. MENAHAN asked if the department would like to leave things as they are?

Mr. Cockhill said yes. He would prefer to wait and see what will happen to the bed tax when it gets to full appropriations. He feels the tours are good services which are being offered to the public.

REP. MENAHAN feels the committee should wait and see where the bed tax money goes and then make the motion.

Mr. Cockhill feels the items he has targeted are directly related to tourist services.

REP. MENAHAN said the committee has five chances to rectify this; house committee, house floor, senate committee, senate floor and free-conference committee.

SEN. AKLESTAD asked **Mr. Cockhill** if they are planning, with their present budget, to conduct Capitol and OGM tours year-round?

Mr. Cockhill said yes, but the tours have never been year-round. The OGM tours are conducted 10 months a year and are closed January and February. The Capitol tours are conducted seven days a week all summer and all the days the legislature meets in

session. If MHS receives any bed tax dollars the governor's office has asked for expanded days for tourists.

CHAIRMAN GRADY feels the committee is going to need some real leverage to use the bed tax money. He suggested taking the money for tours out of the MHS budget then the department could say we cannot do the tours since we do not have the money. He feels this will create the leverage MHS needs to use the bed tax money. He said the committee can always replace the money they took.

REP. LINDA NELSON asked if there is a demand for tours at OGM during the off-season?

Mr. Cockhill said the demand is not much and is usually done on call.

SEN. LYNCH suggests leaving the MHS budget as it is.

SEN. AKLESTAD said he would go with the bed tax. He is upset since the programs which are visible are the ones which get cut.

SEN. EVE FRANKLIN asked if there are some things in their budget that are statutory obligations?

Mr. Cockhill said MHS has a statutory obligation to run a museum and a library.

CHAIRMAN GRADY feels the committee needs the bed tax to fund this program. He said **REP. MENAHAN** felt the portion the committee would get would relate to tours.

SEN. AKLESTAD feels MHS should live up to one half of their obligation of meeting their target.

Motion/Vote: **SEN. AKLESTAD** made a motion to use \$134,000 for the biennium. He has two justifications for his motion. One, it takes half of what their targeted obligation was and second is \$66,000 per year for the tourist issues. The motion **FAILED** with **CHAIRMAN GRADY**, **SEN. BECK** and **SEN. AKLESTAD** voting aye.

Mary LaFond, Office of Budget and Program Planning, explained the Legislative Contract Authority for MHS. In Action I the executive recommended \$150,000 federal special revenue in HB 4 each year for FY 1994 and FY 1995, with the flexibility to move the amount between years and among fund types (\$117,000 of the \$150,000 is proprietary fund). In Action II HB 23 generally revises the law concerning budget amendments. It prohibits certain funds (including proprietary) from the budget amendment process. **EXHIBIT 3**

Motion/Vote: **SEN. LYNCH** made a motion to accept the LCA for MHS. The motion **CARRIED** unanimously.

EXECUTIVE ACTION ON MONTANA STATE LIBRARY

Tape No. 1:A

Questions, Responses, and Discussion:

Ms. LaFond said MSL has received a check for \$32,795.59 representing their distributive share of the balance of assets in the Hazel Chamberlain Trust. EXHIBIT 4

MSL is requesting biennial appropriation to be added to the library modification for bequests of \$25,000. The total would be \$55,000. Language would also be needed for a one-time biennial appropriation for the additional bequest of \$30,000 to the Library for the Blind and may not be included in the current level base in the agency budget request for the 1997 biennium. EXHIBIT 5

Motion/Vote: SEN. FRANKLIN made the motion for MSL to accept the one-time biennial appropriation for the additional bequest of \$30,000. The motion CARRIED unanimously.

EXECUTIVE ACTION ON MONTANA ARTS COUNCIL

Tape No. 1:A

Questions, Responses, and Discussion:

Ms. LaFond said the LCA is all federal money and the OBPP recommends the \$100,000.

Motion/Vote: SEN. LYNCH made the motion to accept the LCA and the \$100,000. The motion CARRIED unanimously.

EXECUTIVE ACTION ON MENTAL HEALTH AND VETERAN'S HOME

Tape No. 1:A

Questions, Responses, and Discussion:

Ms. Whitney asked if the committee wants to include the language identifying the \$100,000 each year of the biennium to maintain the Galen campus and to accept the language stating if neither HB 16 nor HB 46 are passed and approved, or if HB 16 is passed and approved and MSH at Galen is closed, the general fund item (Veteran's Home) is increased and state special revenue is decreased by \$1,028,516 in FY 1994, and \$1,023,405 in FY 1995. EXHIBIT 5 and 6

Motion/Vote: SEN. LYNCH made a motion to change the language to give \$100,000 to maintain the Galen campus. The motion CARRIED unanimously.

Motion/Vote: SEN. LYNCH made a motion to change the language to use the cigarette tax needed to maintain Veteran's homes at the

approved budget level. The motion **CARRIED** unanimously.

Questions, Responses, and Discussion:

SEN. LYNCH asked if there is going to be a 32% reduction of inmates at MSP? He believes there should be a large savings in inmate medical.

Ms. Whitney said the inmate medical is for all the inmates in the system men and women.

Pam Joehler, Central Services Administration, said the medical expenses are paid for inmates throughout the entire system.

SEN. FRANKLIN said the pre-release center in Great Falls receives no medical coverage.

Ms. Joehler said perhaps the figures she was looking at were department owned facilities. The pre-release centers in Missoula and Billings have medical coverage.

SEN. BECK told the committee during the '91 session reductions were made in the medical portion and then the department came back with supplementals in that area. He feels if reductions are made now the department will come back for more supplementals.

Motion: **SEN. LYNCH** made a motion to reduce medical costs by \$250,000 for the biennium.

Motion: **SEN. BECK** made a substitute motion of \$150,000 for the second half of the biennium for medical costs.

Questions, Responses, and Discussion:

SEN. AKLESTAD feels **SEN. LYNCH** made a good point.


SEN. BECK said the committee would be taking less than a 10% reduction out of the entire budget. He feels MSP will need the medical cost for the first half of the biennium.

Vote: The vote on the substitute motion **CARRIED** with **SEN. LYNCH** and **REP. MENAHAN** voting nay.

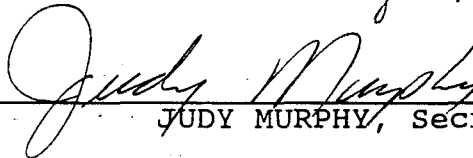
A motion was made to adjourn.

ADJOURNMENT

Adjournment: 9:30 am



REP. ED GRADY, Chair



JUDY MURPHY, Secretary

EG/jm

HOUSE OF REPRESENTATIVES

INSTITUTIONS/CULTURAL EDU. SUB-COMMITTEE

ROLL CALL

DATE

2-19-93

NAME	PRESENT	ABSENT	EXCUSED
SEN. GARY AKLESTAD	✓		
SEN. TOM BECK	✓		
SEN. EVE FRANKLIN, VICE CHAIRMAN	✓		
SEN. J.D. LYNCH	✓		
REP. RED MENAHAN	✓		
REP. LINDA NELSON	✓		
REP. ED GRADY, CHAIRMAN	✓		

TARGETED CASE MANAGERS

Targeted case managers first came into existence in 1991, as a measure to help mitigate the prison population. Targeted Case Managers (TCM's) are assigned to focus on those inmates eligible for parole whose capabilities for developing an acceptable parole plan are handicapped by lack of programming, marginal intelligence, physical infirmities, lack of an outside support system, misunderstanding of the correctional process or lack of motivation. TCM's work with inmates, the Board of Pardons, parole officers, pre-release centers, outside agencies and employers as well as institutional staff as advocates of inmates who do not constitute a major risk to society but are incapable or unwilling to represent themselves successfully. TCM's work intensely with inmates in the development of parole plans to be presented to the Board of pardons, initiate 10-day furloughs for many inmates in order to allow them to pursue employment for parole consideration, develop supervised release plans with inmates and sponsors and identify appropriate inmates to be referred to the Intensive Supervision Programs.

Targeted Case Managers attend every meeting of the Board of Pardons, taking care to note the Board's requirements in every case. Following the hearings, the TCM's develop action plans for every inmate denied parole in order to better assure his approval by the Board at his/her next hearing. TCM's attend Pre-parole school each month to help prepare inmates for their parole hearings, assist in parole planning and keep track of those inmates who waive their parole hearings. Those who choose to waive become significant to the TCM's, who maintain communication with them, encourage them toward appropriate programming and counsel them toward release. Occasionally, the TCM will personally transport an inmate to a job interview.

Typically, the TCM spends many hours per month developing community resources by maintaining communications with parole agents, Mental Health Services, Social Security, physicians, therapists, nursing homes, pre-release centers, family members and chemical dependency facilities. By acting as liaison between inmates, the Board of Pardons and these other agencies, the TCM's have been essential to releasing inmates in a more timely fashion and stabilizing the population of Montana State Prison.

1992 Data

10-day Furloughs: 140 furloughs approved; all successfully paroled.

Intensive Supervision: Advocated 11 approved placements.

Supervised Release: Advocated 20; BOP approved one.

EXECUTIVE ACTION
2/18/93

TARGETED CASE MANAGERS
CORRECTIONS DIVISION

	<u>FY 94</u>	<u>FY 95</u>	<u>95B</u>
FTE	2.00	2.00	2.00
SALARY	\$47,522	\$47,522	\$95,044
BENEFITS	\$11,740	\$12,662	\$24,402
HEALTH	\$4,560	\$4,560	\$9,120
TOTAL PS	\$63,822	\$64,744	\$128,566
GEN FUND	\$63,822	\$64,744	\$128,566

-Targeted Case Managers were authorized by the 1991 legislature but sunsetted in HB2. The Department and the Board of Pardons have testified in support of continuing these positions because they are a fundamental part of returning inmates to the community.

JAIL PAYMENTS
CORRECTIONS DIVISION

	<u>FY 94</u>	<u>FY 95</u>	<u>95B</u>
FTE	0.00	0.00	0.00
TOTAL AMT REQUESTED	\$66,000	\$66,000	\$132,000
LFA CURRENT LEVEL	34,557	35,672	70,229
NET INCREASE REQUESTED	\$31,443 <i>actual</i>	\$30,328 <i>actual</i>	\$ 61,771
GEN FUND	\$31,443	\$30,328	\$ 61,771

This expenditure is for jail payments to counties for parole violators and was authorized by the legislature at the annual \$66,000 amount for each year of the 1993 biennium. Actual FY92 expenditures do not reflect a full year's activity due to the length of time it took to sign contracts with counties. The department requests this expense be budgeted at the full \$66,000 each year of the upcoming biennium.

LEGISLATIVE CONTRACT AUTHORITY - MONTANA HISTORICAL SOCIETY

In fiscal 1992 one budget amendment was approved for federal funds of \$24,935 in the Museum and two budget amendments for proprietary funds of \$20,396. In FY93 there has been one proprietary budget amendment of \$3,800.

Action I

The above funds could be included in legislative contract authority (LCA), thus eliminating the need for budget amendments up to the appropriated limit. The Executive Budget does not include LCA for these funds, and they are not included in the LFA current level because all budget amendments were removed from the base.

The Executive recommended \$150,000 Federal Special Revenue in HB4 each year for fiscal 1994 and fiscal 1995, with the flexibility to move the amount between years and among fund types other than general fund. Per a letter from the Historical Society on February 17, 1993, \$117,000 of the \$150,000 is proprietary fund. If LCA is not approved, the general appropriations act must include all of these federal and proprietary funds that can reasonably be anticipated at this time.

Action II

HB23 generally revises the law concerning budget amendments. It prohibits certain funds (including proprietary) from the budget amendment process. If this bill passes without the amendment identified below, the Historical Society will be without any authority to use money collected from sales to the public.

The Historical Society has a proposed amendment to HB23 which exempts them from the budget amendment requirements and is as follows:

Page 9. (section 3, Sub (a)) line 25

Add "Montana Historical Society enterprise revenue resulting from sales to the public,".

If this amendment is approved it will allow the Historical Society the ability to get a budget amendment for unanticipated enterprise related sales.



First Interstate Bank
of Billings, N.A.
401 North 31st Street
P.O. Box 30918
Billings, MT 59116-0918
406 255-5000

EXHIBIT 7
DATE 2-19-93
SB

February 11, 1993

Montana State Library
1515 East 6th Avenue
Helena, MT 59601

Re: Hazel Chamberlain #31-006140-3

Dear Sirs:

Enclosed is a check in the amount of \$32,795.59 representing your distributive share of the balance of assets in the Hazel Chamberlain Trust. Inasmuch as this distribution is being done in 1993, it will be necessary for us to file a fiduciary income tax return for this year. Consequently, we have retained a small reserve for closing expenses. This reserve is \$1,000.00, most of which will be used for preparation of tax returns. If there is a balance remaining, we will be sending a small additional check. This will probably not occur until next year.

Tax information for preparation of your 1992 income tax return is being processed at this time. It is envisioned this will be in the mail to you within the next two weeks.

As a means of documenting our files, we would appreciate a signed copy of this letter being returned to us acknowledging receipt of the check. A return envelope has been enclosed.

Sincerely,

Brent L. Lindsey, CTFA
Assistant Vice President & Trust Officer
Financial Services Division

BLL/llp

Enclosures

Acknowledgement of receipt:

Date: 02/12/93

EXHIBIT 5

DATE 2-19-93

~~SECRET~~

LIBRARY FOR THE BLIND ADDITIONAL BEQUEST - \$30,000

✓ Requesting biennial appropriation to be added to the Library modification for bequests of \$25,000. Total \$55,000.

Language

✓ Item _____ (One-time biennial appropriation for the additional bequest of \$30,000 to the Library for the Blind) may not be included in the current level base in the agency budget request for the 1997 biennium.

LEGISLATIVE CONTRACT AUTHORITY - MONTANA ARTS COUNCIL

In fiscal 1992, 11 budget amendments were approved for federal funds of \$288,061. These funds could be included in legislative contract authority (LCA), thus eliminating the need for budget amendments up to the appropriated limit. The Executive Budget does not include LCA for these funds, and they are not included in the LFA current level because all budget amendments were removed from the base.

The Executive recommended \$100,000 Federal Special Revenue in HB4 each year for fiscal 1994 and fiscal 1995. The amount was derived from a three year average of budget amendment activity. If LCA is not approved, the general appropriations act must include all of these federal funds that can reasonably be anticipated.

LANGUAGE

✓ If neither House Bill 16 nor House Bill 46 are passed and approved, or if House Bill 16 is passed and approved and Montana State Hospital at Galen is closed, the general fund in item [Veteran's Home] is increased and state special revenue is decreased by \$1,028,516 in fiscal 1994 and \$1,023,405 in fiscal 1995.

Language Approved by the
INSTITUTIONS AND CULTURAL EDUCATION SUBCOMMITTEE

STATE LIBRARY

In the event coal severance tax allocated to the state library under 15-35-108(3)(f) exceeds the amounts appropriated to the state library for fiscal 1994 and fiscal 1995, the additional funds are appropriated to the state library commission for pass-through to the library federations. The additional appropriation allowed is not to exceed \$30,000 each year.

The biennial appropriation for legislative contract authority in item [____] is subject to the following provisions:

- (1) Legislative contract authority applies only to federal and private funds.
- (2) Legislative contract authority expenditures must be reported on state accounting records. The records must be separate for current level operations.
- (3) A report must be submitted by the library commission to the legislative fiscal analyst following the end of each fiscal year of the biennium. The report must include a listing of projects with the related amount of expenditures for each project.

DCHS

The biennial appropriation for legislative contract authority in items [Corrections, Mental Health, and Chemical Dependency] is subject to the following provisions:

- (1) Legislative contract authority applies only to federal funds.
- (2) Legislative contract authority expenditures must be reported on state accounting records. The records must be separate for current level operations.
- (3) A report must be submitted by the Department of Corrections and Human Services to the Legislative Fiscal Analyst following the end of each fiscal year of the biennium. The report must include a listing of projects with the related amount of expenditures for each project.

Item [Mental Health] contains \$82,280 in fiscal year 1994 and \$130,900 in fiscal year 1995, which must be transferred to the energy conservation program account and used to retire the general obligation bonds sold to fund energy improvements through the state building energy conservation program.

Item [Developmental Disabilities] contains \$4,675 in fiscal year 1995, which must be transferred to the energy conservation program account and used to retire the general obligation bonds sold to fund energy improvements through the state building energy conservation program.

If House Bill 333 is passed and approved, the general fund in item [Mental Health] is increased by \$84,263 in fiscal 1994 and \$136,823 in fiscal 1995, and the general fund in item [Veteran's Home] is increased by \$78,537 in fiscal 1994 and \$103,357 in fiscal 1995.

DATE 2-17-93

~~SD~~

The legislature directs the department to work toward limiting the number of prisoners at Montana State Prison to 850 inmates. Item [Corrections] includes an appropriation sufficient to maintain that number of inmates.

The legislature directs the department to maintain the Galen campus in good condition during the 1995 biennium while the department seeks potential users of the facilities. If a use can be found that will not have a negative state general fund impact during the 1995 biennium, the department is authorized to make the necessary transfer after review by the legislative finance committee. Item [Mental Health] includes general fund of \$100,000 each year of the biennium to maintain the Galen campus.