

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 53rd LEGISLATURE - REGULAR SESSION

COMMITTEE ON APPROPRIATIONS

Call to Order: By REP. TOM ZOOK, on March 4, 1993, at 3:15 P.M.

ROLL CALL

Members Present:

Rep. Tom Zook, Chairman (R)
Rep. Ed Grady, Vice Chairman (R)
Rep. Francis Bardanouve (D)
Rep. Ernest Bergsagel (R)
Rep. Roger DeBruycker (R)
Rep. Marj Fisher (R)
Rep. John Johnson (D)
Rep. Royal Johnson (R)
Rep. Betty Lou Kasten (R)
Rep. Red Menahan (D)
Rep. Linda Nelson (D)
Mary Lou Peterson (R)
Rep. Joe Quilici (D)
Rep. Dave Wanzenried (D)
Rep. Bill Wiseman (R)

Members Excused: Rep. John Cobb, Rep. Mike Kadas, Rep. Ray Peck

Members Absent: None

Staff Present: Terry Cohea, Legislative Fiscal Analyst
Mary Lou Schmitz, Committee Secretary

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

Committee Business Summary:

Hearing: HB 31, HB 115, HB 642, HB 652, HB 653,
HB 655
Executive Action: None

HEARING ON HB 642

An Act diverting a portion of the proceeds from the lodging facility use tax to the Department of Fish, Wildlife, and Parks for park maintenance.

Opening Statement by Sponsor: REP. BOB RANEY, HD 82 said this bill came about over a strong desire to rebuild the maintenance projects in the state parks in Montana. The industry that collects the 4% tax, and uses it to promote Montana, said they

want to participate in this. After considerable discussion with the Governor's staff and the industry, he decided to offer some amendments. The Gray Bill, **EXHIBIT 1**, has been prepared and will take the Montana Conservation Corps out of this bill, give the money directly to Fish, Wildlife and Parks, and designate its use for parks maintenance. They will have to prove it has been used for parks maintenance by reporting back to the tourism advisory council, which will oversee how the money is spent.

Anticipating both measures will pass, he has prepared the Gray Bill and gone along with the industry and the Governor's staff. Instead of taking \$500,000, the Gray Bill takes 6.5% annually off the top of the collections from the industry's tax. That will raise about \$500,000 the first year and possibly \$540,000 the second year, depending on the growth of tourism.

Proponents' Testimony: George Ochenski, Montana State Parks Foundation said this is part of the four-bill package and explained how the maintenance will be handled.

Wayne Hurst, President, Montana State Parks Foundation, Libby said he has visited all the state parks and has seen the maintenance needs. A lot of money has been spent to bring tourists into Montana so it is wise to use some of this money to maintain state parks.

Greg Bryan, President, Montana Tourism Coalition, which represents a wide variety of business interests and associations throughout Montana, said on their behalf he supports this bill and what it does to help the Montana Fish, Wildlife and Parks Division. This bill provides the funding mechanism.

Stewart Doggett, Montana Innkeepers Association, said he supports HB 642 as amended or the Gray copy of the Bill, **EXHIBIT 1**. The Innkeepers' Association stated its support. They understand the need to support this separately and their longstanding position has been to support state parks. The bill, as amended, will provide a portion to maintenance of the state parks' existing facilities.

Keith Colbo, Montana Tourism Coalition stands in support of HB 642, with the amendments. The formulation of the Montana Tourism Coalition is intended to gather together the broad interest of tourism in the state of Montana through the various associations. That has been successfully done. In order to have a viable organization, it was his contention and the board's contention that they had to have a much broader agenda than simply focusing on the accommodation tax. For that reason, priorities were adopted and the proper support and maintenance of Montana state parks is a priority.

Arnold Olsen, Department of Fish, Wildlife and Parks submitted testimony from **EXHIBIT 2**, regarding stewardship obligations to our State Parks and historic sites.

Mathew Cohn, Administrator, Travel Promotion Division, Department of Commerce said the Department is in support of the amended version of HB 642. The five year strategic study plan recently completed by the Department identified maintenance of tourism infrastructure as a dire need in Montana. This bill is intended to address some of those needs for the ultimate enjoyment and benefit of both resident and non-resident travel. The \$900 million that non-residents spent in Montana in 1992 was discretionary and can disappear as quickly as a group. The amended version of HB 642 helps address one of the major tourism infrastructural needs of the state while at the same time reasonably maintaining the funding level for Montana to compete on a national basis to attract tourists.

Janet Ellis, Montana Audubon Legislative Fund, said they support this amended bill. She was appointed to **Governor Stephens' State Park Futures Committee** and was involved in an intense study with **REPS. GRADY and QUILICI** who also served on that committee. They found a lot of the parks were an embarrassment, not only for Montanans, but for visitors. There have been many maintenance needs identified and this will help start turning the trend of the deterioration of parks.

Judith Carlson, Human Resource Development Council Directors' Association, said three of the HRDC's joined together to form the Montana Conservation Corps and it was on that basis they were interested in the bill and liked the original version. Since it is now changed, they have come forward to inform the committee about the needs for parks and the desire of the Montana Conservation Corps to cooperate in any way they can.

Ken Hoovestol, representing both the Montana Snowmobile Association and Montana Boating Association. Both associations have worked closely with the parks over the past years, are well aware of the need for money for the parks' improvement, and support the bill.

Karen Fagg, representing Governor Racicot, said it is with great pleasure that the Governor is able to support the Gray Bill because of the compromise that has been struck. He would like to compliment the Montana Tourism Coalition, the Innkeepers and the sponsor for having this broad vision of looking at what's important for Montana. She urged passage of the Gray Bill version.

REP. BARDANOUVE said some of the committee may have reservations about the source of the revenue for parks, but he can't emphasize too strongly the absolute necessity for some sort of revenue for park maintenance this session.

REP. QUILICI said he wants to go on record as a member of the Parks Futures Committee as supporting this bill. It's a good start in the right direction.

Questions From Committee Members and Responses: REP. KASTEN

asked for an explanation of the percentages, page 1 (a) Gray Bill, EXHIBIT 1. REP. RANEY said the 1, the 2.5 and the 6.5 come from 100% of the collections. Then from what is left, 75% is given to the Department of Commerce and 25% to the regions. REP. KASTEN said 90% is divided 75 and 25. REP. RANEY said that is correct.

REP. GRADY asked about the amount that goes to the Historical Society and what is it used for. Mr. Cohn said the 1% that goes to the Historical Society, by the initial legislation, is used for the maintenance of historic highway signs. The total for this fiscal year will be about \$72,000. REP. GRADY asked if that is the only use for it? Mr. Cohn said yes.

Closing by Sponsor: REP. RANEY said, in a recollection of when the bed tax was created, the industry came forward and said "take this money from us and promote Montana". The industry is coming forward now and saying "take some of the money and put it into improving our parks". The key to this is that our parks, with what they are presently putting into them, cannot be maintained. If this money is used as replacement revenue for other revenue presently going to the parks, then it will not be fair to the industry. This money should be viewed as additional revenue to increase parks maintenance.

CHAIRMAN ZOOK closed the hearing on HB 642.

HEARING ON HB 115

An Act providing for a statutory appropriation from the general fund to the Department of Health and Environmental Sciences for the renal disease treatment program.

Opening Statement by Sponsor: REP. TOM NELSON, HD 95 said he is a co-sponsor with SEN. TOM HAGER and as the title says it is to re-instate the end-stage renal disease treatment program. The subcommittee has heard the bill and the critical part is in Section 2, page 3 where it re-establishes the program that was inadvertently stopped last July in special session. Page 4 shows an amount of \$500,000 statutorily appropriated for the biennium.

SEN. HAGER said the funding for this program was struck in the January, 1992 special session because of some wrong testimony given to the committee. It sounded like there weren't too many people benefiting from this but in his studies over the last year, he found out there are about 500 people in the state who do use this program. This is a very expensive disease to have. Sometimes people get transplants, but the medications to either maintain the patient while on dialysis or on the transplant is very expensive.

Proponents' Testimony: Marcia Mack, Financial Counselor, Deaconess Medical Center in Billings has worked in that capacity

for 12 years and worked with renal patients during the course of that time, both with the end-stage renal disease program and without it. She is here to talk about the ramifications without the program. The ESRD program was a financial assistance program that helped patients who suffered from ESRD with medical bills after all third parties' resources had been exhausted. When the funding was cut, about 1/4 of the patients with ESRD were directly effected. She asks that all moneys spent through the program remain in Montana and are paid directly to Montana providers.

Sharon Reiner, Dialysis Nurse, Deaconess Medical Center in Billings, explained what the patients' options are for treatment, and the quality of life and advantages of transplants. Other treatments are dialysis, medicine and diet. Diabetes is the pre-existing cause and is not insurable.

Jim Ahrens, President, Montana Hospital Association spoke in support of the bill.

Russ Ritter, representing himself, spoke in support of the bill.

Grant Cameron, Deaconess Medical Center in Billings, spoke in support of the bill.

Mark Branstetter, Deaconess Medical Center in Billings, spoke in support of the bill.

Questions From Committee Members and Responses: **REP. KASTEN** asked how many patients would need the treatment and benefits? **REP. NELSON** said about 500 patients. All of those 500 people were directly effected at the time the program was eliminated.

CHAIRMAN ZOOK said there is \$250,000 in HB 2 for this program.

Closing by Sponsor: **REP. NELSON** closed, saying he appreciated the good hearing.

CHAIRMAN ZOOK closed the hearing on HB 115.

HEARING ON HB 652

An Act increasing the amount of revenue returned to the school trust by allocating a percentage of income received from the sale of timber from state trust lands to the Department of State Lands timber sale program to be used to increase activities that will result in additional timber sales.

Opening Statement by Sponsor: **REP. DON LARSON, HD 65** said this bill will increase the amount of revenue returned to the school trust by allocating a percentage of income received from the sale of timber from state trust lands to the Department of State Lands timber sale program to be used to increase activities that will result in additional timber sales. The bill offers a positive

statement as timber sales continue to fall behind and the price of timber continues to escalate.

Proponents' Testimony: Don Allen, Montana Wood Products

Association said through this bill, and the proper implementation by the Department of State Lands, money has to be used directly for timber sale preparation and documentation. It simply gives them another way to meet the obligation of the state in terms of the enabling act and in terms of the requirement that they return the maximum possible to the trust from the state lands. There are some restrictions they have to comply with. The increment that the bill will allow them to harvest additionally, still would place them way below the amount they can harvest on a sustainable yield from a biological standpoint. They think it is a step in the right direction. Just a few years ago the state was harvesting 50 million board feet. For this current fiscal year they are projecting only 20 million board feet. At a time when the price of stumpage is very high and the schools need the extra dollars and the availability of timber is important to the various communities, this bill is certainly a good step to try to stem the tide. Keith Olson, Executive Director, Montana Logging Association asked Mr. Allen to also indicate their organization was in full support of this legislation.

Madalyn Quinlan, Office of Public Instruction, said the State Superintendent supports any actions that might be taken by this committee to increase the management staff at the Department of State Lands when there is an indication that these management positions will more than pay for themselves by increased revenue in the school trust.

Opponents' Testimony: None

Questions From Committee Members and Responses: REP. KASTEN asked how many people are in the Department now servicing this program. Jeff Jahnke, Department of State Lands, said there are about 38 FTE in the timber sale program.

REP. FISHER said she does support this program and understands what has been happening with the timber sales. She is a little amazed that the Department wants 7.2 more FTE for this because she assumes it would not be in one area. It seems slack could be picked up with the 38 FTE the Department already has. Mr. Jahnke said this bill would increase the amount they can sell. They have made every effort to try to eliminate any slack in the timber sale people and believe they are harvesting a level they can do now. They felt additional FTE would then produce enough to pay for itself. REP. FISHER asked what equipment would be bought? Mr. Jahnke said the FTE they are going to put on are all field people and will need chain saws, pickup trucks, measuring devices and paint guns.

REP. DeBRUYCKER said as he understands the fiscal note, in 1994 it will be \$216,000 behind, but makes it up on the 20% payment.

In 1995 it will bring in \$850,000 so we'll gain \$487,000. If you take the \$216,000 off, we'll actually only gain \$271,000. **Mr. Jahnke** said he is correct but it will take a year to get the program going so the \$850,000 will be the annual rate in the future but not for this biennium. **REP. DeBRUYCKER** said then there will be \$850,000 coming in every year, so what will the expenses be in 1996? Will they stay at \$363,000? **Mr. Jahnke** said because there is a possibility of additional equipment, it should be in the \$300,000 range. **REP. DeBRUYCKER** said then instead of picking up \$850,000, we'll really pick up \$500,000.

REP. WISEMAN said when the subcommittee heard a review of the program, the department talked about 7 additional loggers in order to generate additional funds for the school program. Are these the 7 they talked about? **Mr. Jahnke** said yes. They had originally worked on a modification in their budget 18 months ago to identify where they could expand and used that information when **REP. LARSON** introduced this bill. **REP. WISEMAN** said it seems in the subcommittee they were talking about \$1.5 million to \$3 million new income. **Mr. Jahnke** said they were basing that on an increased harvest of \$7 million instead of \$5 million. In looking at the bill, the department believed a reasonable estimate would be \$5 million, and \$5 million is where the \$850,000 came from. There is also a reduction in the value per thousand because of some costs associated with requiring 20% down. It also resulted in a depression of that income.

REP. ROYAL JOHNSON referred to item 8 under assumptions on the fiscal note. There is a provision for 4 foresters, grade 13, and 2 resource specialists. There is also a provision for 4% salary increases in 1994-1995. Is that customary? **Mr. Jahnke** said no. They had to make some assumptions and don't customarily assume that other than they believed it was an assumption that could be put in here to present with this bill.

REP. BARDANOUVE asked if the Department is managing the land on a sustained yield basis? **Mr. Jahnke** said they believed they could sustain the harvest that is even higher than what they would harvest with this bill so the answer is yes, they are managing their sustained yield harvest. This would just incrementally increase the cut they could maintain over time. **REP. BARDANOUVE** asked if most of the timber is in the Swan River area and where else would they be cutting? **Mr. Jahnke** said the majority of their timber is actually west of the divide. There are about 60,000 acres in the Swan, another 90,000 acres north of Whitefish, and the rest is scattered over the western part of the state. 1/3 is east of the divide.

REP. WISEMAN asked if other state capitol employees could fill in as the 7 FTE. **REP. LARSON** referred him to page 3. This bill does allow the Department of State Lands to contract the sale administration. They don't necessarily have to hire 7 FTE because the submitted amendment shows the word "shall" changed to "may". That gives the Department a little latitude so they may

be able to use contract labor to administer the sales.

REP. FISHER said since Flathead National Forest timber sale volume is done, the department might borrow the rigs, chain saws and foresters from other ranger districts.

REP. ROYAL JOHNSON asked does the state currently harvest their own timber? REP. LARSON said no, they do not. They put up the timber sales to private contractors, typically the area of a lumber mill or an area of a private logging contractor. One of the advantages and interesting parts of passage of this bill is that it will give the Department of State Lands some latitude. There are wildly fluctuating prices in timber right now and if they put these sales in the pipeline, sit and watch the market, and let the sales when the market is most optimal, thereby increasing the return on the investment for the state leased lands program. REP. JOHNSON asked why then does the state hire people with saws, equipment etc.? REP. LARSON said there is a timber salvage program and rust disposal program and they use foresters for that. After the logging is completed, they go in, reclaim the land, clean it up and get ready for reseedling. That is part of the contract obligation. State employees are used for that to some degree.

REP. BARDANOUVE asked who buys the timber? Mr. Jahnke said they advertise in the newspapers and sell by sealed bid. The majority of the purchases are by the larger mills.

Closing by Sponsor: REP. LARSON referred to the Duffield study which was an economic analysis of the return on 5.2 million acres of state leased lands. Basically, that study suggested the state is not getting the full return on those lands and the timber sale is one part of that. This is a way to start remediating that problem.

The second point he would made is regarding his experience with the land administrators in his area, Seeley Lake. They are very savvy, very responsive and work very well with the private agencies, Plum Creek and Champion, and the forest service to mitigate any environmental impact that might be adverse to the land. They coordinate well.

He noted that they just passed a bill out of the House which creates a timber salvage program which will be another obligation on the part of the state lands people to put up these timber salvage sales. When there is a blow down or a bug kill it is imperative they get those sales out immediately. It makes it important to consider this bill, HB 652, with that in mind.

He referred to the suggestion of the 7 FTE. This bill does give the State Lands Department the latitude to contract these sales administrations. Concerning possible overcutting, a recent forest audit by the Legislative Audit Committee suggested that the sustainable yield was at or around 50 million board feet and

they are down in the 20s now, so are well below the sustainable yield. He has every confidence the State Lands Department will harvest state lands in an environmentally responsible way.

CHAIRMAN ZOOK closed the hearing on HB 652.

HEARING ON HB 653

An Act protecting the rights of minors; creating the office of the children's advocate;

Opening Statement by Sponsor: REP. STELLA JEAN HANSEN, HD 57 said this bill proposes a statement of intent because it grants rule-making authority and also allows that a children's advocate be appointed to represent children to intervene in court cases. She explained the Sections of the bill. A letter from Beth Baker from the Attorney General's office is attached. EXHIBIT 1.

Proponents' Testimony: Noel Larrivee, Missoula, said he speaks on behalf of the 200,000 children under the age of 18 that this bill is designed to protect and create an advocate for. This bill started 4 years ago and was introduced in the Senate 2 years ago and went through the Public Health Committee. Because there was no funding source it was tabled by the Finance and Claims Committee with instructions to come back with a funding source. That funding need was met and that is the justification for the \$10 fee, the additional amount for the children's advocate. He described several areas an advocate can act on behalf of children. The goal is ultimately to save money but at the same time give children a voice that they don't now have.

Holly Franz, representing the Women's Law Section, State Bar of Montana circulated an amendment the Women's Law Section asked to be attached to this bill, EXHIBIT 2. The amendment corrects an inadvertent situation created by the bill as drafted.

Opponents' Testimony: None

Questions From Committee Members and Responses: REP. KASTEN asked how the ad litem program is working. Mr. Larrivee said as it now stands guardian ad litem is required in all child abuse and neglect cases. It is utilized a number of different ways in different counties. In some counties, the public defender, who is also an attorney, is appointed to represent the child and that serves in the capacity as guardian ad litem of a child. In some rural counties the court simply appoints a practicing attorney. In 1985 this legislature broadened who could be appointed so what has occurred in a number of rural counties is the courts have supervised volunteers who have been specially selected and trained to represent children in just abuse and neglect cases. The need to appoint somebody to act on behalf of children in other kinds of cases has grown and he has consulted with judges, assisted volunteer guardians in acting on behalf of children in a number of other cases. This advocate position would be a person

who has a special expertise in family law and children's issues to be available for appointment by the court to represent a child under a wide variety of cases. **REP. KASTEN** asked if the guardian ad litem process is working? **Mr. Larrivee** said the advocate position wouldn't take the place of the guardian ad litem provisions in the statutes. District court judges would welcome this kind of addition, however. In answer to **REP. KASTEN's** question, the statute is there but not being utilized because there is not a body of people well qualified.

CHAIRMAN ZOOK referred to **Mr. Larrivee's** remark that this is a self-funded program by raising the fee to \$10. Neither **Clayton Schenck, Legislative Fiscal Analyst** nor **CHAIRMAN ZOOK** arrive at that same conclusion. **Mr. Larrivee** said, in discussing this with **REP. HANSEN** and the Attorney General's office, it is felt that this position can be funded with a support staff for about \$80,000 to \$88,000. There is in excess of 7,000 divorce petitions filed every year and that is the reason for his reference of self-funded. The fee for those divorce petitions at \$10 cost would go toward the \$88,000. He does not feel it needs to be funded at \$131,000, at least the first year. Ultimately, he could envision this person, the children's advocate, would qualify for federal moneys, National Child Abuse and Neglect moneys available to the state. That is why he specifically put in the provision "being able to make grant application" because there are additional moneys available that this office would qualify for.

Closing by Sponsor: **REP. HANSEN** said it was children's problems that brought her to the legislature. She carried the bill because of a personal reason and explained those problems involving her grandchildren. With this bill, the children's advocate could have intervened on behalf of those children. There are hundreds of cases like this and in the long run it save the state money. The fiscal note calls for 3 FTE. The Attorney General's office thought they could handle it with just the advocate and one clerk. There is a section in the bill that deals with mental health. With the help of the advocate, children can commit themselves to a mental health facility. She offered amendments **EXHIBIT 3**.

CHAIRMAN ZOOK closed the hearing on **HB 653**.

HEARING ON HB 31

An Act appropriating money to the Department of Family Services to fund in-home services for the aging.

Opening Statement by Sponsor: **REP. WM. "RED" MENAHAN, HD 67** gave a brief description of the bill as there are advocates to speak to the bill.

Proponents' Testimony: **Charles Briggs, Director, Area IV Agency on Aging, Helena,** submitted testimony from **EXHIBIT 1, aging**

problems. For the record he noted **Jane Anderson, Deer Lodge County Commissioner**, planned to give testimony but unfortunately had to return to Anaconda for a hearing. He then explained handout charts, **EXHIBITS 2 and 3**.

Alvin Svalstad, Retired Educator, representing AARP, said one of their main priorities is adequate funding for in-home services. Many people consider this a spending bill. They consider it a money saving bill. If a person is sent to a nursing home it will cost about \$25,000 to \$30,000 a year. If that person is kept at home it would cost much less than half of that and would be in a much nicer environment and be better care.

Keith Colbo, Representing the Montana Area Agencies on Aging Association said he is certain the members of the committee are aware of the components of the in-home program and his association is presenting the bill on its merits. While the bill is very justified in its original form at \$500,000, they felt compelled, in view of the financial situation of the state, to argue most strongly that the \$100,000 be restored to the base, to maintain and support the program for the senior citizens of the state at its current level.

If they assume, and he thinks it is conservative to assume, that 20,000 of approximately 108,000 elderly population are at risk of early institutionalization, those people going then into the nursing homes across the state of Montana are falling back on the Medicaid program. The cost has been alluded to. The state of Montana is getting a 40-1 return. A \$50,000 investment in in-home services can provide \$2.5 million in savings.

Kelley Woodward, Montana Senior Citizens' Association stands in support of HB 31.

Opponents' Testimony: None

Questions From Committee Members and Responses: **REP. KASTEN** referred to the total budget and asked if that includes the co-payments? **REP. MENAHAN** said there are no co-payments in this area. It is just services for in-home.

REP. WISEMAN asked if these people pay anything for their services regardless of their financial status? **Charles Rehbein, Governor's Coordinator on Aging** said that for the in-home services money they currently get, and under the Older Americans' Act, do not have the ability to do a means test. All the aging funds are operated in that manner. They are required under this Act to do a cost of what the program is and ask people to contribute as they can. If they do not have the resources they do not have to contribute. The majority of seniors in this state contribute to the services they receive.

REP. WISEMAN asked if the \$500,000 is over and above what the seniors contribute, how much is the state and what is the bottom

line for the committee? **Mr. Rehbein** said the bottom line is what is asked for in HB 31, an increase in general fund revenue of \$500,000. What you are hearing from the Association is to at least give them back \$100,000 which was cut from last year's budget.

REP. FISHER asked what the total budget is. **Mr. Rehbein** said the total budget for in-home services for state general fund is \$316,000 for the next two years. What is in the budget currently through 1993 is \$416,000 per year. The 1991 Legislature increased the in-home services budget from \$316,000 to \$416,000. Because that was a "cat and dog" bill, the \$100,000 was not considered in the legislative budget under the executive budget or the LFA budget.

REP. KASTEN said perhaps her word "co-payment" was wrong. Does this include contributions? **Mr. Rehbein** said no. **Mr. Briggs** said the total federal allocation for all aging programs is close to \$3 million per year. The senior contribution levels equal the federal portion. That data is reported to the federal government on a monthly and an annual basis. **REP. KASTEN** asked if the budget is \$6 million a year, if the contributions equal the federal. **Mr. Briggs** said \$6 million for the biennium. **Mr. Rehbein** said if you look at contributions, the federal portion, the state portion and money the counties give, the figure would be closer to \$9 million.

REP. FISHER said the counties did pay some of this and what percent? **Mr. Briggs** said it varies by county but around 15%.

REP. PETERSON asked for a review of the \$316,000 which was a budget of maybe a biennium ago, raised to \$416,000. That is the money allocation or area they are looking for the \$500,000. **Mr. Rehbein** said yes. In the subcommittee, did they look at \$316,000 or \$416,000? **Mr. Rehbein** said the \$316,000 is in the Department of Family Services budget, as it currently stands, which the Human Services and Aging committee looked at. The \$100,000 which brought the level up in 1991 to \$416,000 was considered a "cat and dog" bill and was not part of the consideration when putting the budget together. **REP. PETERSON** said in actuality what they are looking at is the difference between the \$316,000 which will show up in HB 2 and the \$500,000 you are asking or is the \$500,000 above the \$316,000? **REP. MENAHAN** said they are asking for only \$100,000 each year on top of the \$316,000 to restore the money they had.

REP. NELSON asked if it is under the Older Americans Act that the means test cannot be done? **Mr. Rehbein** said yes. The Older Americans Act does not allow for a means test. The only criteria they have is a person be 60 years of age or older.

REP. FISHER said if they had \$316,000 in the budget and need another \$100,000, that does not come up to \$500,000. **Mr. Briggs** said before they saw the Governor's budget or had a budget

developed, they tried to look at the unmet needs which are \$416,000 this year. Realizing the financial condition the state is in, they are amending or offering that the \$500,000 be dropped to \$200,000 to put back what has been lost this biennium.

REP. WISEMAN said he is 60 years old and if he wanted somebody to come to his house and give a blood pressure test, could he call up some agency in Great Falls to give that test, and if he was unable to reimburse them for it, they would leave? Mr. Briggs said actually, if he went to the Senior Center, it would be available there. It is a free and voluntary contribution. The home test has to be tied to a medical necessity and a doctor requests it.

REP. FISHER asked about personal care or home chores. Mr. Briggs said if there is a need. These funds are targeted to people over 75 years of age. REP. WISEMAN said he thought 60 was the means level. Mr. Briggs said that is for the Federal Older American's Act funds.

REP. JOHN JOHNSON said Mr. Briggs had been talking about \$100,000 and now he stated it would be \$200,000. Mr. Briggs said what has happened is that \$100,000 was taken out of their current allocation per year. They are asking \$200,000 to be re-instated.

Closing by Sponsor: REP. MENAHAN said the purpose of the bill is home health care and when it was first started a few years ago he carried a bill so was interested in this bill. The purpose of this legislation is to care for people in their homes so they won't have to go to nursing homes.

VICE CHAIR GRADY closed the hearing on HB 31.

HEARING ON HB 655

An Act to appropriate \$200,000 of Dingell-Johnson money for river restoration program.

Opening Statement by Sponsor: REP. BRUCE SIMON, HD 91 said basically what the bill does is direct the Department of Fish, Wildlife and Parks to take \$1 million of Dingell-Johnson money and put it in river restoration projects. Currently, the Department spends a great deal of money on studies, surveys and inventories. The legislature wants to tell them they need to put more money into actual on-the-job river restoration projects. EXHIBIT 1, Federal aid apportionments: Nationwide and Montana, gives an idea of what has gone on in recent years with Dingell-Johnson money. Since 1982, Montana has gone from \$683,000 to 1992, \$4,672 million. That is an incredible increase of \$4 million in a ten year period. He referred to EXHIBIT 2, to give an idea how the money has been growing and the decline of fish population. There needs to be a technical amendment to the bill to address the exact account.

Proponents' Testimony: George Ochenski said he has been the chairman of the Montana Drought Task Force, 1987 and 1988, and has spent a great deal of time working in fisheries, instream flows, and water leasing. In 1989 he carried all the water bills for the Alliance for Montana water and has tried to find a way to bring together the sportsman and the interest of the landowner, to live in harmony.

Bill Leary, Canyon Ferry Association said there will many fisherman in Montana this summer because of the movie "A River Runs Through It". They will find a lot of the rivers lack fish and they are polluted. Canyon Ferry Lake is just a wide spot in the Missouri River as is Fort Peck, Holter and Hauser. There is a condition that requires the cabin-owners to maintain the shorelines and protect the riverbanks. In so doing, that has actually restored the quality of the River. This bill will do the same thing across the state of Montana on the various rivers.

Opponents' Testimony: Dave Mott, Department of Fish, Wildlife and Parks presented testimony from EXHIBIT 3, opposing the methods of the bill because they believe that funding for river rehabilitation is adequate for the current biennium.

Questions From Committee Members and Responses: REP. KASTEN asked if the \$1 million is an addition to the \$300,000 that is presently put aside for these projects? REP. SIMON said there is currently \$100,000 annually in the River Restoration Account that flows to that account from license fees paid by sportsmen in the state. The money the Department referred to comes from Long Range Building, earmarking and spending \$600,000 over the next biennium on these two project. Part of the money would be river restoration projects. REP. KASTEN referred to the fiscal note which shows \$100,000 of state special revenue to match \$300,000 of the federal Dingell-Johnson money. Is that included in the \$1 million or is the million over and above the request? REP. SIMON said they are requesting \$1 million of the Dingell-Johnson money, \$4.5 million a year, put into the restoration account to use for river restoration projects.

REP. JOHN JOHNSON asked what the parameters are for these funds? Mr. Ochenski said there are federal rules the two congressmen set-up for the program of excise tax on sporting goods, that generates the money that comes to the state. The money can only be used to benefit fish. REP. JOHNSON said then, using the Dingell-Johnson funds for river restoration, transfers into that fund are within the parameters of that Act. Mr. Ochenski said not only within the parameters of the Act but in the title of the Act. It is a Sport Fisheries Restoration Act. REP. JOHNSON said if this represents 25% of the annual allocation for the state of Montana, where does the other 75% go? Mr. Ochenski said \$3 million goes into surveys and inventories, another \$300,000 goes into boat access and another \$1.3 million has been going into hatchery construction, operations and maintenance. The hatchery construction has just about peaked out so that money is no longer

needed to build hatcheries. **REP. JOHNSON** asked **Mr. Mott** if that \$1 million is taken out of the Dingell-Johnson funds for the coming biennium, how will it effect the budget for these other programs? **Mr. Mott** said \$1 million out of the program will obviously effect them. They are spending this money currently in a variety of areas. They are using it to run the day to day operations of their fish hatcheries and they are providing valuable fish for all flat water fishing in the state. Not the river side, but flat water, reservoirs etc. They are using it on the last leg of final renovation of the hatcheries. The hatchery work is not done. They have this biennium and perhaps, one more before any of that money will be freed up. They have some money set aside to fix up the almost 300 dilapidated fishing access sites. They also use it in the day to day salaries they pay the fish biologists. The money is split between the capital program, the long range building and the operations.

REP. FISHER asked **Mr. Mott** how many employees are at the hatcheries? **Larry Peterman** said there are between 35 and 40 employees. They have 8 cold-water hatcheries and 1 warm water hatchery.

REP. PETERSON referred to **REP. SIMON** saying his bill is asking for \$1 million and noticed **Mr. Mott's** testimony is also listing about \$1 million. Did you know the Department had the \$1 million to designate for river restoration and if you did know are you projecting \$2 million for river restoration? **REP. SIMON** said no, he did not know these figures when this bill was developed. First of all, the \$600,000 approved by Long Range building are funds they could be talking about. That is \$300,000 each year of the biennium. But it also points out the cost of doing these kinds of projects. They are not cheap. The other money, \$250,000 is being given by Atlantic Richfield. The Bonneville Power Administration is giving additional money.

REP. KASTEN asked for **Mr. Mott's** interpretation of the bill. Will this bill increase the river restoration over and above what is presently being done by \$1 million or will it bring what is presently being done up to \$1 million? **Mr. Mott** said it will add \$1 million to the river restoration program. **REP. KASTEN** said the state special revenue, the \$100,000, put in preferably to match the Dingell-Johnson. Where does that come from? **Mr. Mott** said that comes from 50 cents off of each resident license sold and \$1 off each non-resident fishing license sold. **REP. KASTEN** said if they increase this another \$1 million that means you have to come up with \$250,000 more of the same type of matching funds? **Mr. Mott** said that has a 3 to 1 match so it would be \$333,000 of state money. It would come from a state source, general license dollars. They can't receive federal money until they have it matched. **REP. KASTEN** asked if the Dingell-Johnson federal funds matched out? **Mr. Mott** said the dollars that had been appropriated by the two committees, the Long Range Building and the Natural Resources subcommittee have used up the dollars available from that account. **REP. KASTEN** asked if he is saying

none of the moneys put in from private sources can be used to match Dingell-Johnson? **Mr. Mott** said that would be a possibility, yes. **REP. KASTEN** asked if they could use Atlantic-Richfield or BPA for the match. **Mr. Peterman** said he believes it would be possible to match the ARCO funding but is not possible to match the BPA because that is another source of federal funds. The difficulty in the Upper Clark Fork with the ARCO funding is developing projects to utilize that. **REP. KASTEN** said if you have these projects and have private money available, why can't this private money be used and matched with Dingell-Johnson and provide this restoration? **Mr. Peterman** said if you notice on the river restoration funding, the level of funding for each individual project, you will see that they vary from \$3,000 to \$20,000. One of the values of the river restoration project, and using licensed dollars for that, is that these types of projects can be taken out into the field, get an agreement with the landowner, write a contract and get the project on the ground in a limited amount of time. When they utilize federal dollars for a project, that is a major expenditure of time and effort to get approval.

REP. BARDANOUE asked what has happened to the fish? **Mr. Mott** reminded the committee there has been a drought the last five or six years and that has a severe impact on the fish population. **REP. BARDANOUE** asked if water in the streams is part of the problem? **Mr. Mott** said an extended drought condition will have everybody suffering at times, including the fisheries population. When there is no water in the streams, the fish die so it could be a contributing factor.

In response to a question from **REP. JOHN JOHNSON**, **Mr. Ochenski** referred the committee to the fiscal note, one word in the last sentence "the river restoration program annually receives \$100,000" state special revenue which could (the crucial word) match \$300,000. They don't do that right now. He is saying they should be leveraging that money and that is why \$1 million might not be the right amount but maybe \$300,000 is. The Department already has the match or they wouldn't be getting the \$5.9.

REP. KASTEN said if Dingell-Johnson match are not maxed and there is still a possibility of getting more money why don't you go after an additional \$1 million. **Mr. Ochenski** said he thought asking for \$1 million was high. **REP. KASTEN** said he misunderstood her, she does not mean to take any of the \$4 to \$5 million the Fish, Wildlife and Parks are using now. If you can get other funding, why can't they bring in \$6 million? **Mr. Ochenski** said the state has allocated a proportion of the federal excise tax based on its number of license sales. That is the maximum the state is going to get.

REP. GRADY asked **REP. SIMON** if this will take the Long Range Committee and Natural Resources subcommittee out? **REP. SIMON** said he did not think so. The bill is trying to say change the policy direction. Quit spending so much money on surveys and

inventories and put a little more money into on-stream projects. Long Range building can still review projects and still go through this process. **REP. GRADY** said it appears the mechanism is already here. If you want more money to go for river restoration why can't you just go to the Long Range Committee, or these other committees who budget the money now? **REP. SIMON** said this bill was brought to him and he did not have an opportunity to take it to any other committee but this one because he put this bill in on the day before transmittal. This is the committee that makes those policy decisions ultimately.

REP. BERGSAGEL said they have the same situation on land acquisition with the Fish and Game. The Long Range committee became concerned the way the Fish and Game was managing that. They are going to attempt to get them to change some of that so they do, in fact, enhance wildlife habitat rather than just acquire existing habitat. The mechanism and a review process are out there but they can't go after the Fish and Game to get some of these things done. **Mr. Ochenski** said there is a process but they can't come to this legislature with every grant that the river restoration has set up to handle. The Department is set up to do it. All they are saying is, put the money in the program.

REP. KASTEN said she keeps hearing the term "surveys and inventories" as if it was a poll they are taking. Are these the creel counts and paddle fish research etc.? **Mr. Peterman** said that is one important aspect of the surveys and inventories. Those activities have to do with fish populations, find out what is there, find out what is effecting them and the information referred to comes from surveys and inventories and that is where they find out if something is wrong and what to do about it. They spent quite a bit of time recovering the Blackfoot River. That was preceded by two years' of survey and inventory to find out what the problem was, what they had to do to fix it and locate the area they had to do it in. Then they targeted the river restoration funds to do the action to do the actual clean-up.

Closing by Sponsor: **REP. SIMON** corrected one thing the Department stated in their testimony. They talked about "purpose of restoration of fish and wildlife habitat". A river restoration is not a wildlife habitat, it is for fish. It will not take all the money away. The Department has been spending millions of dollars every year for several years doing these kinds of things. Haven't they got enough data to find out where to start building some of these projects? With this \$100,000 account, there has been impact across the state of Montana.

VICE CHAIR GRADY closed the hearing on HB 655.


ADJOURNMENT

Adjournment: 6:30 P.M.


HOUSE APPROPRIATIONS COMMITTEE

March 4, 1993

Page 18 of 18



REP. TOM ZOOK, Chairman



MARY LOU SCHMITZ, Secretary

TZ/mls

HOUSE OF REPRESENTATIVES

APPROPRIATIONS

COMMITTEE

ROLL CALL

DATE

3/4/93 p.m.

NAME	PRESENT	ABSENT	EXCUSED
REP. ED GRADY, V. CHAIR	✓		
REP. FRANCIS BARDANOUVE	✓		
REP. ERNEST BERGSAGEL	✓		
REP. JOHN COBB			✓
REP. ROGER DEBRUYKER	✓		
REP. MARJ. FISHER	✓		
REP. JOHN JOHNSON	✓		
REP. ROYAL JOHNSON	✓		
REP. MIKE KADAS			✓
REP. BETTY LOU KASTEN	✓		
REP. WM. "RED" MENEHAN	✓		
REP. LINDA NELSON	✓		
REP. RAY PECK			✓
REP. MARY LOU PETERSON	✓		
REP. JOE QUILICI	✓		
REP. DAVE WANZENREID	✓		
REP. BILL WISEMAN	✓		
REP. TOM ZOOK, CHAIR	✓		

UNOFFICIAL GRAY BILL

HOUSE BILL NO. 642

EXHIBIT 1
DATE 3/4/93
HB 642

INTRODUCED BY Raney & 75 co-sponsors

A BILL FOR AN ACT ENTITLED: "AN ACT DIVERTING A PORTION OF THE PROCEEDS FROM THE LODGING FACILITY USE TAX TO THE DEPARTMENT OF FISH, WILDLIFE, AND PARKS ~~FOR USE BY THE MONTANA CONSERVATION CORPS~~ FOR PARK MAINTENANCE; AMENDING SECTION 15-65-121, MCA; AND PROVIDING AN ~~IMMEDIATE~~ EFFECTIVE DATE AND ~~A~~ RETROACTIVE ~~APPLICABILITY DATE.~~"

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

Section 1. Section 15-65-121, MCA, is amended to read:

"15-65-121. Distribution of tax proceeds -- general fund loan authority. (1) The proceeds of the tax imposed by 15-65-111 must be deposited in an account in the state special revenue fund to the credit of the department of revenue. The department may spend from that account in accordance with an expenditure appropriation by the legislature based on an estimate of the costs of collecting and disbursing the proceeds of the tax. Before allocating the balance of the tax proceeds as provided in subsections (1)(a) through (1)(c), the department shall determine the expenditures by state agencies for in-state lodging for each reporting period and deduct 4% of that amount from the tax proceeds received each reporting period. The amount deducted must be deposited in the general fund. The balance of the tax proceeds received each reporting period and not deducted pursuant to the expenditure appropriation or deposited in the general fund is statutorily appropriated, as provided in 17-7-502, and must be transferred to an account in the state special revenue fund to the credit of the department of commerce for tourism promotion and promotion of the state as a location for the production of motion pictures and television commercials, to the Montana historical society, and to the university system, and to the department of fish, wildlife, and parks, as follows:

(a) 1% to the Montana historical society to be used for the installation or maintenance of roadside historical signs and historic sites;

(b) 2.5% to the university system for the establishment and maintenance of a Montana travel research program; and

(c) 6.5% to the department of fish, wildlife, and parks for the maintenance of facilities in state parks that have both resident and non-resident utilization, subject to [section 2 of this act];

~~(e)(d)~~ the balance of the proceeds as follows:

~~(i) 75% to be used directly by the department of commerce;~~

(i) 75 % to be used directly by the department of commerce;

~~(ii)(i)(ii)~~ except as provided in subsection ~~(1)(e)(iii)~~

~~(1)(e)(ii)~~ (1)(c)(iii), 25% to be distributed by the department to regional nonprofit tourism corporations in the ratio of the

proceeds collected in each tourism region to the total proceeds collected statewide;

~~(iii)(iii)(iii)~~ if 25% of the proceeds collected annually within the limits of a city or consolidated city-county exceeds \$35,000, 50% of the amount available for distribution to the regional nonprofit tourism corporation in the region where the city or consolidated city-county is located is to be distributed to the nonprofit convention and visitors bureau in that city or consolidated city-county;

~~(iii) for each year of the biennium, \$500,000 to be transferred to an account in the state special revenue fund to the credit of the department of fish, wildlife, and parks for use by the Montana conservation corps, primarily for the maintenance of state parks as provided in [section 2]; and~~

~~(iv) the balance to be used directly by the department of commerce.~~

(2) If a city or consolidated city-county qualifies under this section for funds but fails to either recognize a nonprofit convention and visitors bureau or submit and gain approval for an annual marketing plan as required in 15-65-122, then those funds must be allocated to the regional nonprofit tourism corporation in the region in which the city or consolidated city-county is located.

(3) If a regional nonprofit tourism corporation fails to submit and gain approval for an annual marketing plan as required in 15-65-122, then those funds otherwise allocated to the regional nonprofit tourism corporation may be used by the department of commerce for tourism promotion and promotion of the state as a location for the production of motion pictures and television commercials.

(4) The department of commerce may use general fund loans for efficient implementation of this section."

NEW SECTION. Section 2. Department to maintain parks from allocation of lodging facility use tax revenue. The department shall use the funds provided under 15-65-121(1)(c)(iii) for the maintenance of state parks by the Montana conservation corps in the administrative regions within the state. Funds remaining after maintenance projects have been accomplished in a fiscal year may be used for state park improvement projects in the administrative regions within the state. that have both resident and non-resident tourist usage. The department shall by July 1 of each year report to the tourism advisory council on the identity and status of all contracts or activities funded pursuant to this section.

NEW SECTION. Section 3. Distribution of lodging facility use tax revenue to department of fish, wildlife, and parks. In each year of the biennium, the amount specified in 15-65-121(1)(c)(iii) must be transferred to an account in the state special revenue fund to the credit of the department of fish, wildlife, and parks in equal quarterly installments.

NEW SECTION. Section 4. Codification instruction. [Section 2] is intended to be codified as an integral part of Title 23, chapter 1, part 3, and the provisions of Title 23, chapter 1, part

EXHIBIT 1
DATE 3/4/93
HB 642

3, apply to [section 2].

NEW SECTION. Section 5. Effective date ~~retroactive~~
~~applicability.~~ [This act] is effective on July 1, 1993. ~~passage and~~
~~approval and applies retroactively, within the meaning of 1-2-109,~~
~~to taxable transactions on or after April 1, 1993.~~

-End-

HB 642
March 4, 1993

EXHIBIT 2
DATE 3/4/93
HB 642

**Testimony presented by Arnold Olsen, Dept. of Fish, Wildlife &
Parks before the House Appropriations Committee**

Our 42 Montana State Parks offer all our citizens and guests a sense of our own history and identity. Our parks provide places of learning and inspiration; they provide opportunities for personal renewal and revitalization in some of the most beautiful surroundings available anywhere in the nation.

Outdoor recreation helps us accomplish personal goals of fitness, longer life, family togetherness, friendship, personal reflection and appreciation of nature, beauty, and our culture.

In many ways, the care which we give our State Parks and historic sites is a reflection of the maturity of our society. Perhaps our biggest problem is that we take these treasures for granted, assuming they will always be there, not recognizing that the maintenance and preservation of these sites depends on each of us.

Sadly, we have not been good stewards of these unparalleled cultural, historic and recreational resources. We are facing a deterioration of our park resource base, and of the recreation and historical infrastructure.

Deferred maintenance and lack of care of our parks and irreplaceable historic and cultural resources is robbing future

Montana generations of the heritage which is their birth right.

Many historic sites and resources have been lost to us through neglect. To a large degree, the preservation of our heritage has been the result of fortuitous circumstances of the enduring quality of the workmanship of another era.

Besides the physical deterioration of our park system and our failure to keep pace with human health and safety and American Disabilities Act requirements, we are missing the opportunity to invest in our economic well being by developing some parks as visitor attractions. In addition, the condition of our State Parks has sent a negative impression to our visitors concerning Montana as a host state. Currently 40 to 50 percent of our visitation is from non-resident from all 50 states and several foreign countries. University of Montana studies have shown that for every dollar invested in State Parks, \$10 are returned to Montana's economy. Even in a deteriorated condition, Montana State Parks contribute more than \$50 million dollars to the state's economy. There is no doubt a park system worthy of this great state would contribute millions more.

Increased visitation to State Parks in the face of declining revenues has contributed to our problem. Since 1988, nonresident tourism to State Parks has increased 10 percent while resident visitation has increased an amazing 42 percent, even with the

EXHIBIT 2
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HB 642

addition of a user pay system in 1989.

The financial need of Montana State Parks has been clearly articulated by the State Parks Futures Committee, which reported to the last legislature. The committee, composed of several legislators and concerned citizens, reported an annual need of \$4-6 million to begin to restore the health of the system over the next few years. The 1991 session provided only a small part of what the Futures Committee indicated was needed to keep the park system from continuing to slip backwards.

HB 642 would provide an important part of the revenue needed to meet our stewardship obligations to our State Parks and historic sites. Therefore, we support this bill as amended and urge its passage.

Amendments to House Bill No. 652
White Reading Copy

Requested by Rep. Don Larson
For the Committee on Appropriations

Prepared by Doug Sternberg, Council Staff
March 4, 1993

EXHIBIT
DATE 3/4/93
HB 652

1. Page 3, line 3.

Strike: "shall"

Insert: "may"

2. Page 3, line 13.

Strike: "prior to the award of the contract"

Insert: "when the contract is awarded"

EXHIBIT 1
DATE 3/4/93
HB 653

3-4-93

Rep. Hansen:

I'm afraid I won't be able to wait for the hearing on HB 653 as I have another meeting at 4:00.

You may feel free to represent to the committee that the Attorney General does not object to the proposal to place the Children's Advocate in the Dept of Justice, provided it is fully funded. Although I think it ~~might~~ be premature to bring in two attorneys for this program until we've had an opportunity to measure the workload, we definitely would request that the clerical staff position be funded. The Attorney General's office simply cannot absorb any additional responsibilities at current staffing levels.

I am sorry I won't be available, but please do not hesitate to call me if you have any questions.

Thank you.

Beth Baker
A.G.'s Office

444-2026

AMENDMENTS TO HOUSE BILL 653
Proposed by the Women's Law Section
of the State Bar of Montana

EXHIBIT 2
DATE 7/4/93
HB 653

1. Page 13, line 13.

Following: "(b)"

Insert: "restraining any person from transferring, encumbering, concealing, or otherwise disposing of any property except in the usual course of business or for the necessities of life and shall notify the other party of expenditures proposed to be made after the petition is filed.

(c) enjoining a party from molesting or disturbing the peace of the other party or of any child;

(d)

2. Page 13, line 17.

Following: "result;"

Strike: "and"

Insert: "(e) enjoining a party from removing a child from the jurisdiction of the court; and"

3. Page 13, line 20.

Following: "~~(e)~~"

Strike: "(c)"

Insert: "(f)"

Amendments to House Bill No. 653
First Reading Copy

Requested by Rep. Hansen
For the Committee on Appropriations

Prepared by John MacMaster
March 2, 1993

EXHIBIT 3
DATE 3/4/93
HB 653

1. Title, line 13.

Strike: "\$5"

Insert: "\$10"

2. Page 2, line 17.

Strike: "governor's"

Insert: "attorney general's"

3. Page 2, lines 18 and 22.

Page 5, lines 2 and 8.

Page 6, lines 11 and 12.

Strike: "governor"

Insert: "attorney general"

4. Page 16, line 2.

Strike: "\$125"

Insert: "\$130"

5. Page 18, line 8.

Strike: "\$5"

Insert: "\$10"

**H.B. 31/IN-HOME SERVICES TESTIMONY
HOUSE APPROPRIATIONS**

**CHARLES BRIGGS, DIRECTOR
AREA IV AGENCY ON AGING
MARCH 4, 1993**

EXHIBIT 1
DATE 3/4/93
HB 31

Chairman Zook, Members of the Committee: I am Charles Briggs, Director of the Area IV Agency on Aging, which encompasses Lewis & Clark, Broadwater, Gallatin, Jefferson, Meagher and Park. The area spans from Augusta to West Yellowstone. The agency is based at the Rocky Mountain Development Council (one of the state's ten Human Resource Development Councils), in Helena.

There are six multi-county and four single county areas, and one which covers six of seven tribal reservations (the seventh having chosen to reside within another agency).

There are a wide array of services currently being provided across the state through area agencies on aging. My remarks wish to address those which involve in-home care: such as home chores & home repairs, homemakers, home health, personal care, skilled nursing, medical transportation, respite, telephone reassurance, physical therapy, and, of course, home-delivered meals.

The problem quite simply is that we (like other parts of the country) are experiencing a significant expansion of the population over age-seventy-five (75). In the hand-out I've provided, the numbers (#1 through #16) correspond to the counties identified. While it is perhaps difficult to follow the lines, you will note that, for example, that in Cascade County (#2) there were 2,807 adults over age-75 in the 1970 Census. The number in the 1980 Census rose to 3,205 - only a 14.2% increase. In 1990, that increase rose to 4,215 - a 31.5% increase!

Likewise, Yellowstone County (#15) had 2,950 age-75+ in 1970, increased to 3,673 in '80 (25% increase), but then increased to 5,848 in '90, constituting almost a 60% increase! Again, Lewis & Clark County (#8) had 1,388 age-75+ in 1970; 1,603 in '80 (15% increase), but 2,332 in '90 (45% increase). And Flathead County tracked a 50% increase in '90 over '80. Furthermore, while a number of smaller counties witnessed an actual decrease from 1970 to the '80 Census (e.g., Blaine/1, Choteau/3, Deer Lodge/6, et.al.), we discover a sizable increase (even over the 1970 Census) in '90. McCone dropped 34% in '80 over '70's Census - but increased 59% by '90!

The relevance of this is that while Montanans age 75-plus constitute something less than ten percent (10%) of the population at-large, they consume nearly sixty percent

EXHIBIT 1
DATE 3/4/93
HB 31

(60%) of Montana's Medicaid long-term care dollars. It is for this reason that we place a premium on targeting not only the federal Older Americans Act funds to "at-risk", frail older adults, but also have allocated State General Funds for In-Home Services, which are directed toward the kinds of services I indicated earlier. Yet, public funding has not kept pace with the changing need.

One service example is the home-delivered meals program (what some call "meals-on-wheels"). Between 1987 and 1991, the number of home-delivered meals provided by the area agencies on aging increased twenty-three percent (23%), while the number of clients served increased sixteen percent (16%). Yet, federal funding has increased only five percent (5%), state funding increased only two percent (2%). Of the overall cost of this service, state funds average only one percent (1%).

These in-home services compliment the Home/Community Services Medicaid "Waiver" for people whose assets are limited, at best, and would otherwise spend down - or else deteriorate more quickly due to scarce private-pay resources, and who then require more costly institutional care. Let me remind you that one of the intents of Congress in establishing the Older Americans Act was that these community services would undergird/supplement, not supplant, the informal neighborhood and family support system, helping the client to remain part of the community longer, and stretch those resources, as well.

Who are we talking about? I would like to quote from remarks made by Cindy Stevick, the Area IV Outreach Coordinator, regarding another in-home service, food stamps. She said in a February 12th letter :

The elderly are often those persons who, just like my parents, worked all their lives, saved all they could, and then suffered a catastrophic illness which may have claimed a spouse but also left them in a financial nightmare. These are people who do not ask for help. They are the farmers, ranchers, the railroad men, the retired teachers, the disabled veterans. [They] pay their bills before anything else, they begin to isolate themselves, and neglect their health and nutritional needs.

Our In-home services workers help ease the stigma of using public benefits by working with the clients in a confidential way. We...encourage them to pay attention to their health, and help them maintain their dignity and independence through our ongoing services. Ultimately, the cost of maintaining a person in their home is far less than the cost of nursing home care.

EXHIBIT 1
DATE 3/4/93
HB 31

Yet, these funds have not even begun to keep pace with the aging of the population. We have made significant head-way in recent years through local agreements, to enable access of Medicaid "Waiver" funds to pay for these meals for eligible clients. It should further be noted, that overall, the federal portion is virtually matched by the senior contribution levels. But due to the increasing demand and the lack of adequate resource alternatives, several municipal areas in the aging network have begun to develop "waiting lists" for home-delivered meals. Waiting lists will become true for all in-home services.

The State Aging In-Home Services Appropriation was first funded at \$250,000 for the 1982-83 Biennium. By the 1990-91 Biennium, that appropriation rose to only \$632,000 for the Biennium. However, the Legislature in its wisdom increased that \$200,000 for the '92-'93 period. In the Special Session that followed, efforts were made to return to the '90-91 level, but the Legislature put the \$200,00 back. Now, in the Governor's '94-'95 Budget, we learn that the in-home services allocation for the Department of Family Services has been reduced back to the '90-'91 level.

In this context, I respectfully request this Committee to look favorably upon H.B. 31, which will help restore the Aging In-Home Services funding for the '94-'95 Biennium.

M4A

Area Agencies on Aging Association

Box 687 - Helena, MT 59624
443-4936

EXHIBIT 1
DATE 3/4/93
HB 31
"The Aging Advantage"

AGING MONTANA TODAY

- :: One in six Montanans - 120,000 people - are over the age of 60.
- :: By the year 2025 one in four Montanans will be over 60.
- :: More than 23 people each day join the ranks of the elderly in Montana.
- :: The 85-plus population is the fastest growing portion of our society, and will increase seven times by the middle of the next century.

MONTANA'S AGING SERVICES NETWORK

It is the policy of the State of Montana, through the Aging Services Network, to provide a wide range of services to enable older Montanans to

- :: maintain an independent lifestyle
- :: avoid unnecessary institutional care, and
- :: live in dignity

AREA AGENCIES ON AGING

Montana's 11 Area Agencies on Aging (AAA) are "grass roots" administrators of programs and services for seniors. The AAAs are charged with

- :: planning at the local level for services for older persons
- :: coordinating service delivery
- :: making full use of existing resources and services
- :: developing new or additional resources

Services provided through Montana's 11 Area Agency on Aging offices include:

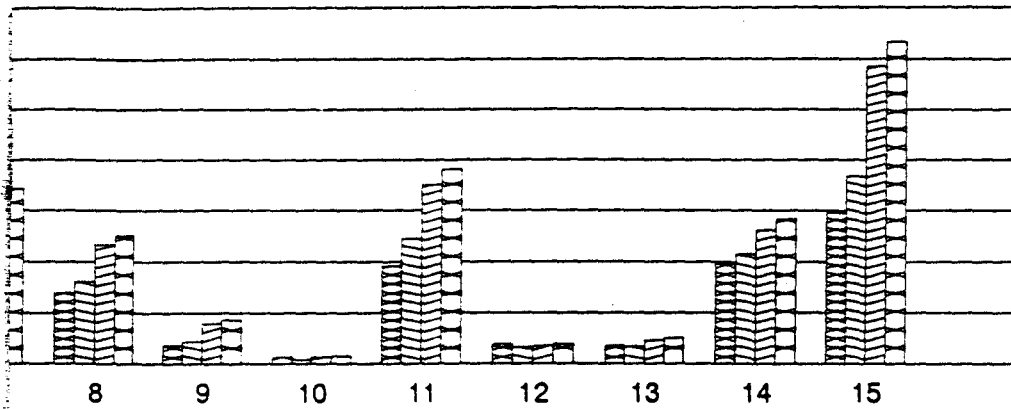
- | | |
|--------------------------------------|---------------------------------|
| Home-delivered meals | Health screening service |
| (Congregate meal service) | Medical transportation |
| Escort service | Personal care attendant service |
| Friendly visiting service | Physical therapy |
| Home health and health aide services | Respite care |
| Homemaker service | (Senior centers) |
| Information and referral service | Shopping assistance |
| (Legal services) | Home chore service |
| Community outreach | Skilled nursing service |
| Speech therapy | Telephone reassurance |
| Ombudsman service | Outreach to individuals |

FY 1991 In-Home Services

Services	Total No. of Clients Served	Total No. of Units Provided	Total Budget	Unit Cost
Escort	35	725	478	.66
Friendly Visit	1,220	5,578	2,252	.40
Health Maint	2,005	11,510	79,826	6.94
Health Screen	6,574	29,662	36,098	1.22
Home Chore	576	7,682	68,040	8.86
Home Del Meals	7,250	604,456	1,725,168	2.85
Home Hlth Aide	287	4,924	58,710	11.92
Homemaker	4,615	96,981	842,815	8.69
Medical Transp	1,548	2,578	28,178	10.93
Personal Care	657	15,076	123,468	8.19
Physical Therap	66	268	4,500	16.79
Respite Care	28	499	12,551	25.15
Shopping Assist	33	344	956	2.78
Skilled Nurse	373	2,450	51,264	20.92
Tel Reassurance	425	24,446	8,729	.36
Blood Pressure	1,427	15,697	1,765	.11
TOTAL	27,119	822,875	3,044,798	

1213 31
 EXHIBIT 2
 DATE 3/4/93
 HB 31

5+ Population Increase by Decade

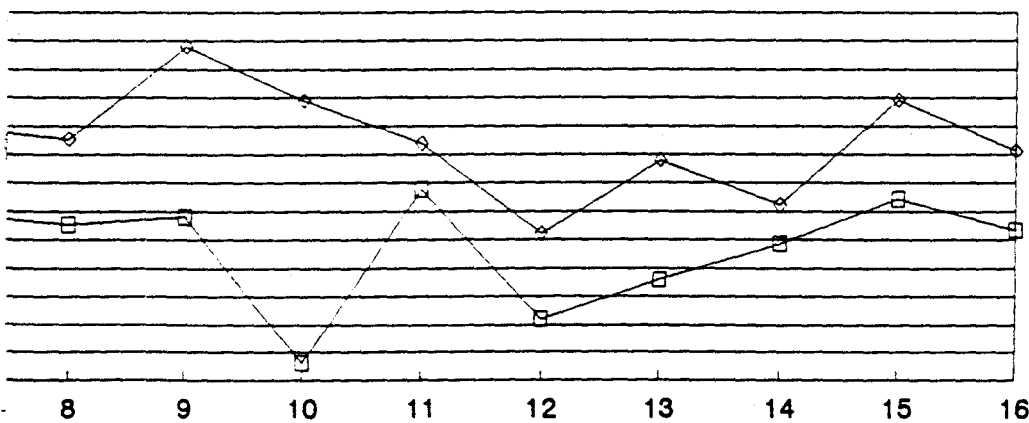


Reference Number

1990 Est 2000

8	9	10	11	12	13	14	15	16
& Clark	Lincoln	McCone	Missoula	Phillips	Sheridan	Silver Bow	Yellowstone	Total
1,388	378	136	1,915	387	353	1,967	2,950	16,625
1,603	447	90	2,447	318	339	2,138	3,673	18,869
2,332	796	143	3,521	357	468	2,617	5,848	26,652
2,524	861	155	3,810	386	506	2,832	6,328	28,841

5+ Population Over Prior Decade

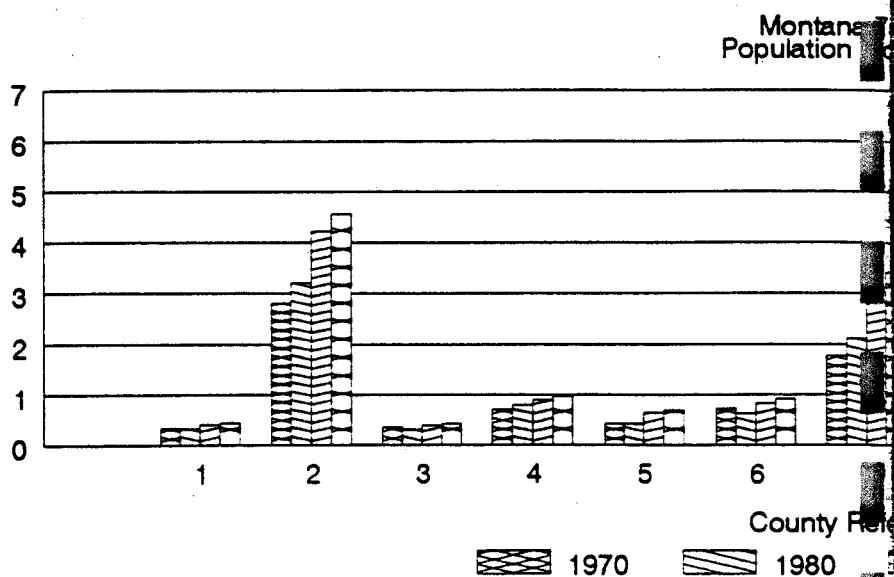


Reference Number

1990 vs 1980

8	9	10	11	12	13	14	15	16
& Clark	Lincoln	McCone	Missoula	Phillips	Sheridan	Silver Bow	Yellowstone	Total
15.5%	18.3%	-33.8%	27.8%	-17.8%	-4.0%	8.7%	24.5%	13.5%
45.5%	78.1%	58.9%	43.9%	12.3%	38.1%	22.4%	59.2%	41.2%

(Thousands)

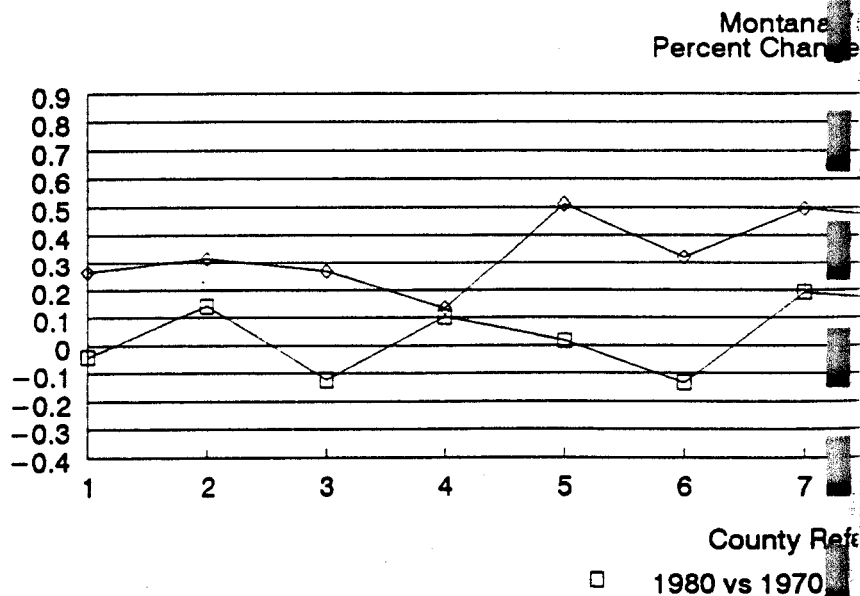


75 plus populations

(Co Reference #)

	1	2	3	4	5	6	7
	Blaine	Cascade	Chouteau	Custer	Dawson	Deer Lodge	Flathead
1970	343	2,807	357	716	420	733	1,775
1980	329	3,205	313	790	427	635	2,115
1990	416	4,215	397	897	645	839	3,161
Est 2000	450	4,561	430	971	698	908	3,421

Percent Change



Percent Change Over Prior Year

(Co Reference #)

	1	2	3	4	5	6	7
	Blaine	Cascade	Chouteau	Custer	Dawson	Deer Lodge	Flathead
1980 vs 1970	-4.1%	14.2%	-12.3%	10.3%	1.7%	-13.4%	19.2%
1990 vs 1980	26.4%	31.5%	26.8%	13.5%	51.1%	32.1%	49.5%

Year 2000 data projections from NPA DATA SERVICES, INC

AMERICAN ASSOCIATION OF RETIRED PERSONS

AARP was founded in 1958 as a voluntary nonprofit and nonpartisan organization to help improve the quality of life of not only its members, but all older people. It is dedicated to helping its members meet the challenges of pre-retirement and retirement living and achieve a dynamic maturity of independence and purpose.

In Montana, more than 113,711 individuals belong to the American Association of Retired Persons. AARP volunteers serve their communities through a variety of programs, from free tax counseling to support for newly widowed persons. The Association also offers a variety of educational and advocacy programs for older workers, who make up one-fourth of AARP's total membership.

AARP, the largest membership organization of older Americans, totals more than 33 million nationwide. There are more than 4,500 local AARP chapters.

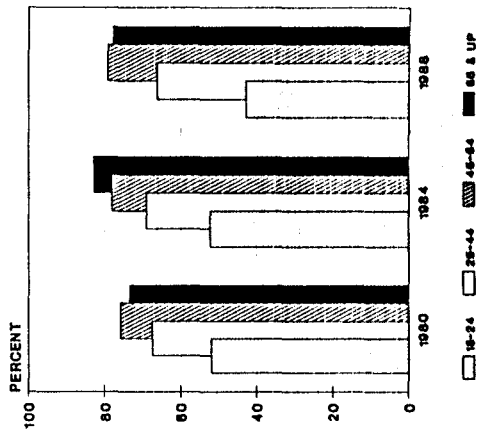
AARP initiatives marshal Association resources to address health care concerns; a variety of older worker issues; economic security matters, particularly for low-income older Americans; the status of minority elderly and issues relating to mid-life and older women. The Association is also emphasizing protection for mid-life and older consumers on a broad range of issues including personal financial security, housing and utility regulation.

OLDER VOTERS

Older people are generally eager to participate in all facets of political life. Older persons are often involved in registering voters, assisting voters in traveling to polls and actually conducting poll operations on election day. They believe in the Eisenhower adage, "Politics should be the part-time profession of every citizen."

The voter turnout graph illustrates the participation rate of four age groups of Montana voters in elections held between 1980 and 1988.

VOTER TURNOUT GRAPH



Prepared for AARP by Election Data Services

1993 MONTANA LEGISLATIVE PROGRAM

The Montana State Legislative Committee is committed to the enactment of a national health care reform plan to make medical care and long-term care available to all.

PRIORITIES

- Support a state health care plan which contains elements in accord with AARP's principles for medical care and long-term care
- Support a progressive and equitable tax reform plan which provides additional revenue for more adequate funding of education, social services and state institutions; a new tax plan should include both personal and real property tax reform and may require a sales tax; any sales tax must exempt food and prescription drugs
- Seek enactment of state insurance statutes which prohibit insurance companies from cancelling automobile, health and homeowner policies without reasonable cause
- Reform kindergarten through twelve (12) school administration for economy
- Support adequate funding for state education
- Support adequate funding for in-home services
- Index state retirement benefits to inflation for all state retirees

SL 1003M/F(992)

MONTANA

State Legislative Committee

EXHIBIT 4

DATE 3/4/93

HB 31

1993 FACTS & LEGISLATIVE PRIORITIES



American Association
of Retired Persons

MONTANA STATE LEGISLATIVE COMMITTEE

The AARP State Legislative Committee (SLC) decides and promotes the legislative objectives to be sought by the Association in each state legislative session. Composed of volunteers from the AARP membership across the state, the Committee works on behalf of not only AARP members, but all older persons and the state community.

Each year, the State Legislative Committee in Montana selects legislative priorities based on the needs of the state's residents, using guidelines developed by the AARP National Legislative Council. SLC members work with legislators to promote passage of legislation beneficial to Montana's older population.

The Montana SLC participates responsibly in the legislative process from discussion of concern, to a bill's conception, to its signing into law and the translation of its intent into administrative procedures and regulations. The SLC volunteer "citizen lobbyists" are assisted by AARP legislative staff. Technical support for the state legislative program is provided by the AARP Public Policy Institute and by AARP program volunteers.

***AARP established AARP/VOTE to inform voters about issues important to older people. Because AARP/VOTE works closely with the State Legislation Department in educating various audiences on public policy issues, the VOTE Coordinator is an ex officio member of the SLC.*

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Columbia Falls, MT 59912
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AARP/VOTE COORDINATOR**

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Helena, MT 59601
(406) 442-5956

* Member, Capital City Task Force

MONTANA CAPITAL CITY TASK FORCE

CCTF COORDINATOR

Mrs. Diana S. Dowling*

MEMBER

Mr. Hugh (Bud) Kelleher
1620 Jerome Place
Helena, MT 59601
(406) 442-3065

The primary role of the CCTF is to help the SLC promote and defend AARP legislative interests before the state legislature. The SLC may also rely on CCTF members to monitor and participate in the regulatory and rulemaking processes of the state. The duties of Task Force members range from testifying before legislative committees to preparing legislative updates to researching issues.

To ensure appropriate policy oversight of the CCTF's activities, the SLC Chair designates a SLC member to coordinate the group. Capital City Task Force members belong to AARP and reside close to the Capitol.

* Member, State Legislative Committee

**D-J FEDERAL AID APPORTIONMENTS: NATIONWIDE AND MONTANA
FY 82-95**

<i>Fiscal Year</i>	<i>Nationwide</i>	<i>Montana</i>	<i>%</i>
1982	\$29,970,000	\$683,941	2.28%
1983	\$32,780,000	\$745,460	2.27%
1984	\$31,380,000	\$716,120	2.28%
1985	\$35,060,000	\$804,573	2.29%
1986	\$109,959,300	\$2,481,647	2.26%
1987	\$140,100,700	\$3,148,104	2.25%
1988	\$155,700,000	\$3,521,572	2.26%
1989	\$179,500,000	\$4,149,356	2.31%
1990	\$179,800,000	\$4,164,963	2.32%
1991	\$196,510,000	\$4,506,996	2.29%
1992	\$202,800,000	\$4,672,312	2.30%
1993	\$212,000,000	\$4,855,000	2.29%
1994	\$222,000,000	\$5,038,000	2.27%
1995	\$231,000,000	\$5,290,000	2.29%

FY 82-92 figures are based on actual, final apportionments
FY 93-95 figures are based on estimated apportionments

4-28-92

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EXHIBIT 1
DATE 3/4/93
HB 455

DJ PAYMENTS TO MONTANA

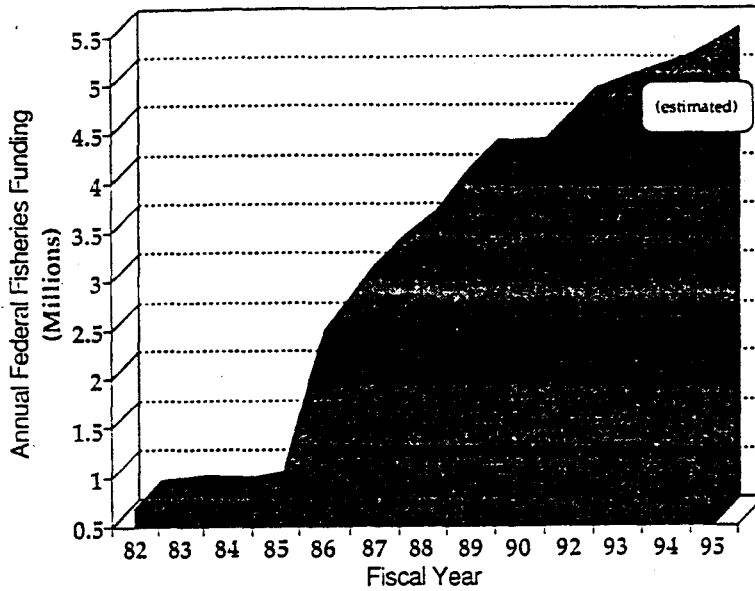


EXHIBIT 2
 DATE 3/4/93
 HB 455

MISSOURI RIVER RAINBOW TROUT CRAIG SECTION

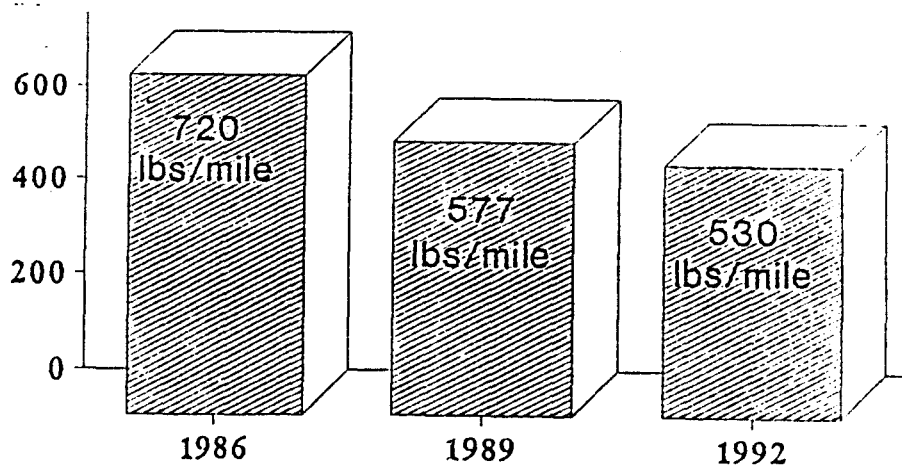
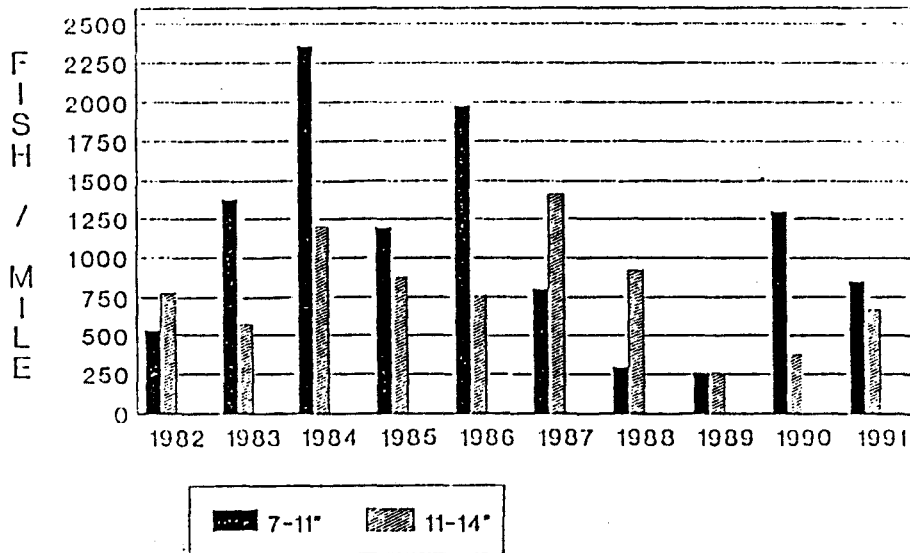


Figure 5. Estimated biomass of rainbow trout in the Fish and Game section and low

HB655
March 4, 1993

EXHIBIT 3
DATE 3/4/93
HB 655

Testimony presented by Dave Mott,
Department of Fish, Wildlife and Parks
before the House Appropriations Committee

The Department appears before this committee today in opposition to HB655.

The River Restoration program mentioned in HB655 was established by the 1989 Legislature. The law earmarks \$.50 from each resident fishing license and \$1.00 from each nonresident fishing license for the purpose of restoring fish and wildlife habitation in Montana. The program generates about \$100,000 annually. Previous projects include fencing to protect riparian areas, irrigation diversion fish passage structures, streambank stabilization, and fish habitat improvements.

In addition to the river restoration account, there are several other programs and funding sources that contribute to the rehabilitation of Montana's rivers. The Long Range Building Committee has approved \$600,000 that will be used to improve spawning habitat at Big Creek, and to supplement water flows to the Bitterroot River. In addition, private industry is contributing to the cost of river rehabilitation. Atlantic Richfield has agreed to pay \$250,000 for work on the upper Clark Fork River, and the Bonnaville Power Administration has agreed to pay \$240,000 annually for the next six years to improve rivers in the Flathead River drainage.

The federal Dingell-Johnson funds mentioned in the bill are derived from federal excise tax on fishing related supplies such as fishing rods, lures and tackle boxes. These funds are allocated to states based on the size of the state and the number of licensed anglers. House Bill 655 requires \$1 million of these federal monies be annually placed in the River Restoration account. The one million dollars represents about 25% of the annual Dingell-Johnson allocation to the state of Montana.

Although we agree restoring Montana's rivers is important, there are significant dollars dedicated for expenditure over the next two years. Furthermore, the federal funds referred to in HB655 have already been allocated through hearings before the Natural Resources Appropriations subcommittee and the Long Range Building Committee. There are simply insufficient funds in the federal account to fund this legislation without substantially affecting other areas of the existing Fisheries program.

As a final note, the department is opposed to micro earmarking of funds as proposed in HB655. Current federal regulations allow for funds to be spent on river restoration. We believe it is better to analyze need every budget cycle rather than permanently dedicated \$1 million per year to a specific purpose.

In summary, the department opposes the bill because we believe that funding for river rehabilitation is adequate for the current biennium. To permanently transfer \$1 million annually of federal funds to this account would eliminate flexibility and priority setting, and significantly impact budgets already approved by the appropriations sub-committees.

EXHIBIT 3
DATE 3/4/93
HB 655

HOUSE OF REPRESENTATIVES
VISITOR REGISTER

APPROPS

COMMITTEE

BILL NO.

642

DATE 3-4-93 SPONSOR(S)

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
GEORGE OCHENSKI	MT. ST. PKS. FNDTN	✓	
Ken Hoover	MT. Snowmobile ASSN MT Boating Assn.	✓	
Arnie Olsen	MDFWP	✓	
Janet Ellis	MT Audubon	✓	
Karen Page	Gou Racicot	✓	
Stuart Daggett	MT Inkeepers	✓	

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**HOUSE OF REPRESENTATIVES
VISITOR REGISTER**

Appropriations COMMITTEE BILL NO. 115
DATE 3/4/93 SPONSOR(S) _____

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
Marcia Thack 2498 Nikki Pl Billings	Deaconess Medical Center	X	
Shaun Reine 7033 Bronco Rd, Shepherd, MT	Deaconess Medical Center	X	
GRANT CAMERON 1327 PANNERS PL BILLINGS, MT	DEACONESS MED. CENTER	X	
Mark Branstetter 1337 Redwing Circle Billings	Deaconess Med Center	X	
Alvin Svallstad 5656 Guizitz Ct Helena	AAFP	X	

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**HOUSE OF REPRESENTATIVES
VISITOR REGISTER**

Appropriations COMMITTEE

BILL NO. NB 652

DATE 3/4/93 SPONSOR(S) Larson

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
Dora Allen	MT. Union Products & Equip.	✓	
Madalyn Quinlan	Office of Public Inst.	✓	

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HOUSE OF REPRESENTATIVES
VISITOR REGISTER

Appropriation COMMITTEE BILL NO. 653
DATE 3/4/93 SPONSOR(S) _____

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
NOEL LARRIVEE Missoula, MT	SELF	X	

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**HOUSE OF REPRESENTATIVES
VISITOR REGISTER**

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HOUSE OF REPRESENTATIVES
VISITOR REGISTER

APPROP. COMMITTEE HB 655
DATE 3-4-93 SPONSOR(S) SIMON

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
GEORGE CICHENSKI	SELF	<input checked="" type="checkbox"/>	<input type="checkbox"/>

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