

## **MINUTES**

### **MONTANA SENATE 53rd LEGISLATURE - REGULAR SESSION**

#### **COMMITTEE ON FINANCE & CLAIMS**

**Call to Order:** By Senator Judy Jacobson, Chair, on April 7, 1993, at 8:00 a.m.

#### **ROLL CALL**

##### **Members Present:**

Sen. Judy Jacobson, Chair (D)  
Sen. Eve Franklin, Vice Chair (D)  
Sen. Gary Aklestad (R)  
Sen. Tom Beck (R)  
Sen. Don Bianchi (D)  
Sen. Chris Christiaens (D)  
Sen. Gerry Devlin (R)  
Sen. Gary Forrester (D)  
Sen. Harry Fritz (D)  
Sen. Ethel Harding (R)  
Sen. Bob Hockett (D)  
Sen. Greg Jergeson (D)  
Sen. Tom Keating (R)  
Sen. J.D. Lynch (D)  
Sen. Chuck Swysgood (R)  
Sen. Daryl Toews (R)  
Sen. Larry Tveit (R)  
Sen. Eleanor Vaughn (D)  
Sen. Mignon Waterman (D)  
Sen. Cecil Weeding (D)

**Members Excused:** None.

**Members Absent:** None.

**Staff Present:** Terry Cohea, Legislative Fiscal Analyst  
Lynn Staley, Committee Secretary

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

##### **Committee Business Summary:**

Hearing: None.  
Executive Action: HB 6, HB 608, HB 333, HB 529, HB 652,

#### **EXECUTIVE ACTION ON HOUSE BILL 6**

Senator Jacobson said it has been brought to the committee's

attention that the amendments Senator Hockett previously put into HB 608 would more appropriately belong in HB 6.

**Motion/Vote:** Senator Hockett moved to reconsider action on House Bill 6 for purposes of an amendment that was in HB 608. The motion CARRIED.

**Motion/Vote:** Senator Hockett moved to place amendment hb000601.agp in HB 6. (Exhibit 1) The motion CARRIED.

**Motion/Vote:** Senator Hockett moved HB 6 AS AMENDED BE CONCURRED IN. The motion CARRIED.

**EXECUTIVE ACTION ON HOUSE BILL 608**

**Motion/Vote:** Senator Hockett moved to reconsider action on HB 608. The motion CARRIED.

**Motion/Vote:** Senator Hockett moved to remove from HB 608 the amendment hb000601.agp. (Exhibit 1) The motion CARRIED.

**Motion/Vote:** Senator Hockett moved HB 608 BE CONCURRED IN. The motion CARRIED with Senator Keating voting no.

**EXECUTIVE ACTION ON HOUSE BILL 333**

**Motion:** Senator Christiaens moved to pass the \$60,000 in FY 94 and \$60,000 in FY 95 for the Ombudsman Services from the proceeds of the tax.

**Discussion:** Senator Aklestad asked if this would affect the direct care dollars.

Senator Jacobson said it would lower the match by the \$120,000.

Senator Beck said according to the figures he had, it could cost about \$400,000 over the biennium, and he wondered if that was correct.

Senator Jacobson said if we take \$120,000 out, a two-thirds match we would get from the \$120,000 would be lost as far as direct care and would be diverted to the Ombudsman.

Senator Beck said this is trying to get the extra federal money to support the program.

**Motion:** Senator Beck made a substitute motion that we DO NOT CONCUR with the amendment of Senator Christiaens.

**Discussion:** Senator Jacobson said the amendment was to take \$60,000 each year of the biennium and divert that to the Ombudsman Program.

Senator Keating asked the source of the \$60,000. Senator Jacobson said it is out of the bed tax.

Senator Keating said there is an alternate plan to receive the \$60,000 for the Ombudsman program from the Department of Family Services from some of their federal funds. He asked Peter Blouke to give an explanation.

Peter Blouke, Department of Social and Rehabilitation Services, said they oppose the amendment for a couple reasons. The user fee as calculated and included in the bill is based on the projected number of bed days. To divert money from the user fee is an inappropriate use of the user fee. He said they believe there is a plan proposed to divert some of the funding in HB 2 for the Department of Family Services that is already there.

Senator Keating said he has an amendment to HB 2 for putting the Ombudsman services for the elderly into the Family Services budget rather than in the SRS budget to take it out of the bed tax money.

Senator Christiaens asked Peter Blouke about \$25,000 that was mentioned when they last talked, and now it is \$60,000. He wondered where that was coming from and what is it taking away from.

Mr. Blouke said it was his understanding the Department of Family Services has approximately \$4 million of federal funds that are devoted to aging services. It would be allocating \$60,000 of those funds for reallocating and identifying \$60,000 of those funds specifically for this program. He said they think the Ombudsman Program is a necessary program. The \$25,000 that Senator Christiaens referred to would be an additional \$25,000 general fund per year they would be willing to support.

**Vote:** Senator Beck's substitute motion to not concur with the amendment CARRIED with Senators Christiaens and Jergeson opposed.

**Motion/Vote:** Senator Franklin moved HB 333 BE CONCURRED IN. The motion CARRIED.

#### **EXECUTIVE ACTION ON HOUSE BILL 529**

**Discussion:** Senator Jacobson said there were amendments presented by the LFA to HB 529.

**Motion:** Senator Beck moved amendments 1 and 2 of Exhibit 2.

Terry Cohea, LFA, said the technical amendments make clear it is \$25,000 per year. Amendment 3 of Exhibit 2 would double that amount per year, making it \$50,000 per year, \$100,000 for the biennium. She said the money would remain in the General Fund if not appropriated.

Senator Harding asked if the Justice Department requested this during the hearing on HB 529. Senator Jacobson said they did.

**Vote:** The motion CARRIED on Amendments 1 and 2 of Exhibit 2.

In answer to Senator Keating, Terry Cohea said after the amendment, it would read, "for each fiscal year an amount up to \$25,000 of the money."

**Motion/Vote:** Senator Franklin moved amendment 3 of Exhibit 2. The motion CARRIED on a roll call vote.

**Motion/Vote:** Senator Franklin moved HB 529 AS AMENDED BE CONCURRED IN. The motion CARRIED with Senators Swysgood, Tveit, Beck, Keating, Aklestad and Devlin voting no.

#### **EXECUTIVE ACTION ON HOUSE BILL 652**

**Discussion:** Senator Bianchi said this bill requests the Department of State Lands to increase timber production on state lands by 5 million board feet. The income from selling timber on state lands goes into the School Equalization Trust Account, and by selling 5 million more board feet of timber in the next biennium, it would generate an additional \$1 million into the School Equalization Trust Account. It won't go into the account unless HB 652 is passed. At the present time, Montana has made a commitment to contribute \$1 million per year to the SIMMS Project. This was done by Governor Stephens two years ago. The SIMMS project is a program that directs money into the local school system for the study of math. The National Science Foundation has said they would let us get by with only contributing \$1 million this year to SIMMS, rather than the \$2 million we have committed to. The commitment was for a period of 5 years; \$1 million per year for 5 years and we have already contributed \$2 million, so we are in the second biennium right now. With the amendment, if this bill passes, the additional \$1 million would flow into the school equalization trust account and appropriates that money for the matching dollars for the SIMMS project.

Dr. Maurice Burke, Montana State University, said The Systemic Initiative for Montana Mathematics and Science (SIMMS) is a broad based effort to support reform efforts in Montana Science and Math education. (Exhibit 2a)

Greg Groepper, OPI, said HB 667 had an amendment that took care of the SIMMS Project, but as they have found out, they still need an appropriation to be able to spend the money. He said that is why Senator Bianchi's amendments are necessary.

Senator Jacobson said there is money in HB 652, but asked if HB 667 identifies a source.

Mr. Groepper said the School Equalization Aid Account is earmarked for certain expenditures. Until last session money could be spent out of there only for purposes of making foundation schedule payments. In the last session they were allowed to spend METNET money out of there. He said as he understands it, the money for SIMMS is an amendment in HB 667. It gives them the authority to spend out of the earmarked revenue account, but they still need an appropriation to do it.

Senator Lynch questioned why with six units in the University System there are only five listed.

Maurice Burke said the units listed are those that certify teachers.

Senator Keating questioned what money is going into the trust fund and what is going into the foundation program. He said the timber sale proceeds are supposed to go into the constitutional trust.

Terry Cohea, LFA, said prior to the January special session that is what happened to timber sales revenue. In the January special session, the Legislature adopted a change in the enabling act that the Congress had passed about 1967 which allows the state to consider timber as a crop as opposed to a non renewable resource. This current biennium the proceeds of timber sales are being placed in the School Equalization Account rather than the trust. This bill will continue to have 95 percent placed in the School Equalization Account, and 5 percent back to the trust. Section 1 of this bill takes the money off the top of that amount to provide for additional harvesting.

Senator Keating said the law currently provides for the flow of the proceeds from the sale of timber to the Equalization Account rather than the Trust.

Ms. Cohea said for the current biennium, half of '92 and all of '93.

Senator Keating asked if it automatically reverts.

Ms. Cohea said that law terminates. She said there are 2 bills this session that would make it permanent. HB 667 would make the placement in the School Equalization permanent, as would HB 652. Ms. Cohea said HB 652 insures that the timber money goes into the School Equalization Account. Senator Bianchi's amendment appropriates money from the School Equalization Account for the SIMMS program.

Senator Beck asked if it was common practice to divert money previous to getting into the equalization program.

Ms. Cohea said in HB 2 there is approximately \$7 million of School Equalization money that is appropriated for the

transportation of school districts. In HB 2 as it stands now, \$400,000 of School Equalization Account money is appropriated for METNET.

Senator Beck asked if the amendment was germane to the title of the bill.

Senator Jacobson said she thinks it expands it. In the last legislative session the Governor committed us to five years' worth of funds for the SIMMS program and forgot to put the amendment in until the Conference Committee. We have already committed ourselves and have gotten this far through the session without identifying the \$1 million. She said at some point we will have to find the money for this.

Senator Aklestad admitted the process was wrong, but thinks this is also wrong.

Senator Franklin said we are concerned about earmarking, but we have to identify the money and the source to get the match.

Motion: Senator Bianchi moved the hb065201.a16 amendment.  
(Exhibit 3)

Senator Beck asked what area the SIMMS money was removed in the appropriation process.

Senator Jacobson said no one ever put it in, it was in the Stephens Executive Budget. It was put into HB 2 as a General Fund appropriation by Senator Crippen last session. That was a five year commitment.

Senator Beck asked why it wasn't followed up on.

Senator Jacobson said she did not know because she did not have a lot of communication with the administration.

Senator Beck asked if Office of Public Instruction had some responsibility to this.

Senator Jacobson said Office of Public Instruction has been asking for this since the beginning of the session.

Senator Lynch asked for an explanation of "locked in".

Senator Jacobson said it is a five year program and it was understood when the money was put in two years ago, that there was a commitment for five years. The commitment was to the National Science Foundation that we would appropriate \$1 million a year for five years.

Senator Lynch said we couldn't make that commitment; it is against the law. Senator Jacobson said the former Governor made the commitment.

Senator Keating said he had read that the Foundation Program had been expanded by \$5 or \$6 million over the last biennium, so there should be some money someplace. This is an education program and it should come out of education funding. If there is over \$8 hundred million in that Foundation Program, there should be enough money to finance the SIMMS program.

Senator Jacobson said it is coming from the Foundation Program.

Senator Hockett asked if this was brought up in the Education Subcommittee.

Senator Jacobson said it was put into HB 667, the School Equalization Bill and that action occurred in the House. This simply identifies the specific place it is coming from.

Senator Bianchi said we have to realize we are putting \$1 million in, and it will be matched with about \$10 million more. The money is coming out of the School Equalization Trust, but the \$10 million is going back into the school system. This just identifies the source of money. HB 652 is going to give another \$1 million that wasn't planned on into the School Equalization Trust Account.

**Vote:** The motion to concur with amendments in Exhibit 3 CARRIED.

**Motion:** Senator Bianchi moved the amendment hb035203.a16. (Exhibit 4)

**Discussion:** Senator Jacobson said on the second page of the fiscal note, it would take \$267,000 in the first year and \$312,000 in the second year and when this amendment was made they simply averaged that out and put it as \$290,000 per year. She said they originally wanted 6 per cent which would be a great deal more than that.

Senator Beck said the sponsor of the bill did not sign the fiscal note because he didn't agree with it. He said his understanding is that the fiscal note isn't necessarily accurate.

Senator Jacobson said she doesn't want to increase a lot of people and money harvesting timber that is going to take away from the Foundation Program.

Senator Beck said we just took \$1 million away and now we are talking about a few dollars to go back in and confirm the timber sale. He added it is good business.

Don Allen said the first year number is relatively low because of the start up time. Rep. Larson agreed that once they are up and running, \$312,000 is a more correct number to maintain. It is not an increase in the intent of the amendment. It takes an average, but it should be the second year's number to be at that level.

Senator Tveit referred to page 1 and asked if the \$320,000 was additional timber sales.

Ms. Cohea said that is to hire staff and the operating expenses that would yield additional timber.

Senator Tveit asked where the money goes. Ms. Cohea said there would be a coordinating amendment in HB 2 to allow the Department of State Lands to spend this additional money to hire additional foresters.

Senator Tveit asked if it goes to the University of Montana. Ms. Cohea said no, it comes out of the University units. They have a small share of the trust. If the timber is harvested on the trust land, they get the income. This takes the additional money for additional foresters out of their share.

Senator Jacobson said it might be appropriate to leave it as is for the first two years and see what it will actually cost.

Senator Aklestad said the fiscal note will say we are going to increase the board feet. He thinks that even with the addition, we are only harvesting about half what we did at the peak time. He does not know why we need to add more to this budget when we are not coming close to what we have harvested at peak years.

Senator Weeding said this was before a subcommittee, and there is a direct relationship between the amount of foresters preparing the sales and the amount harvested, and we are well below the sustained capacity.

**Vote:** The motion to concur with the amendments (Exhibit 4) CARRIED with Senators Jacobson, Aklestad, Keating, Hockett and Tveit voting no.

**Motion:** Senator Swysgood moved to amend new Section 12, to sunset June 30, 1995.

Ms. Cohea asked if that would be the entire bill or the provision dealing with the state foresters.

Senator Swysgood said he wants the entire bill to sunset. He thinks we need to look at it again.

**Vote:** The motion CARRIED with Senators Weeding, Waterman, Bianchi, Vaughn, Jergeson and Franklin opposed.

**Motion/Vote:** Senator Lynch moved HB 652 AS AMENDED BE CONCURRED IN. The motion CARRIED.



ADJOURNMENT

**Adjournment:** The meeting adjourned at 9 a.m.

  
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SENATOR JUDY JACOBSON, Chair

  
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LYNN STALEY, Secretary

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# ROLL CALL

SENATE COMMITTEE FINANCE AND CLAIMS

DATE 4/7

NAME	PRESENT	ABSENT	EXCUSED
SENATOR JACOBSON	✓		
SENATOR FRANKLIN	✓		
SENATOR AKLESTAD	✓		
SENATOR BECK	✓		
SENATOR BIANCHI	✓		
SENATOR CHRISTIAENS	✓		
SENATOR DEVLIN	✓		
SENATOR FORRESTER	✓		
SENATOR FRITZ	✓		
SENATOR HARDING	✓		
SENATOR HOCKETT	✓		
SENATOR JERGESON	✓		
SENATOR KEATING	✓		
SENATOR LYNCH	✓		
SENATOR TOEWS	✓		
SENATOR SWYSGOOD	✓		
SENATOR TVEIT	✓		
SENATOR VAUGHN	✓		
SENATOR WATERMAN	✓		
SENATOR WEEDING	✓		

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Attach to each day's minutes

SENATE STANDING COMMITTEE REPORT

Page 1 of 4  
April 7, 1993

MR. PRESIDENT:

We, your committee on Finance and Claims having had under consideration House Bill No. 6 (third reading copy -- blue), respectfully report that House Bill No. 6 be amended as follows and as so amended be concurred in.

Signed: Judy H. Jacobson  
Senator Judy H. Jacobson, Chair

That such amendments read:

1. Title, line 16.

Following: "LOAN;"

Insert: "STATUTORILY APPROPRIATING FUNDS FROM THE RENEWABLE RESOURCE GRANT AND LOAN PROGRAM STATE SPECIAL REVENUE ACCOUNT TO THE ENVIRONMENTAL SCIENCE-WATER QUALITY INSTRUCTIONAL PROGRAMS AT NORTHERN MONTANA COLLEGE; AMENDING SECTIONS 15-38-202 AND 17-7-502, MCA;"

Strike: "AN"

2. Title, line 17.

Strike: "IMMEDIATE"

Strike: "DATE"

Insert: "DATES"

3. Page 12, line 14.

Following: line 13

Insert: "Section 12. Section 15-38-202, MCA, is amended to read:

"15-38-202. Investment of resource indemnity trust fund -- expenditure -- minimum balance. (1) All money paid into the resource indemnity trust fund, including money payable into the fund under the provisions of 15-37-117, ~~shall~~ must be invested at the discretion of the board of investments. All the net earnings accruing to the resource indemnity trust fund ~~shall~~ must annually be added to the trust fund until it has reached the sum of \$10 million. Thereafter, only the net earnings may be appropriated and expended until the fund reaches \$100 million. Thereafter, all net earnings and all receipts ~~shall~~ must be appropriated by the legislature and expended, provided that the balance in the fund may never be less than \$100 million.

(2) (a) At the beginning of each biennium, there is allocated from the interest income of the resource indemnity trust fund:

(i) an amount not to exceed \$175,000 to the environmental contingency account pursuant to the conditions of 75-1-1101; and

(ii) beginning in fiscal year 1992, an amount not to exceed \$50,000 to the oil and gas production damage mitigation account pursuant to the conditions of 82-11-161; and

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Sec. of Senate

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Senator Carrying Bill

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(iii) beginning in fiscal year 1995, \$240,000, which is statutorily appropriated, as provided in 17-7-502, from the renewable resource grant and loan program state special revenue account to support the operations of the environmental science-water quality instructional programs at northern Montana college to be used for support costs, for matching funds necessary to attract additional funds to further expand statewide impact, and for enhancement of the facilities related to the programs.

(b) The remainder of the interest income is allocated as follows:

(i) Beginning in fiscal year 1982, provided the amount in the resource indemnity trust fund is greater than \$10 million, 30% of the interest income of the resource indemnity trust fund must be allocated to the water development state special revenue account created by 85-1-604.

(ii) Beginning in fiscal year 1988, 12% of the interest income of the resource indemnity trust fund must be allocated to the hazardous waste/CERCLA special revenue account provided for in 75-10-621.

(iii) Beginning in fiscal year 1990, 8% of the interest income from the resource indemnity trust fund must be allocated to the renewable resource development account provided for in Title 90, chapter 2.

(iv) Beginning in fiscal year 1990, 46% of the interest income from the resource indemnity trust fund must be allocated to the reclamation and development grants account provided for in 90-2-1104.

(v) Beginning in fiscal year 1990, 4% of the interest income of the resource indemnity trust fund must be allocated to the environmental quality protection fund provided for in 75-10-704.

(3) Any formal budget document prepared by the legislature or the executive branch that proposes to appropriate funds from the resource indemnity trust interest account other than as provided for by the allocations in subsection (2) must specify the amount of money from each allocation that is proposed to be diverted and the proposed use of the diverted funds. A formal budget document includes a printed and publicly distributed budget proposal or recommendation, an introduced bill, or a bill developed during the legislative appropriation process or otherwise during a legislative session."

"Section 13. Section 17-7-502, MCA, is amended to read:

"17-7-502. Statutory appropriations -- definition -- requisites for validity. (1) A statutory appropriation is an appropriation made by permanent law that authorizes spending by a state agency without the need for a biennial legislative appropriation or budget amendment.

(2) Except as provided in subsection (4), to be effective, a statutory appropriation must comply with both of the following provisions:

(a) The law containing the statutory authority must be listed in subsection (3).

(b) The law or portion of the law making a statutory appropriation must specifically state that a statutory appropriation is made as provided in this section.

(3) The following laws are the only laws containing statutory appropriations: 2-9-202; 2-17-105; 2-18-812; 10-3-203; 10-3-312; 10-3-314; 10-4-301; 13-37-304; 15-1-111; 15-23-706; 15-25-123; 15-31-702; 15-36-112; 15-37-117; 15-38-202; 15-65-121; 15-70-101; 16-1-404; 16-1-410; 16-1-411; 17-3-212; 17-5-404; 17-5-424; 17-5-704; 17-5-804; 17-6-409; 17-7-304; 19-5-404; 19-6-709; 19-8-504; 19-9-702; 19-9-1007; 19-10-205; 19-10-305; 19-10-506; 19-11-512; 19-11-513; 19-11-606; 19-12-301; 19-13-604; 19-15-101; 20-4-109; 20-6-406; 20-8-111; 20-9-361; 20-26-1503; 22-3-811; 23-5-136; 23-5-306; 23-5-409; 23-5-610; 23-5-612; 23-5-631; 23-7-301; 23-7-402; 27-12-206; 37-43-204; 37-51-501; 39-71-2504; 44-12-206; 44-13-102; 53-6-150; 53-24-206; 61-5-121; 67-3-205; 75-1-1101; 75-5-507; 75-5-1108; 75-11-313; 76-12-123; 77-1-808; 80-2-103; 80-11-310; 82-11-136; 82-11-161; 85-1-220; 90-3-301; 90-4-215; 90-6-331; 90-7-220; and 90-9-306.

(4) There is a statutory appropriation to pay the principal, interest, premiums, and costs of issuing, paying, and securing all bonds, notes, or other obligations, as due, that have been authorized and issued pursuant to the laws of Montana. Agencies that have entered into agreements authorized by the laws of Montana to pay the state treasurer, for deposit in accordance with 17-2-101 through 17-2-107, as determined by the state treasurer, an amount sufficient to pay the principal and interest as due on the bonds or notes have statutory appropriation authority for the payments. (In subsection (3): pursuant to sec. 7, Ch. 567, L. 1991, the inclusion of 19-6-709 terminates upon death of last recipient eligible for supplemental benefit; and pursuant to sec. 18, Ch. 748, L. 1991, the inclusion of 22-3-811 terminates June 30, 1993.) "

NEW SECTION. Section 14. Coordination instruction. If House Bill No. 608 is not passed and approved, then [sections 12 and 13 of this act] are void."

Renumber: subsequent sections

4. Page 12, line 20.

Strike: "date"

Insert: "dates"

Following: "."

Insert: "(1)"

Strike: "[This act] is"

Insert: "[Sections 1 through 11, 14, and 15 and this section]  
are"

5. Page 12, line 22.

Insert: "(2) [Sections 12 and 13] are effective July 1, 1993."

-END-

SENATE STANDING COMMITTEE REPORT

Page 1 of 1  
April 7, 1993

MR. PRESIDENT:

We, your committee on Finance and Claims having had under consideration House Bill No. 608 (third reading copy -- blue), respectfully report that House Bill No. 608 be concurred in.

Signed: Judy H. Jacobson  
Senator Judy H. Jacobson, Chair

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SENATE STANDING COMMITTEE REPORT

Page 1 of 1  
April 7, 1993

MR. PRESIDENT:

We, your committee on Finance and Claims having had under consideration House Bill No. 333 (third reading copy -- blue), respectfully report that House Bill No. 333 be concurred in.

Signed: Judy H. Jacobson  
Senator Judy H. Jacobson, Chair

AS Amd. Coord.

Sec. of Senate

Keating  
Senator Carrying Bill

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SENATE STANDING COMMITTEE REPORT

Page 1 of 1  
April 7, 1993

MR. PRESIDENT:

We, your committee on Finance and Claims having had under consideration House Bill No. 529 (third reading copy -- blue), respectfully report that House Bill No. 529 be amended as follows and as so amended be concurred in.

Signed: Judy H. Jacobson  
Senator Judy H. Jacobson, Chair

That such amendments read:

1. Page 1, line 6.  
Following: "APPROPRIATING"  
Insert: "A PORTION OF THE"

2. Page 2, line 22.  
Following: "fiscal"  
Strike: "biennium"  
Insert: "year"  
Following: "\$25,000"  
Strike: "EACH YEAR"

3. Page 2, line 22.  
Strike: "\$25,000"  
Insert: "\$50,000"

-END-

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SENATE STANDING COMMITTEE REPORT

Page 1 of 1  
April 7, 1993

MR. PRESIDENT:

We, your committee on Finance and Claims having had under consideration House Bill No. 652 (third reading copy -- blue), respectfully report that House Bill No. 652 be amended as follows and as so amended be concurred in.

Signed: Judy H. Jacobson  
Senator Judy H. Jacobson, Chair

That such amendments read:

1. Title, line 15.

Following: "PROVISION;"

Insert: "PROVIDING AN APPROPRIATION;"

2. Title, line 18.

Following: "DATE"

Insert: "AND A TERMINATION DATE"

3. Page 2, line 17.

Strike: "\$290,000"

Insert: "\$312,000"

4. Page 7, following line 13.

Insert: "NEW SECTION. Section 8. Appropriation. There is appropriated to the office of public instruction from the school equalization aid account up to \$500,000 in fiscal year 1994 and up to \$500,000 in fiscal year 1995 of the additional funds deposited in the account under [this act], for the purposes of providing state matching funds for the systemic initiative for Montana mathematics and science grant."

Renumber: subsequent sections

5. Page 7, following line 24.

Insert:

"NEW SECTION. Section 12. Termination. [This act] terminates June 30, 1995."

-END-

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DATE April 7, 1993

SENATE COMMITTEE ON Finance and Claims

BILLS BEING HEARD TODAY: \_\_\_\_\_

Name	Representing	Bill No.	Check One	
			Support	Oppose
<del>James M. Hallock</del>	Missouri River Men	333	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Richard T. Self	Montana Council of Teachers <sup>MCTM</sup>	652	<input type="checkbox"/>	<input type="checkbox"/>
Karen Longhart	MCTM	652	<input checked="" type="checkbox"/>	<input type="checkbox"/>

## VISITOR REGISTER

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

# ROLL CALL VOTE

SENATE COMMITTEE FINANCE AND CLAIMS

BILL NO. NB 529

DATE April 7, 1993 TIME \_\_\_\_\_ A.M. P.M.

NAME	YES	NO
SENATOR JACOBSON	✓	
SENATOR JERGESON	✓	
SENATOR AKLESTAD		✓
SENATOR BECK		✓
SENATOR BIANCHI	✓	
SENATOR CHRISTIAENS	✓	
SENATOR DEVLIN		✓
SENATOR FORRESTER	✓	
SENATOR FRANKLIN	✓	
SENATOR FRITZ	✓	
SENATOR HARDING	✓	
SENATOR HOCKETT	✓	
SENATOR KEATING		✓
SENATOR LYNCH		✓
SENATOR TOEWS		✓
SENATOR SWYSGOOD		✓
SENATOR TVEIT		✓
SENATOR VAUGHN	✓	
SENATOR WATERMAN	✓	
SENATOR WEEDING	✓	

Lynn Stealey  
SECRETARY

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CHAIR

MOTION: Exhibit 2, Amendment 3, NB 529  
Sen. Franklin motion

Concurred

Amendments to House Bill No. 6  
Third Reading Copy

Requested by Senator Hockett  
For the Committee on Finance and Claims

Prepared by Greg Petesch  
April 3, 1993

SENATE FINANCE AND CLAIMS

EXHIBIT NO. 1

DATE 4/7/93

BILL NO. 6

1. Title, line 16.

Following: "LOAN;"

Insert: "STATUTORILY APPROPRIATING FUNDS FROM THE RENEWABLE  
RESOURCE GRANT AND LOAN PROGRAM STATE SPECIAL REVENUE  
ACCOUNT TO THE ENVIRONMENTAL SCIENCE-WATER QUALITY  
INSTRUCTIONAL PROGRAMS AT NORTHERN MONTANA COLLEGE; AMENDING  
SECTIONS 15-38-202 AND 17-7-502, MCA;"

Strike: "AN"

2. Title, line 17.

Strike: "IMMEDIATE"

Strike: "DATE"

Insert: "DATES"

3. Page 12, line 14.

Following: line 13

Insert: "Section 12. Section 15-38-202, MCA, is amended to read:

"15-38-202. Investment of resource indemnity trust fund --  
expenditure -- minimum balance. (1) All money paid into the  
resource indemnity trust fund, including money payable into the  
fund under the provisions of 15-37-117, ~~shall~~ must be invested at  
the discretion of the board of investments. All the net earnings  
accruing to the resource indemnity trust fund ~~shall~~ must annually  
be added to the trust fund until it has reached the sum of \$10  
million. Thereafter, only the net earnings may be appropriated  
and expended until the fund reaches \$100 million. Thereafter, all  
net earnings and all receipts ~~shall~~ must be appropriated by the  
legislature and expended, provided that the balance in the fund  
may never be less than \$100 million.

(2) (a) At the beginning of each biennium, there is  
allocated from the interest income of the resource indemnity  
trust fund:

(i) an amount not to exceed \$175,000 to the environmental  
contingency account pursuant to the conditions of 75-1-1101; and

(ii) beginning in fiscal year 1992, an amount not to exceed  
\$50,000 to the oil and gas production damage mitigation account  
pursuant to the conditions of 82-11-161; and

(iii) beginning in fiscal year 1995, \$240,000, which is  
statutorily appropriated, as provided in 17-7-502, from the  
renewable resource grant and loan program state special revenue  
account to support the operations of the environmental science-  
water quality instructional programs at northern Montana college  
to be used for support costs, for matching funds necessary to  
attract additional funds to further expand statewide impact, and  
for enhancement of the facilities related to the programs.

(b) The remainder of the interest income is allocated as

follows:

(i) Beginning in fiscal year 1982, provided the amount in the resource indemnity trust fund is greater than \$10 million, 30% of the interest income of the resource indemnity trust fund must be allocated to the water development state special revenue account created by 85-1-604.

(ii) Beginning in fiscal year 1988, 12% of the interest income of the resource indemnity trust fund must be allocated to the hazardous waste/CERCLA special revenue account provided for in 75-10-621.

(iii) Beginning in fiscal year 1990, 8% of the interest income from the resource indemnity trust fund must be allocated to the renewable resource development account provided for in Title 90, chapter 2.

(iv) Beginning in fiscal year 1990, 46% of the interest income from the resource indemnity trust fund must be allocated to the reclamation and development grants account provided for in 90-2-1104.

(v) Beginning in fiscal year 1990, 4% of the interest income of the resource indemnity trust fund must be allocated to the environmental quality protection fund provided for in 75-10-704.

(3) Any formal budget document prepared by the legislature or the executive branch that proposes to appropriate funds from the resource indemnity trust interest account other than as provided for by the allocations in subsection (2) must specify the amount of money from each allocation that is proposed to be diverted and the proposed use of the diverted funds. A formal budget document includes a printed and publicly distributed budget proposal or recommendation, an introduced bill, or a bill developed during the legislative appropriation process or otherwise during a legislative session."

"Section 13. Section 17-7-502, MCA, is amended to read:

"17-7-502. Statutory appropriations -- definition -- requisites for validity. (1) A statutory appropriation is an appropriation made by permanent law that authorizes spending by a state agency without the need for a biennial legislative appropriation or budget amendment.

(2) Except as provided in subsection (4), to be effective, a statutory appropriation must comply with both of the following provisions:

(a) The law containing the statutory authority must be listed in subsection (3).

(b) The law or portion of the law making a statutory appropriation must specifically state that a statutory appropriation is made as provided in this section.

(3) The following laws are the only laws containing statutory appropriations: 2-9-202; 2-17-105; 2-18-812; 10-3-203; 10-3-312; 10-3-314; 10-4-301; 13-37-304; 15-1-111; 15-23-706; 15-25-123; 15-31-702; 15-36-112; 15-37-117; 15-38-202; 15-65-121; 15-70-101; 16-1-404; 16-1-410; 16-1-411; 17-3-212; 17-5-404; 17-5-424; 17-5-704; 17-5-804; 17-6-409; 17-7-304; 19-5-404; 19-6-709; 19-8-504; 19-9-702; 19-9-1007; 19-10-205; 19-10-305; 19-10-506; 19-11-512; 19-11-513; 19-11-606; 19-12-301; 19-13-604; 19-

15-101; 20-4-109; 20-6-406; 20-8-111; 20-9-361; 20-26-1503; 22-3-811; 23-5-136; 23-5-306; 23-5-409; 23-5-610; 23-5-612; 23-5-631; 23-7-301; 23-7-402; 27-12-206; 37-43-204; 37-51-501; 39-71-2504; 44-12-206; 44-13-102; 53-6-150; 53-24-206; 61-5-121; 67-3-205; 75-1-1101; 75-5-507; 75-5-1108; 75-11-313; 76-12-123; 77-1-808; 80-2-103; 80-11-310; 82-11-136; 82-11-161; 85-1-220; 90-3-301; 90-4-215; 90-6-331; 90-7-220; and 90-9-306.

(4) There is a statutory appropriation to pay the principal, interest, premiums, and costs of issuing, paying, and securing all bonds, notes, or other obligations, as due, that have been authorized and issued pursuant to the laws of Montana. Agencies that have entered into agreements authorized by the laws of Montana to pay the state treasurer, for deposit in accordance with 17-2-101 through 17-2-107, as determined by the state treasurer, an amount sufficient to pay the principal and interest as due on the bonds or notes have statutory appropriation authority for the payments. (In subsection (3): pursuant to sec. 7, Ch. 567, L. 1991, the inclusion of 19-6-709 terminates upon death of last recipient eligible for supplemental benefit; and pursuant to sec. 18, Ch. 748, L. 1991, the inclusion of 22-3-811 terminates June 30, 1993.) "

NEW SECTION. Section 14. Coordination instruction. If House Bill No. 608 is not passed and approved, then [sections 12 and 13 of this act] are void."  
Renumber: subsequent sections

4. Page 12, line 20.

Strike: "date"

Insert: "dates"

Following: "."

Insert: "(1)"

Strike: "[This act] is"

Insert: "[Sections 1 through 11, 14, and 15 and this section] are"

5. Page 12, line 22.

Insert: "(2) [Sections 12 and 13] are effective July 1, 1993."

Amendments to House Bill No. 529  
Third Reading Copy

For the Committee on Senate Finance and Claims

Prepared by Teresa Cohea  
April 6, 1993

SENATE FINANCE AND CLAIMS  
EXHIBIT NO. 2  
DATE 4/7/93  
BILL NO. HB 529

1. Page 1, line 6.  
Following: "APPROPRIATING"  
Insert: "A PORTION OF THE"

2. Page 2, line 22.  
Following: "fiscal"  
Strike: "biennium"  
Insert: "year"  
Following: "\$25,000"  
Strike: "EACH YEAR"

These are technical amendments to clarify the language in the bill.

3. Page 2, line 22.  
Strike: "\$25,000"  
Insert: "\$50,000"

This amendment was requested by the sponsor and the department of justice to increase the biennial appropriation for this bill from \$50,000 to \$100,000.

{Office of Legislative Fiscal Analyst

444-2986}



## SENATE FINANCE AND CLAIMS

EXHIBIT NO. 2ADATE 4/7/93BILL NO. SB 652

# FACT SHEET

## Systemic Initiative for Montana Mathematics and Science SIMMS PROJECT

**\* Montana Match**

\$1,000,000 for 1992-3

Managed at MSU as flow-through money to provide technology to secondary schools for students. Schools required to match state money.

School list on back.

\* \$5,000,000 guaranteed match pledged by 1991 Legislature and Governor Stephens @ \$1,000,000 per year.

**+ NSF Cooperative Agreement**

\$10,000,000 awarded to state through Montana Council of Teachers of Mathematics. Subcontracted to University of Montana and Montana State University.

Indirect funds pledged for computer teaching labs in mathematics and Science at UM, MSU, EMC, WMC, and NMC.

Approximately \$1,900,000 salary per year for secondary teachers and for curriculum writing and inservices. No state funds are used from Montana University System.

+ Must be renegotiated each year. Depends on state and corporate matches. To date, state has received approximately \$4,000,000. Two labs complete by April, 1993. Two in process.

**° Private Funds**

Corporate Support or in-kind services:

IBM \$15,000,000

Addison-Wesley Publishing Co. \$4,700,000

Texas Instruments \$1,500,000

Montana Math Coalition \$200,000

Microsoft \$120,000

WRI \$15,000

**° Other Funds**

OPI (in-kind) \$50,000

D.D. Eisenhower ESEA Title II \$1,000,000

° funds spread over 5 years

**◇ NSF Grants Pending Based Upon SIMMS Project**

STEP \$6,800,000

CREST \$5,950,000

Frameworks \$350,000

Teacher Enhancement \$1,131,000

◇ Partial List of next proposals to be considered in Spring 1993.

# THE SIMMS PROJECT

*Burke  
testimonies*

The Systemic Initiative for Montana Mathematics and Science (SIMMS) is a cooperative project of the state of Montana and the National Science Foundation. The SIMMS Project, funded through the Montana Council of Teachers of Mathematics, has the following objectives:

- Promote integration in science and mathematics education.
- Redesign the 9-12 mathematics curriculum using an integrated interdisciplinary approach for all students.
- Develop and publish curriculum and assessment materials for grades 9-16.
- Incorporate the use of technology in all facets and at all levels of mathematics education.
- Increase the participation of females and Native Americans in mathematics and science.
- Establish new certification and recertification standards for teachers.
- Redesign teacher preparation programs using an integrated interdisciplinary approach.
- Develop an inservice program on integrated mathematics to prepare teachers of grades 9-16.
- Develop the support structure for legislative action, public information, and general education of the populace necessary for effective implementation of new programs.

The SIMMS curriculum, written by secondary teachers of grades 9-12, will interface with the mathematics curriculum being developed at the University of Montana for grades 6-8 by the NSF funded Six Through Eight Mathematics (STEM) Project. The collaboration of mathematics/science teachers and university faculties in Montana is producing a curriculum solidly based in applied contexts meaningful for all students.

The Professional Development component of SIMMS is providing inservice for Montana teachers. In addition, preservice teacher-training programs are being redesigned by this component.

The Montana Legislature allocated \$1,000,000 for technology in secondary schools for the SIMMS Project. Currently 70 schools have been funded with more to be funded in 1993-4. Fifty-six secondary teachers worked with the Project in 1992 and are testing Level 1 materials in schools in 1992-3. Levels 2 and 3 materials will be produced and tested in 1993-4. Clearly Montana sees the need and is anxious to improve the mathematics education of its students.

The SIMMS Project is working with current initiatives in Native American education. The American Indians Research Opportunities program, the American Indians in Mathematics program, and the Alliance of States Supporting Indians in Science and Technology are providing the SIMMS Project avenues to increase the numbers of Native Americans choosing careers in mathematics and science.

The primary initiatives of the SIMMS Project are being carried out by six major committees. The Materials Development Committee, Co-chaired by Johnny Lott, UM, Maurice Burke, MSU, Terry Souhrada, UM, and Dean Preble, MSU, oversees the development of curriculum. The Professional Development Committee, Co-chaired by Glenn Allinger, MSU, and Karen Longhart, UM, spearheads SIMMS efforts for teacher inservice and preservice preparations. The Government and Public Relations Committee, Co-chaired by Larry Kaber, Flathead Senior High School, Michelle Lattier, Helena, and Mignon Waterman, Helena, oversees the development of the technology plan for Montana schools as well as the plans to increase the participation of women and minorities in mathematics. The Assessment Committee, Co-chaired by Jim Hirstein, UM, and Joe Dan Austin, MSU, provides formative evaluations of the Project to the SIMMS leadership as well as develops assessment materials for the curriculum. The Steering Committee, directed by Gary Bauer, Past President of MCTM, reviews and coordinates the strategic plans of the other committees. Gerry Wheeler, MSU, is Science Director for the Project. Finally, the National Advisory Committee provides direction from a national perspective.

For more information concerning the SIMMS Project, please contact either of the Project Co-directors:

Dr. Johnny Lott  
SIMMS Project  
Department of Mathematical Sciences  
University of Montana  
Missoula, MT 59812-2313  
406/243-2696

Dr. Maurice Burke  
SIMMS Project  
Department of Mathematical Sciences  
Montana State University  
Bozeman, MT 59717-0240  
406/994-5330

# SIMMS

SYSTEMIC INITIATIVE FOR MONTANA MATHEMATICS & SCIENCE

SIMMS PROJECT  
DEPARTMENT OF MATHEMATICAL SCIENCES  
UNIVERSITY OF MONTANA  
MISSOULA, MONTANA 59812-2313

-----  
Please send further information about the SIMMS Project to:

Name \_\_\_\_\_

Address \_\_\_\_\_

Comments \_\_\_\_\_

\_\_\_\_\_

# SIMMS Technology Grant Recipients

<u>Montana High School</u>	<u>Amount Approved</u>	<u>District Match</u>
Belt	\$20,425.00	\$20,184.00
Blue Sky/Rudyard	10,300.00	11,325.00
Bridger	11,980.00	8,543.00
Butte	12,000.00	12,000.00
Capital High School	24,513.00	20,605.00
Culbertson	9,457.00	11,687.00
Frenchtown	5,346.00	6,447.00
Hardin	20,135.00	20,410.00
Harlem	8,775.00	9,575.00
Hays	21,250.00	22,424.00
Headwaters Academy	7,247.00	7,927.00
Highwood	0.00	0.00
Mountain View	4,313.00	4,377.00
Nashua	3,969.00	2,646.00
Pryor Plenty Coups	15,020.00	9,125.00
St. Labre	13,570.00	13,447.00
Superior	15,115.00	10,438.00
Troy	16,060.00	8,514.00
Wolf Point	8,362.00	8,362.00
Arlee	14,825.00	16,010.00
Bainville	7,195.00	7,756.00
Belgrade	3,250.00	3,250.00
Billings Central	13,930.00	12,405.00
Billings Senior	15,705.00	15,705.00
Billings Skyview	19,685.00	20,512.00
Billings West	16,145.00	16,500.00
Carter County	18,675.00	4,669.00
Great Falls C.M. Russell	32,154.35	31,521.00
Choteau	19,295.00	19,570.00
Colstrip	17,910.00	14,885.00
Columbia Falls	25,447.00	26,622.00
Conrad	19,515.00	13,688.00
Corvallis	17,105.00	17,100.00
Custer	10,650.00	6,440.00
Custer County	17,099.00	17,091.00
Cut Bank	8,550.00	9,300.00
Dodson	16,325.84	17,000.00
Flathead	18,645.85	18,441.00
Hamilton	19,075.00	17,284.00
Helena High	39,450.00	39,645.00
Hinsdale	15,616.67	5,950.00
Hot Springs	12,375.00	12,375.00
Joliet	19,099.00	8,185.00
Libby	23,400.00	22,650.00
Melstone	9,775.00	9,825.00
Missoula Loyola	21,545.00	21,541.00
Missoula Sentinel	41,435.00	40,575.00
Moore	9,645.00	18,571.00
Park City	15,241.00	19,534.00
Plains	9,538.90	9,024.00
Powder River	15,780.00	2,350.00
Power	2,575.00	2,000.00
Reedpoint	10,455.00	3,000.00
Saco	19,720.80	27,585.00
St. Ignatius	27,660.00	22,584.00
St. Regis	8,250.00	7,730.00
Stanford	11,246.90	6,730.00
Sweet Grass	11,880.00	11,056.00
Valier	12,625.00	12,097.00
West Yellowstone	11,767.00	3,001.00
Whitefish	19,765.00	19,690.00
Whitehall	12,022.00	10,512.00
Winifred	14,626.90	5,000.00

EXHIBIT #2A  
DATE 4-7-93  
HB 652

Amendments to House Bill No. 652  
Third Reading Copy

Requested by Senator Bianchi  
For the Committee on Finance and Claims

Prepared by Taryn Purdy  
April 5, 1993

SENATE FINANCE AND CLAIMS

EXHIBIT NO. 3

DATE 4/7/93

BILL NO. HB 652

1. Title, line 15.

Following: "PROVISION;"

Insert: "PROVIDING AN APPROPRIATION;"

2. Page 7, following line 13.

Insert: "NEW SECTION. SECTION 8. Appropriation. There is appropriated to the office of public instruction from the school equalization aid account up to \$500,000 in fiscal year 1994 and up to \$500,000 in fiscal year 1995 of the additional funds deposited in the account under [this act], for the purposes of providing state matching funds for the systemic initiative for Montana mathematics and science grant."

Renumber: subsequent sections

{Office of Legislative Fiscal Analyst

444-2986}

Amendments to House Bill No. 652  
Third Reading Copy

Requested by Senator Bianchi  
For the Committee on Finance and Claims

Prepared by Taryn Purdy  
April 6, 1993

SENATE FINANCE AND CLAIMS  
EMENDIT NO. 4  
DATE 4/7/93  
BILL NO. HB 652

1. Page 2, line 17.

Strike: "\$290,000"

Insert: "\$312,000"

{Office of Legislative Fiscal Analyst

444-2986}

DATE April 7, 1993

SENATE COMMITTEE ON Finance & Claims

BILLS BEING HEARD TODAY: \_\_\_\_\_

Name	Representing	Bill No.	Check One	
			Support	Oppose
Gerald Butts	MHCA	333	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Russell Meech	"	"	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sally A Wood	MHCA - <del>Blair</del>	333	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Constance Dineen	MHCA	333	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Jan Crucher	MHCA	333	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Rich Oyila	Park Place HCC	333	<input checked="" type="checkbox"/>	<input type="checkbox"/>
MARK Bickler	<sup>MHCA</sup> Admiral Mountain View Manor	333	<input checked="" type="checkbox"/>	<input type="checkbox"/>

### VISITOR REGISTER

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY