

## **MINUTES**

### **MONTANA HOUSE OF REPRESENTATIVES 54th LEGISLATURE - REGULAR SESSION**

#### **COMMITTEE ON APPROPRIATIONS**

**Call to Order:** By **CHAIRMAN TOM ZOOK**, on March 9, 1995, at  
8:00 a.m.

#### **ROLL CALL**

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

Rep. Tom Zook, Chairman (R)  
Rep. Edward J. "Ed" Grady, Vice Chairman (Majority) (R)  
Rep. Joe Quillici, Vice Chairman (Minority) (D)  
Rep. Beverly Barnhart (D)  
Rep. Ernest Bergsagel (R)  
Rep. John Cobb (R)  
Rep. Roger Debruycker (R)  
Rep. Gary Feland (R)  
Rep. Marjorie I. Fisher (R)  
Rep. Don Holland (R)  
Rep. Royal C. Johnson (R)  
Rep. John Johnson (D)  
Rep. Mike Kadas (D)  
Rep. Betty Lou Kasten (R)  
Rep. Matt McCann (D)  
Rep. William T. "Red" Menahan (D)  
Rep. Steve Vick (R)  
Rep. William R. Wiseman (R)

**Members Excused:** None.

**Members Absent:** None.

**Staff Present:** Clayton Schenck, Legislative Fiscal Analyst  
Marjorie Peterson, Committee Secretary

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

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

Hearing: HB 365, HB 447, HB 479, HB 513, HB 528  
Executive Action: HB 513 DO PASS, SB 156 BE CONCURRED IN,  
SB 265 BE CONCURRED IN

HEARING ON HB 528Opening Statement by Sponsor:

**REP. LILA TAYLOR, HD 5, Busby**, opened the hearing on HB 528 which deals with funding reconstruction of a portion of Highway 314 in Big Horn County with coal severance tax money. Coal mines in the area have impacted their roads with heavy use of coal trucks. Also, many logging trucks use the highway. The road was not originally built for such heavy traffic. The road also goes to the Tongue River Reservoir and there is some recreation traffic as well. **EXHIBITS 1 and 2.**

**REP. TAYLOR** also read a letter from Mark Simonich, Director, Department of Natural Resources, which stated his department would be working on a rehabilitation project on the Tongue River Dam. The hazardous road conditions, he felt, would be a concern with daily construction travel using the highway. **REP. TAYLOR** submitted a copy of the Final Pavement Improvement Study by Big Horn County on Highway 314. **EXHIBITS 3 and 4.**

Proponents' Testimony:

**Robert Koyama, County Commissioner, Big Horn County**, supported this bill. He told the committee that four coal mines in the area -- Westmoreland Resources, Spring Creek and Decker East and West -- all use Highway 314. The highway is a significant part of their operations and has deteriorated in some parts to a point where travel is very hazardous. They agree that a portion of the coal tax money, in the amount of \$5.1 million, should be spent on reconstruction. **EXHIBIT 5.**

**REP. JAY STOVALL, HD 16, Billings**, also supports this bill and thinks it is a good investment of the coal tax money as well as a very important project.

**Jim Moull, Montana Coal Council**, said over the last few years the coal industry has changed very much -- they have had a record year in coal production -- several millions of tons. The money should be put back into the area where the coal was produced.

**REP. MARIAN HANSON, HD 1, Billings**, said that the area near this highway used to be her district. She agrees with the previous proponents that this would be a good use of coal tax money. She said the Decker coal mines have produced a lot of coal and have kept the area going. She also agreed that the road seriously needed repairs.

**REP. JUDY MURDOCK, HD 6, Lodge Grass**, stated she only lived 30 miles from Highway 314 and uses it daily. She said it was the only access road to the coal mines and the Tongue River Reservoir and supports the bill.

**Bill Beaver, Kennecott Energy, Spring Creek Coal Company,** said his company owns 50% of Decker Coal Company. As a manager of a company trying to maintain environmental quality, he is concerned about the hazardous conditions of the road. He submitted a petition of five pages of signatures for support of the necessary repairs on Highway 314. **EXHIBIT 6.**

**John Doyle, County Commissioner, Big Horn County,** also supports the bill. His district has a unique problem in that it encompasses all operating coal mines in the county. **EXHIBITS 7 and 8.**

**Sam Scott, Decker Coal Company,** said that his coal company contributed millions of dollars to Montanans and they would like a few returned in the way of fixing the highways. He said portions of the road were fixed in 1978 but have not lasted. Other parts of the road are almost hazardous to travel.

**Jim Halverson, Oil and Gas and Coal Counties,** also supports this bill.

*{Tape: 1; Side: A; Approx. Counter: 29.4.}*

**Florence Young, Rancher, Decker,** has been a rancher in the area for over 40 years. Her family has to drive the hazardous road and she worries about them. She supports the bill.

**Bernard Redcherries, Northern Cheyenne Tribe,** supports the bill. He said the county commissioners have the funds to repair the road and would like the authority given to Department of Transportation.

#### **Opponents' Testimony:**

**Marvin Dye, Director, Department of Transportation,** said he felt awkward as an opponent in the fact that he supports the project but is concerned about the methods being used. He has testified before subcommittees this session on his budget and this was not been included in those hearings. He said the coal funds are being redirected to long-range planning and is sure there are many other representatives who would like to have roads fixed in their counties. His department has a road-building plan and there are not enough funds for all the needed reconstruction. This bill gives an unfair advantage to only one county.

#### **Questions From Committee Members and Responses:**

**REP. JOE QUILICI, HD 36, Butte,** asked if Transportation had included Highway 314 in the Save Our Secondary (SOS) program. **Mr. Dye** said this road had not been a candidate for the SOS program, because that is basically an overlay program and this road probably need different repairs.

**REP. MARJORIE FISHER, HD 80, Whitefish,** asked when this road had most recently been repaired. **Mr. Dye** said that many secondary roads were originally built for passenger traffic, not heavy trucks, and that it had been repaired in the last 6 years.

**REP. EDWARD GRADY, HD 55, Canyon Creek,** asked how much of the coal impact money had been spent already. **REP. TAYLOR** wasn't sure, but some work had been done in 1991. She said the repairs hadn't solved the whole problem, because there are still portions that are very hazardous. **REP. GRADY** said he also had a similar problem with his county road; some overlays don't last very long and is a waste of taxpayers money. The roads should be reconstructed to last.

**REP. ROYAL JOHNSON, HD 10, Billings,** clarified that **Mr. Dye** had noted there was \$6 billion worth of road work that needed to be done all over the state. **Mr. Dye** guessed there was \$2 billion over 10 years available from the state and federal revenues for repairs.

**REP. WILLIAM WISEMAN, HD 41, Great Falls,** asked if the state highway rebuilding project was already scheduled. **Mr. Dye** said that Big Horn County was in a low-priority category as they had a lower volume of traffic on that highway compared to other parts of the state.

**REP. JOHN COBB, HD 50, Augusta,** asked if it was possible to make adjustments on their priority lists. He stated that the legislature had a right to change their priority if it is shown that the needs are higher than in other counties.

**REP. STEVE VICK, HD 31, Belgrade,** said 12% of the coal severance tax would be used for highway reconstruction trust. He wondered if they could divert money to those areas that are highly impacted. **Mr. Dye** said the money goes to the state and is redirected through the long-range building program. **REP. VICK** then asked **Mr. Doyle** if he knew how much money the coal tax gave local governments. **Mr. Doyle** said he was not sure.

**Closing by Sponsor:**

**REP. TAYLOR** reiterated that coal impact funds should be used to fix this highway.

{Tape: 1; Side: A; Approx. Counter: 62.3.}

HEARING ON HB 479

Opening Statement by Sponsor:

REP. PEGGY ARNOTT, HD 20, Billings, opened the hearing on HB 479 which would allow trustees of a school district to transfer up to \$20,000 or 4% of the general fund to the district building reserve fund to encourage long-range planning for building and equipment. She felt it was necessary for school districts to plan for long-range objectives. This bill also states that the public would give approval in the form of ballot issues. This would also assure the school districts that they need to plan for the future.

Proponents' Testimony:

Don Waldron, Montana Rural Education Association, said he should congratulate the sponsor for introducing this bill.

{Tape: 1; Side: B; Approx. Counter: 0.1.}

Mr. Waldron agrees that the money in the reserve accounts should be used this way. He referred to page 3, line 7, subsection (b): "Whenever the trustees of a district decide to budget for a transfer of a portion of the general fund budget for the ensuing school fiscal year to the building reserve..., they shall notify the public of the intent to adopt a resolution proclaiming the intent to budget for a transfer by publishing the notice... The notice must state the facts constituting the long-range plan for the use of the money to be transferred..." The assumed fiscal impact of this bill would be that state equalization aid costs would increase to the extent districts transfer funds and reduce the amount reappropriated to the ensuing year. If district transfers reduce reappropriated funds by \$3 million, state equalization aid costs would increase by approximately \$1 million.

Loran Frazier, School Administrators of Montana, also support this bill and agreed with Mr. Waldron. The state has more control on school districts than in the past. The budgets are much tighter and it is harder to save money. This bill would provide a mechanism to save enough money to do something substantial. He used computers as an example of the complexity of purchasing equipment without enough money. If a district can only afford three computers at a certain time and purchase more at another time, the new computers are sometimes incompatible with the older ones. If they could purchase what they needed at the same time, they would be compatible. He agreed with parts of the bill that would have the school districts submit plans on their use of the money and have the public approve them.

REP. WILLIAM WISEMAN, HD 41, Great Falls, also agrees with the bill. He visited with school administrators in Great Falls who are concerned about the rapid growth in that area. They are also concerned about possibly building more schools and want to plan accordingly. They want to operate the schools like a business, with good planning and long-range objectives, but there isn't enough money to set aside. He agreed that this bill would help the school districts immensely.

Opponents' Testimony:

None.

Questions From Committee Members and Responses:

REP. MIKE KADAS, HD 66, Missoula, referred to page 2, line 28, where it limits the districts to the BASE budget. He thinks it should say, "at or above" BASE level. REP. ARNOTT clarified that the fiscal note did, in fact, include that change.

REP. JOHN COBB, HD 50, Augusta, mentioned #2 on the fiscal note where it stated that the fund balance would be reappropriated in GTB eligible districts, that those district taxes and state equalization aid would also be reduced. This bill would encourage them to be long-term managers, not short-term managers. REP. ARNOTT reminded the committee that the date on page 3, line 6, had changed from December to March 31 in the last committee and that the fiscal note had not been changed to reflect that. CHAIRMAN ZOOK said they would ask for a new fiscal note.

REP. STEVE VICK, HD 31, Belgrade, asked if this would affect school equalization and REP. ARNOTT said she didn't think so. REP. KADAS said equalization deals with all districts, so as soon as they allow some districts to do things differently, there would be two sets of standards. Mr. Waldron said that this bill does make some administrators nervous and that there is no money in HB 2 to implement it. CHAIRMAN ZOOK said HB 667 requires districts to budget up to 80%, so if some districts decide to take a portion of that and set it aside, he didn't know how it would affect the GTB. Mr. Waldron said he was partially wrong; if they are at 82% or 83%, they might do that.

REP. JOHN JOHNSON, HD 2, Glendive, referred to page 2, line 8, the official ballot election, and page 3, line 2, resolution. He said it didn't mention that the resolution was a result of the ballot. Mr. Waldron said he met with his staff and they asked to have the resolution included in the bill. REP. JOHNSON was concerned the public would not have any input in the resolution, and Mr. Waldron said they would.

REP. DON HOLLAND, HD 7, Forsyth, was concerned that if a school needed a new roof and the school board wanted to fix it, they

could not make the necessary repairs. Mr. Waldron said that in that situation, they would be able to do short-term projects; that long-range did not necessarily mean 10 years, it could mean two or three years.

Closing by Sponsor:

REP. ARNOTT said that this bill rewards and encourages good policies and allows school districts to run their schools like businesses. It also allows for public input and she feels it is a very good bill.

[The committee hearing recessed until 3:00 p.m.]

{Tape: 2; Side: A; Approx. Counter: 0.1.}

HEARING ON HB 447

Opening Statement by Sponsor:

REP. RED MENAHAN, HD 57, Anaconda, opened the hearing on HB 447 which appropriates money to the Department of Family Services (DFS) to provide services to older Montanans under the Montana Older Americans Act. He is concerned that older Montanans want to stay in their homes and live independent lifestyles instead of moving to nursing homes. This would be less expensive than paying higher costs associated with many nursing homes.

Proponents' Testimony:

Doug Campbell, Montana Senior Citizens Association, Missoula, said he was in favor of this bill because it would keep senior citizens in their homes where they want to be. Many senior citizens don't have the money nursing homes charge and don't want to be institutionalized, either.

Don Allen, Montana Area Agencies on Aging, Helena, said his organization included non-profit agencies designated by the State Office on Aging to address needs and concerns of older Montanans. In 35 of the 56 counties in Montana, 20% of the population is over 60 years of age. The concept of home health care stresses needs of the elderly. Community-based services are provided at central locations and may include adult daycare, senior center programs, Meals On Wheels, legal services, volunteer opportunities and long-term care providers. Access to these services is simple and uncomplicated. Uncertainty is one of the problems with the elderly, not knowing where they will be taken care of. They should have the freedom to make personal decisions if they are able, and to stay in their homes as long as possible.

**EXHIBIT 9.**

**Ardell Kruittoff, Executive Director, Senior Helping Hands, Billings,** said she represents the unseen, unheard population of Montana -- the elderly. She said there were also strenuous requirements to meet to enter nursing homes and many older Montanans don't meet those requirements. The Senior Helping Hands in Billings helps people stay in their homes with all the necessary nursing and care providers. She read a letter from Leslie Habener. **EXHIBIT 10.**

**Agnes Crow, Senior Citizens, Billings,** said she has visited with many seniors and the most common thing she hears is that they all want to stay in their homes. It keeps their spirits up to be in comfortable, familiar surroundings, sometimes with family or where family can visit them any time they want. **EXHIBIT 11.**

**Ena Simpson, Legacy Legislature, Polson,** said she helps to care for or visit over 745 patients every month and there is even a waiting list at her organization. They are involved in keeping the elderly at home and giving them personal care.

**Randy Barrett, Area Agency on Aging, Black Eagle,** said he was delivering letters written by senior citizens and home health care attendants. **EXHIBITS 12 and 13.**

**Susan Kohler, Missoula Agency Services,** stated the Meals On Wheels program in Missoula County serves about 54,000 meals to about 600 people. They also serve about 120 people a year in home care services. Their transportation services give 250 rides to seniors. She said her agency was in a partnership with local government and now would like to have state government involved as well.

**Charles Briggs, Rocky Mountain Agency on Aging, Helena,** said this would be like funding preventive services, letting older Montanans be cared for in their homes. He said that nursing homes take all their assets and when there is nothing left, they have to go on medicaid. His agency serves about 1,000 people in six counties and they have estimated that 170 people of those would go into nursing homes in 60-90 days without these services. His agency's budget is only \$832,000 per biennium, and over \$30 million is spent in Montana's nursing homes by less than 10% of the population. He also said that problems connected with the aging would only continue to grow and this bill is extremely necessary.

**Ed Caplis, Executive Director, Montana Senior Citizens Association,** said he agrees with the previous proponents and fully supports this bill.

**Opponents' Testimony:**

None.



{Tape: 2; Side: A; Approx. Counter: 44.3.}

Questions From Committee Members and Responses:

REP. JOHN COBB, HD 50, Augusta, asked if money in this bill would go to direct services. Mr. Briggs said there are no allowable laws in the statutes for administrative costs to be deducted, so he felt it would certainly go to direct services. REP. COBB asked if they would take care of those on the waiting lists first, before other services. Mr. Briggs said that all programs that care for the elderly should work together, including medicaid. These individuals spend their life savings first and use all their assets before they qualify for programs.

REP. KASTEN said this year the committee spent over \$214 million on youth programs and she wanted to know what they were spending on aging programs. Charlie Rehbein, Coordinator on Aging, said his base budget was \$735,000. REP. KASTEN asked if that money was spent on programs such as food stamps or weatherization. Mr. Rehbein said they use some money to match food stamps; that some money is for a family assistance program which counsels those who don't understand medicaid or insurance policies.

REP. BEVERLY BARNHART, HD 29, Bozeman, asked if the Montana Older Americans Act included much of the same definitions as the US Older Americans Act. Mr. Rehbein said it was similar and that the state was trying to assure coordination with the US Act.

REP. BARNHART asked if there were provisions to accept donations. Mr. Rehbein said they can accept donations for services and that some counties have arranged contribution fees based on the ability to pay. EXHIBIT 14.

Closing by Sponsor:

REP. MENAHAN reiterated that it was a good bill and highly supported by many people in the aging services industry. These are very important issues and we need to take care of our fellow Montanans.

{Tape: 2; Side: A; Approx. Counter: 58.3.}

HEARING ON HB 365

Opening Statement by Sponsor:

REP. JOHN COBB, HD 50, Augusta, said this bill requests the Board of Regents to report to the legislature, the legislative finance committee and the Governor on graduation statistics and other information of the university system. He said that the state of Texas required performance-based budgeting and that parts of this

bill was tailored after them. **REP. COBB** thought the Board of Regents already had this information and could probably be compiled easily. He doesn't agree with the fiscal note, which said the bill would add 2 FTEs and \$98,000 from the general fund. He thinks it could be done without any new staff or money; just devise a way to coordinate all their statistics into a report.

**Proponents' Testimony:**

None.

**Opponents' Testimony:**

None.

**Questions From Committee Members and Responses:**

**REP. GARY FELAND, HD 88, Shelby**, asked **REP. COBB** if he thought the fiscal note was correct and he did not. **REP. COBB** said that he doesn't think they need any FTEs or that much money from the general fund as they already have most of the statistics and just need to compile them. He just wanted remedial information.

**REP. ROYAL JOHNSON, HD 10, Billings**, agreed that the university system is already doing much of what is in this bill.

*{Tape: 2; Side: B; Approx. Counter: 0.1.}*

**REP. COBB** said he had talked with Jeff Baker, Commissioner of Higher Education, and that Mr. Baker had indicated his office knew there was something going on and that they needed to compile statistics. It was his opinion that they would need the two FTEs and money from the general fund to accomplish it, but **REP. COBB** did not agree. **CHAIRMAN ZOOK** also stated that the Board of Education should have collected this information and it should be available somewhere. He also said that high school counselors should be advising students.

**REP. KASTEN** said that 42% of remedial classes are taken during the first and second years. She wondered what they were doing to try and alleviate that situation. **Marilyn Wessel, MSU**, said they work with high schools to make sure all students know what classes they will need and what the requirements are. They must achieve a certain grade point and achieve a certain level on standardized tests. Grades and testing scores have improved substantially in the last eight years. She said that MSU has been tracking freshman students on how many flunk out and how many are doing exceptional work. The high schools are helping and are aware of relationships between academic requirements and success as a freshman. **REP. KASTEN** asked if there was any correlation between success and certain high schools in certain

areas. Ms. Wessel said that some schools have more problems but most students from small schools are certainly competitive with students from larger schools if they have taken college preparatory classes. She also said that they have compiled information on why students leave college -- some have financial problems, some have family problems, some have other jobs they don't want to lose.

Closing by Sponsor:

REP. COBB said this information should be available and should not require too much effort to compile it into a report. Other states have written reports and have the necessary information that helps their legislatures make these important decisions.

{Tape: 2; Side: B; Approx. Counter: 11.5.}

HEARING ON HB 513

Opening Statement by Sponsor:

REP. ROGER DEBRUYCKER, HD 89, Floweree, opened the hearing on HB 513 which was requested by the Natural Resources subcommittee. This deals with exempting people who buy agricultural commodities exclusively for feed from the definition of a commodity dealer.

Proponents' Testimony:

Leo Giacometto, Director, Department of Agriculture, Helena, said he supports this bill. If a program can't be run effectively, then it should be taken out of the statute. He thinks it is unnecessary to require a license for someone who is just buying items for feed and not resale.

Chris Mehns, Montana Stockgrowers Association, also supports the bill.

Opponents' Testimony:

None.

Questions From Committee Members and Responses:

REP. RED MENAHAN, HD 57, Anaconda, asked what would happen to the producer at the stockyards. REP. DEBRUYCKER said it didn't have anything to do with cattle at the stockyards.

Closing by Sponsor:

REP. DEBRUYCKER said this just takes an unnecessary statute off the books.

EXECUTIVE ACTION ON HB 513

Motion/Vote: REP. GRADY MOVED HB 513 DO PASS. Motion carried unanimously.

EXECUTIVE ACTION ON SB 156

Motion: REP. COBB MOVED SB 156 BE CONCURRED IN.

Discussion: REP. COBB reminded the committee that this bill restructured the university system by adding the vocational technical schools into the system. This bill reduces the general fund by \$62,000 in both FY 96 and 97. REP. DEBRUYCKER said that the fiscal note included requiring five counties to levy 1½ mills to support vo-tech education. He wondered if they have always been doing that or if this would require them to do so. REP. JOHN JOHNSON said this would actually reduce mill levies.

Vote: Motion that SB 156 Be Concurred In carried 16 - 2, with REPS. VICK and BERGSAGEL voting no.

{Tape: 2; Side: B; Approx. Counter: 22.2.}

EXECUTIVE ACTION ON SB 265

Motion: REP. GRADY MOVED SB 265 BE CONCURRED IN.

Discussion: REP. GRADY reminded the committee about the discussion on changing "must" to "may" in regards to the state library accepting donations. REP. ROYAL JOHNSON said this bill states that if \$250 or more is given to the library association, it would go into the Talking Book Trust. He says that is too specific and earmarks funds and he has a problem with that. Clayton Schenck, Legislative Fiscal Analyst, said that if there were a donation with no strings attached it would go to the Talking Book Trust, but it doesn't state that any money would. If the donator does not specify, according to this bill, it "shall" go to the Trust. REP. JOHNSON said if a donation was given, it goes to the Talking Book Trust, unless the donor says it shall go to something else. If a donor didn't know about this

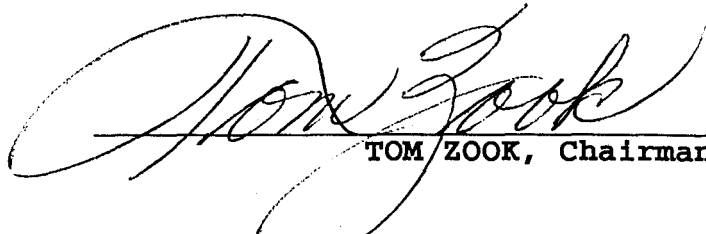
law and gave a donation, it would go there, but most people would not know that. Most endowments do not have that language that earmarks the money.

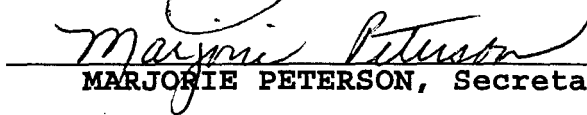
**Richard Miller, State Librarian, Helena,** said that they have not had any contributions other than to the Talking Book Trust. They also have not had any large contributions that would require certain limits. **REP. BARNHART** asked if the donations were only in cash, or if they could accept other items, such as artwork. **Mr. Miller** said they were not set up to accept artwork, and that most of their donations, however small, have been in cash. If other items were donated, they would have them appraised. **Mr. Miller** also said that when the bill was originally heard in State Administration, **SEN. BECK** proposed dropping the \$250.

**Vote:** Motion that SB 265 Be Concurred In carried 11 - 7, with REPS. ROYAL JOHNSON, VICK, HOLLAND, KASTEN, COBB, BARNHART and McCANN voting no.

ADJOURNMENT

Adjournment: 5:50 p.m.

  
TOM ZOOK, Chairman

  
MARJORIE PETERSON, Secretary

TZ/mp

# HOUSE OF REPRESENTATIVES

## Appropriations

ROLL CALL

DATE 3-9-95

NAME	PRESENT	ABSENT	EXCUSED
Rep. Tom Zook, Chairman	✓		
Rep. Ed Grady, Vice Chairman, Majority	✓		
Rep. Joe Quilici, Vice Chairman, Minority	✓		
Rep. Beverly Barnhart	✓		
Rep. Ernest Bergsagel	✓		
Rep. John Cobb	✓		
Rep. Roger DeBruycker	✓		
Rep. Gary Feland	✓		
Rep. Marj Fisher	✓		
Rep. Don Holland	✓		
Rep. John Johnson	✓		
Rep. Royal Johnson	✓		
Rep. Mike Kadas	✓		
Rep. Betty Lou Kasten	✓		
Rep. Matt McCann	✓		
Rep. Red Menahan	✓		
Rep. Steve Vick	✓		
Rep. Bill Wiseman	✓		



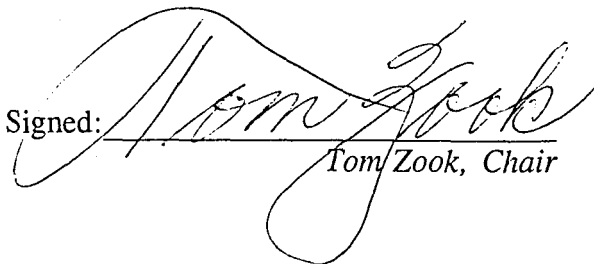
## HOUSE STANDING COMMITTEE REPORT

March 11, 1995

Page 1 of 1

Mr. Speaker: We, the committee on Appropriations report that **House Bill 513** (first reading copy -- white) **do pass**.

Signed:

  
Tom Zook, Chair

Committee Vote:  
Yes 18, No 0.

571308SC.Hbk





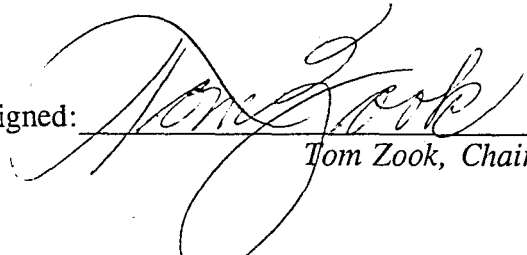
## HOUSE STANDING COMMITTEE REPORT

March 11, 1995

Page 1 of 1

Mr. Speaker: We, the committee on Appropriations report that Senate Bill 156 (third reading copy -- blue) be concurred in.

Signed: \_\_\_\_\_

  
Tom Zook, Chair

Carried by: Rep. J. Johnson

Committee Vote:  
Yes 16, No 2.

571305SC.Hbk



## HOUSE STANDING COMMITTEE REPORT

March 11, 1995

Page 1 of 1

Mr. Speaker: We, the committee on Appropriations report that Senate Bill 265 (third reading copy -- blue) be concurred in.

Signed:

A handwritten signature in cursive script, reading "Tom Zook", is written over a horizontal line. The signature is fluid and stylized, with the first and last names being prominent.

Tom Zook, Chair

Carried by: Rep. Grady

Committee Vote:  
Yes 11, No 2.

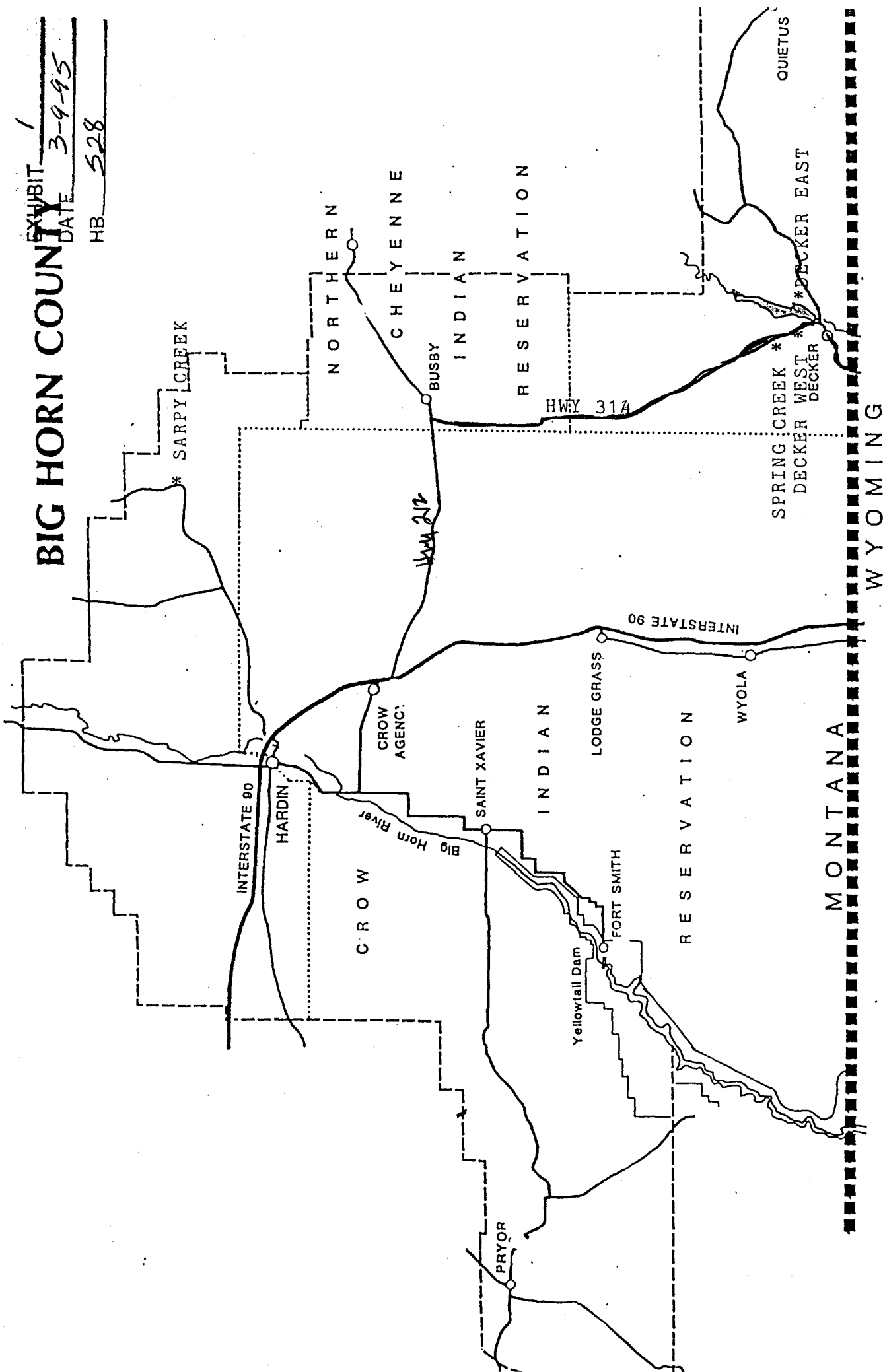
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EXHIBIT 1

# BIG HORN COUNTY

DATE 3-9-95

HB 528



\* INDICATE OPERATING COAL MINES

EXHIBIT 2

DATE 3-9-95

HB 528

## FEDERAL AID SECONDARY ROUTE NUMBER 314

SECTION DESCRIPTION	MILE POST	MTCE PROJECT SECT NUMBER	YEAR	BLT IMP	SURF TYPE	THICKNESS	WIDTH	SURF RDY LN	NO	SECT LENGTH	LOCA-TION	PROJECT LENGTH	ACCUM MILEAGE
MONTANA/WYOMING STATE LINE	0+0.000	S 207 3	63	80	PMS	4.2	14.0	28	2	3.733	COUNTY	3.762	3.733
BEG OL DP 314-1(3)	3+0.733	S 207 3	63		PMS	2.4	14.0	28	2	.029	COUNTY		3.762
END OL DP 314-1(3)	3+0.762	S 207 9	73		PMS	3.0	6.0	28	2	.238	COUNTY	2.996	3.762
PROJECT CHANGE	4+0.000	S 207 9	73		PMS	3.0	6.0	31	2	2.758	COUNTY		4.000
TYPICAL CHANGE	6+0.758	AR 94 94	82		PMS	2.4	9.0	31	2	5.606	COUNTY	5.606	6.758
PROJECT CHANGE	12+0.364	S 207 9	73		PMS	3.0	6.0	31	2	5.136	COUNTY		12.364
PROJECT CHANGE	17+0.500	S 207 9	73		PMS	3.0	6.0	31	2	.025	COUNTY	5.161	17.500
JCT FAS 566	17+0.525	CT 314 1 9 91			PMS	3.0	10.8	30	46	7.939	COUNTY	7.939	17.525
PROJECT CHANGE	25+0.439	RS 314 1 7 91			PMS	3.0	10.8	30	46	6.452	COUNTY	6.452	25.464
PROJECT CHANGE	31+0.887	CT 314 1 6 84			PMS	6.0	11.0	24	2	.314	INDRES	12.386	31.916
ENT NORTHERN CHEYENNE IR	32+0.000	CT 314 1 6 84			PMS	6.0	11.0	29	2	12.072	INDRES		32.230
TYPICAL CHANGE	44+0.051												44.302

## \*\*\*\*\* SUMMARY BY COUNTIES \*\*\*\*\*

ROUTE	CONST	UNIMP	WYE	CITY <5000	CITY LIMITS	CITY	TOTAL CITY	TOTAL URBAN	COUNTY	INDIAN RESERV	NET RURAL
44.302	44.302								31.916	12.386	44.302

BIG HORN

## FEDERAL AID SECONDARY ROUTE NUMBER 317

SECTION DESCRIPTION	MILE POST	MTCE PROJECT SECT NUMBER	YEAR	BLT IMP	SURF TYPE	THICKNESS	WIDTH	SURF RDY LN	NO	SECT LENGTH	LOCA-TION	PROJECT LENGTH	ACCUM MILEAGE
MONT. SECONDARY 317	0+0.000	CNTY CONSTR 53			RMS	1.5	3.0	22	2	1.528	COUNTY	4.488	1.528
JCT FAP 5 S OF KALISPELL	1+0.528	CNTY CONSTR 53			RMS	1.5	3.0	22	2	1.178	COUNTY		2.706
JCT FAU 6726(WOODLAND AVE)	2+0.706	CNTY CONSTR 53			RMS	1.5	3.0	22	2	1.782	COUNTY		4.488
JCT FAU 6715(CONRAD DR)	4+0.488												
JCT FAP 52 E OF KALISPELL													

## \*\*\*\*\* SUMMARY BY COUNTIES \*\*\*\*\*

ROUTE	CONST	UNIMP	WYE	CITY <5000	CITY LIMITS	CITY	TOTAL CITY	TOTAL URBAN	COUNTY	INDIAN RESERV	NET RURAL
4.488	4.488								4.488		4.488

FLATHEAD

DEPARTMENT OF NATURAL RESOURCES  
AND CONSERVATION

EXHIBIT 3  
DATE 3-9-95  
HB 528

LEE METCALF BUILDING  
1520 EAST SIXTH AVENUE

MARC RACICOT, GOVERNOR

STATE OF MONTANA

DIRECTOR'S OFFICE (406) 444-6699  
TELEFAX NUMBER (406) 444-6721

PO BOX 202301  
HELENA, MONTANA 59620-2301

March 8, 1995

TO: Representative Lila Taylor  
Representative, House District 5

FROM: Mark A. Simonich, Director *Mark Simonich*

RE: Proposed Reconstruction of a Portion of Montana Highway  
314

Montana Highway 314 between Decker and Busby, Montana will very likely be impacted by the Department of Natural Resources and Conservation's upcoming rehabilitation of the Tongue River Dam. Specifically, the State of Montana has signed a hiring preference agreement (per the Northern Cheyenne Indian Reserved Water Rights Settlement Act of 1992) with the Northern Cheyenne Tribe entitling the Tribe up to 75% of the jobs in the local construction workforce. The Northern Cheyenne Tribal workforce, which could number up to 30 or 40 employees during peak times, will regularly travel Highway 314 twice daily during the two years of Tongue River Dam rehabilitation. Safe and dependable road conditions and travel will ensure the availability of a large portion of the project workforce. Equally important, it is likely that Highway 314 will be used to convey some of the contractors' equipment, employees, and project materials to the job site. Road conditions will be very important to ensure the transport of the contractors' employees, equipment, and materials.

Existing Highway 314 road conditions could certainly impair the workforce and the contractors' ability to safely travel to and from the project site.

EXHIBIT 4  
DATE 3-9-95  
HB 528

**FINAL**  
**PAVEMENT IMPROVEMENT STUDY**  
**SECONDARY HIGHWAY 314**  
**BIG HORN COUNTY, MONTANA**

**JUNE, 1994**

The original of this document is stored at the Historical Society at 225 North Roberts Street, Helena, MT 59620-1201. The phone number is 444-2694.

Prepared By:

**MORRISON-MAIERLE/CSSA**

**2020 Grand Avenue  
Billings, Montana 59102**

TESTIMONY BEFORE THE MONTANA HOUSE COMMITTEE ON APPROPRIATIONS -  
FUNDING OF COAL IMPACTED HIGHWAYS AND APPROPRIATING MONEY FOR THE  
RECONSTRUCTION OF MONTANA HIGHWAY 314.

I am Robert Koyama, County Commissioner for Big Horn County, and I would like to go on record in support of House Bill 528.

Within Big Horn County there are four functioning coal mines located on State Secondary Highways, to-wit:

1. Westmoreland Resources - Secondary Highway 384
2. Spring Creek - Secondary Highway 314
3. Decker East - Secondary Highway 314
4. Decker West - Secondary Highway 314

The highways are a significant part of the coal mining operations. After 20 years of mining, our infrastructure has deteriorated to a point where all travel is not only difficult, but hazardous as well. The highways provide access for the coal mine employees, supply vendors i.e. equipment, coal transport trucks; logging; farming and ranching, as well as tourism and recreation.

Montana realizes a significant part of its revenue from coal severance taxes, as indicated in the Biennial Report of the Montana Department of Revenue 1992-1994. The State of Montana received \$38,439,386 in FY 1993 and \$39,624,883 in FY 1994. Fifty percent of said revenue is generated from Big Horn County, and we believe that it would be appropriate that a small portion of the State revenue received from the coal industry be returned to facilitate the industry that has so richly rewarded the State of Montana. As a result Big Horn County has introduced a bill requesting 5.5 million dollars from the State Highway Account in the State Special Revenue Fund and 5 million from the local impact account in the State Special Revenue Fund to assist us in the reconstruction of the north end of Highway 314. In the near future, we anticipate that we will request an additional 7 - 10 million dollars to repair the south end of the same highway. As a result, 6% of the coal severance tax collections be allocated to the Highway Construction Account to the credit of the coal area highway improvement account.

In the past, funding for these projects, was available through the Montana Coal Board. In reference to Governor Racicot's letter dated February 27, 1995, the appropriation sub-committee has eliminated all funding for Coal Board grants in the next biennium freeing up approximately 5.1 million in coal tax revenues to be used for other purposes. Said funding has not been allocated for general fund or school funding purposes. We therefore request that said 5.1 million in coal tax revenues be allocated for the reconstruction of Highway 314.

Coal mining is a viable industry for many years to come and it is the State of Montana's responsibility to provide an adequate transportation system to insure continued revenue and employment for the residents of the State of Montana.

I further present letters from the Northern Cheyenne Tribe, Spring Creek Coal Company, Scobey Public Schools, and the Hardin Public Schools in support of this legislation.

We would appreciate your consideration of our request.

Commissioner John Doyle is also with me today and he will present a statement in support of said legislation.



## IV. NONRENEWABLE NATURAL RESOURCE TAXATION

## A. STATE SEVERANCE AND LICENSE TAXES

EXHIBIT 5DATE 3-9-95HB 528

## Coal Severance Tax

The coal severance tax applies to the value of coal F.O.B. (free-on-board) the mine less deductions for the coal severance tax, coal gross proceeds tax, resource indemnity and groundwater assessment tax, federal black lung tax, federal reclamation fee, government and tribal royalties, and processing allowances. (MCA 15-35-102)

Producers of over 50,000 tons of coal per year pay a quarterly tax on all production in excess of 20,000 tons. Producers of less than 50,000 tons per year are exempt from the tax. Surface mined coal is taxed at 15% if rated 7,000 BTU per pound and over and taxed at 10% if rated under 7,000 BTU per pound. Coal mined underground is taxed at 4% if rated 7,000 BTU per pound and over, and is taxed at 3% if rated under 7,000 BTU per pound. (MCA 15-35-103)

## Coal Severance Tax

	FY 90*	FY 91	FY 92	FY 93	FY 94*
Number of producers	7	7	7	6	6
Number of exempt producers	1	1	1	1	1
Number of tons taxed	34,663,720	34,709,025	36,348,019	35,457,327	32,966,439
Average value per ton	\$7.40	\$7.65	\$7.75	\$7.49	\$8.05
Total Tax**	\$67,870,544	\$50,457,839	\$43,434,110	\$38,439,386	\$39,624,883

\* FY 90 total includes \$11 million in audit revenue; FY 94 total includes \$1.4 million in audit revenue.

\*\* Totals may not include all interest, penalties and accruals and, therefore, may not agree with revenues listed on page 4.

Coal Gross Proceeds and Miscellaneous Mines Net Proceeds Production

<u>County</u>	<u>Mineral</u>	<u>1992 Production</u>	<u>1993 Production</u>
		<u>Tons/Carats Extracted</u>	<u>Tons/Carats Extracted</u>
Beaverhead	Silica	73,504	8,900
Big Horn	Coal	19,224,169	18,030,719
Broadwater	Limestone	527,446	425,093
Carbon	Bentonite	54,173	29,459
	Limestone	380,744	0
Carter	Bentonite	407,707	378,621
Gallatin	Limestone	531,539	535,051
Granite	Sapphire	5,125	5,000
Jefferson	Limestone	399,988	460,497
	Silica	589	0
Judith Basin	Sapphire	11,602	150
Madison	Chlorite	10,513	0
	Talc	422,646	351,451
Missoula	Other Misc.	0	200
Musselshell	Coal	0	12,180
Park	Travertine	0	841
Powell	Phosphate	128,797	82,730
Richland	Coal	243,686	282,259
Rosebud	Coal	16,868,312	14,695,139
<b>Total</b>		<b>39,290,540</b>	<b>35,298,290</b>

OFFICE OF THE GOVERNOR  
STATE OF MONTANA

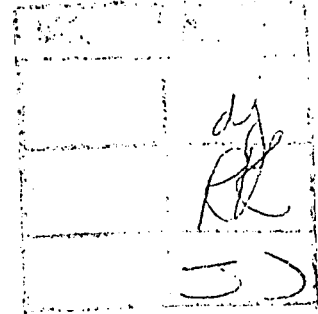
EXHIBIT 5  
DATE 3-9-95  
HB 528

MARC RACICOT  
GOVERNOR



STATE CAPITOL  
HELENA, MONTANA 59620-0801

FEB 28 1995



February 27, 1994

Board of Commissioners  
Big Horn County  
Drawer H  
Hardin, Montana 59034

Dear Commissioners:

I certainly recognize the problem you have with Highway 314 and understand why you would be interested in the Coal Tax money for reconstructing that road. However, I believe there may be an alternative possibility instead of taking the money we have designated for repair and reconstruction of buildings in H.B. 19.

The appropriation sub-committee has eliminated all funding for coal board grants in the next biennium freeing up approximately \$5.1 million in coal tax revenues to be used for other purposes. We had not counted on that money for general fund or school funding in our budget since it would not become available until June 30, 1997.

You may wish to discuss this possibility with your local legislators. As I informed Commissioner Robert Koyama, I am not in a position to support reducing the money we have requested in H.B. 19, but may be able to support some compromise with the Coal Board over the use of their money and your project.

I might advise that the Musselshell County Commissioners are also seeking a means of funding transportation needs associated with the Ball Mountain Mine and may be considering this same possibility. You might wish to consult with Kelly Gebhardt (323-1104) in that regard.

Sincerely,

A handwritten signature in cursive script that reads "Marc Racicot".

MARC RACICOT  
Governor

OFFICE OF THE GOVERNOR  
STATE OF MONTANA

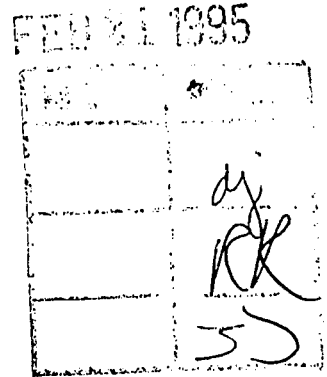


MARC RACICOT  
GOVERNOR

STATE CAPITOL  
HELENA, MONTANA 59620-0801

February 14, 1995

Conrad Heinen  
Box N  
Lodge Grass MT 59050



Dear Mr. Heinen:

Thank you for your letter and photographs describing areas needing repair on the Busby-Decker Road (S-314). This route is on the Montana Highway System but is maintained by Big Horn County.

The Montana Department of Transportation maintenance personnel in their semi-annual review of Secondary Roads identified these areas as needing county maintenance support. I am sure that Big Horn County is working on this and all their roads as time and weather permits. We will forward your letter of concern to the Big Horn County Commissioners.

If there are any questions, please feel free to contact Myron Wilson, Acting District Engineer for the Montana Department of Transportation in the Billings office at (406) 252-4138.

Sincerely,

A handwritten signature in cursive script that reads "Marc Racicot".

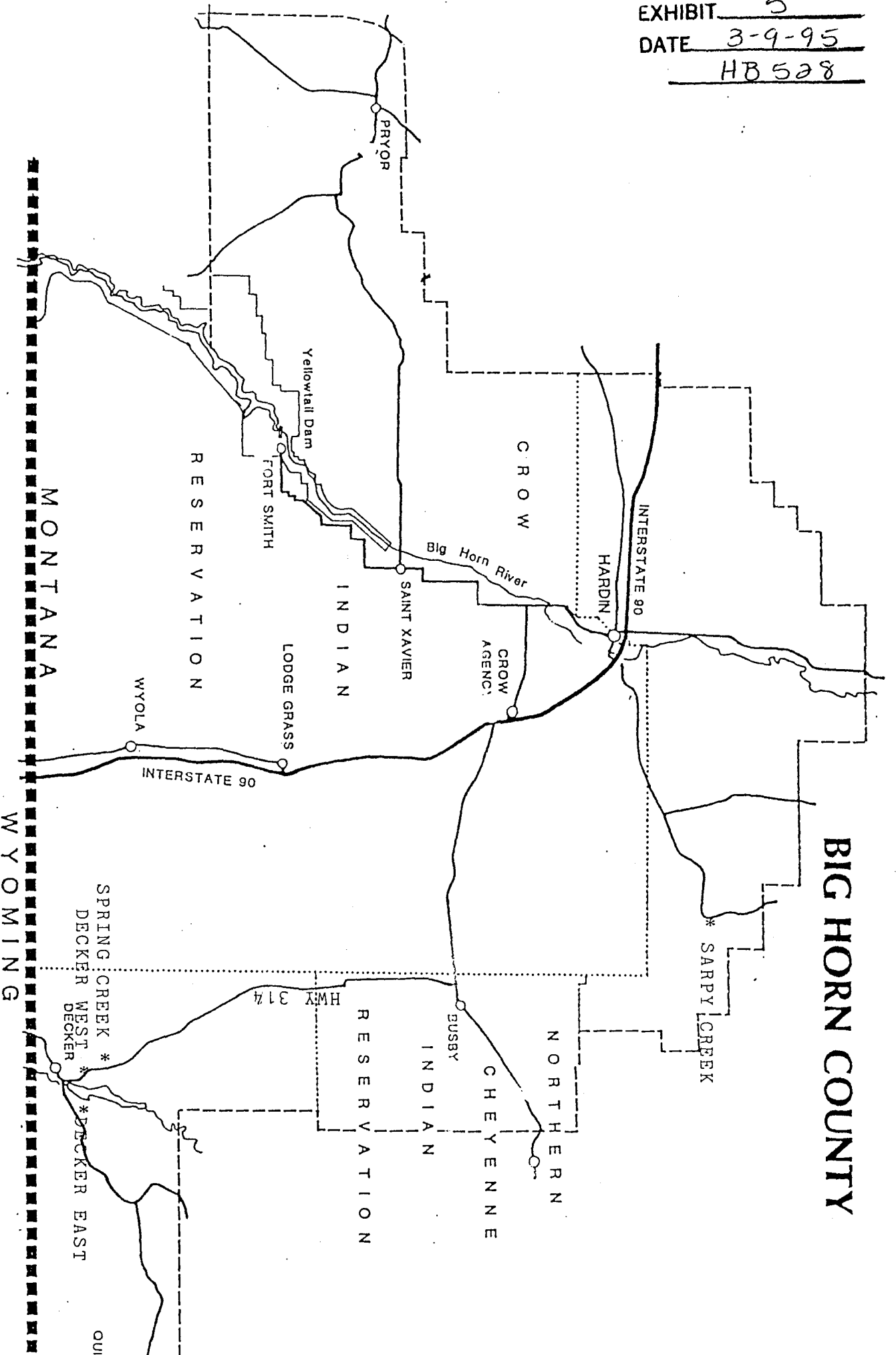
MARC RACICOT  
Governor

cc: Big Horn County Commissioners  
Myron Wilson, Acting District Engineer, Billings District

COPY

EXHIBIT 5  
DATE 3-9-95  
HB 528

# BIG HORN COUNTY



\* INDICATE OPERATING COAL MINES

Spring Creek Coal Company  
P.O. Box 67  
Decker, Montana 59025  
(406) 757-2581  
Fax: (406) 757-2405

EXHIBIT 6  
DATE 3-9-95  
HB 528

March 1, 1995

## Kennecott Energy

TO: Big Horn County Commissioners

FROM: Spring Creek Coal Company Employees

We, the undersigned, support the introduction of whatever legislation is necessary to have Montana repair or repave the section of Highway 314 between Decker and mile marker 15 at the Spring Creek Coal mine entrance.

Printed Name

Signature

TONI ALDEN

Toni Alden

CINDI KILPATRICK

Cindi Kilpatrick

DON GIBBONEY

Don Gibboney

ISABELL TREVINO

Isabell Trevino

CONNIE HAUGEN

Connie Haugen

Jayne Hoffman

Jayne Hoffman

DAVID RILEY

David J. Riley

Mike Skinner

Glenn J. Logan

Glenn J. Logan

Carolyn P. Co

Carolyn P. Co

LYNN B. GREENMAN

Lynn B. Greenman

William E. Beaver

W. E. Beaver

Randy B. Olsen

Randy B. Olsen

Bruce Tomsovic

Bruce Tomsovic

Spring Creek Coal Company  
P.O. Box 67  
Decker, Montana 59025  
(406) 757-2581  
Fax: (406) 757-2405

March 1, 1995

**Kennecott  
Energy**

TO: Big Horn County Commissioners

FROM: Spring Creek Coal Company Employees

We, the undersigned, support the introduction of whatever legislation is necessary to have Montana repair or repave the section of Highway 314 between Decker and mile marker 15 at the Spring Creek Coal mine entrance.

Printed Name

Signature

Gene Kilpatrick

*Gene Kilpatrick*

Q. Mitchell

*Q. Mitchell*

Will Brown

*Will Brown*

Tom Phillips

*Tom Phillips*

Dean Velikanoye

*Dean Velikanoye*

Lee Hamilton

*Lee W. Hamilton*

HOWARD Smothers

*Howard Smothers*

BILL REINKE

*Bill Reinke*

Joseph R Lewis

*Joseph R Lewis*

Gerry F White

*Gerry F White*

Doug Valdez

*Doug Valdez*

Spring Creek Coal Company  
P.O. Box 67  
Decker, Montana 59025  
(406) 757-2581  
Fax: (406) 757-2405

EXHIBIT 6  
DATE 3-9-95  
HB 528

March 1, 1995

## Kennecott Energy

TO: Big Horn County Commissioners

FROM: Spring Creek Coal Company Employees

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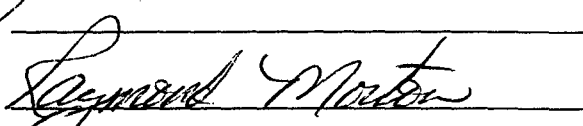
Printed Name

Signature

FRANK BAUCKE



Raymond Morton



B. K. BERGSTROM

B. K. Bergstrom

Gene Barnes

Gene Barnes

Roland L. Colliga

Roland L. Colliga

Antonio Pisano



Willie Stewart

Willie Stewart

Dan Dake

Dan Dake

Sue Githen

Sue Githen

MARCEL JOHNSON

M. C. Johnson

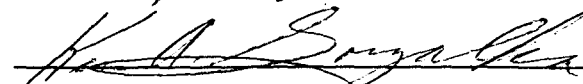
DICK LARSEN

Dick Larsen

Rickey L. Larsen

Rickey L. Larsen

Ken A. Loyalka





Spring Creek Coal Company  
P.O. Box 67  
Decker, Montana 59025  
(406) 757-2581  
Fax: (406) 757-2405

March 1, 1995

**Kennecott  
Energy**

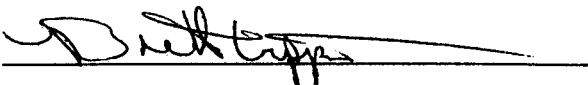
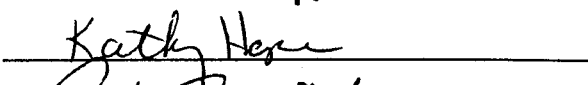

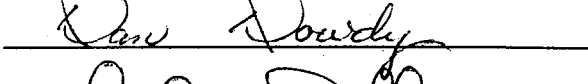
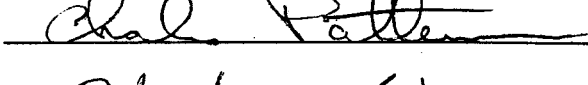

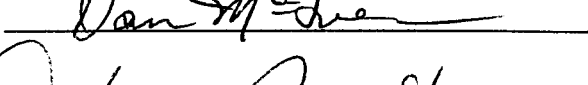
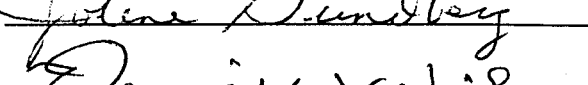
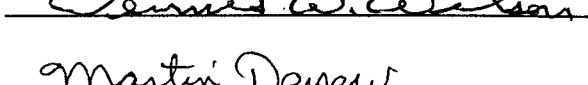
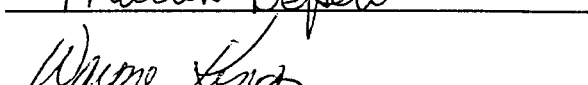
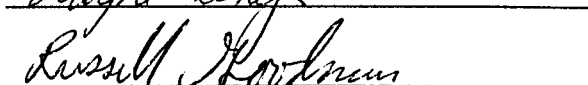



TO: Big Horn County Commissioners

FROM: Spring Creek Coal Company Employees

We, the undersigned, support the introduction of whatever legislation is necessary to have Montana repair or repave the section of Highway 314 between Decker and mile marker 15 at the Spring Creek Coal mine entrance.

Printed Name

Signature

Brett Tippats	
Kathy Hope	
Rich Mitchell	
Dan Dowdy	
Charles W. Patterson	
Richard J. Legerski	
Dan McIver	
Jolene Sundberg	
Dennis W. Wilson	
Martin Depew	
WAYNE KING	
Russell Goodman	
Kenneth Shuster	
ED Beebe	

Spring Creek Coal Company  
P.O. Box 67  
Decker, Montana 59025  
(406) 757-2581  
Fax: (406) 757-2405

EXHIBIT 6  
DATE 3-9-95  
HB 528

March 1, 1995

**Kennecott  
Energy**

TO: Big Horn County Commissioners

FROM: Spring Creek Coal Company Employees

We, the undersigned, support the introduction of whatever legislation is necessary to have Montana repair or repave the section of Highway 314 between Decker and mile marker 15 at the Spring Creek Coal mine entrance.

Printed Name

Signature

ALLEN CLEMENS  
E. CLARK IZZARD  
BRADFORD MIZELAN  
BRIAN C SHAFFER  
Robert D. HUNTER  
Michael R. Cates  
Gow James  
Robbin Blakeley  
Lannie Kulseth  
David Brimmer  
Andy Chavez  
Gerall White Bear  
Scott Wollen  
JEFF FIEDOR

Allen Clemens  
E. Clark Izzard  
Bradford Mizel  
Brian C Shaffer  
Robert D. Hunter  
Michael R. Cates  
Gow James  
Robbin Blakeley  
Lannie Kulseth  
David Brimmer  
Andy Chavez  
Gerall White Bear  
Scott Wollen  
Jeff Fiedor

TESTIMONY BEFORE THE MONTANA HOUSE COMMITTEE ON APPROPRIATIONS -  
FUNDING OF COAL IMPACTED HIGHWAYS AND APPROPRIATING MONEY FOR THE  
RECONSTRUCTION OF MONTANA HIGHWAY 314.

I am John Doyle, County Commissioner for Big Horn County, and I would like to go on record in support of House Bill 528.

My District encompasses all operating coal mines in Big Horn County. Because of our mines and our coal resources, Big Horn County has an unique problem.

I offer Crow Tribe vs. Montana and Big Horn County, a case involving the State's coal taxation scheme. We are entering our 17th year of litigation. We have been in federal district court four times and are now in the 9th Circuit Court of Appeals for the 4th time. This case has cost the taxpayers millions of dollars.

In the most recent stage of this case, the State defended itself, in part, on the basis of its allocation of a portion of severance tax dollars. The parties agreed - and the Court found - that a portion had been allocated to coal-area highway improvements - at least through 1983.

To the best of our knowledge, this hasn't changed; nor should it. If anything, a larger portion of severance tax dollars should be allocated for the improvement of highways in the coal-impacted areas like Big Horn County. Our roadways are now 12 years older and have suffered from an additional 12 years of traffic related to our coal mining industry. As recently as March 6, 1995, I traveled Highway 314. I made a point of getting out of my vehicle and walking the surface so that I could closely examine it. I cannot begin to describe the poor condition of the roadway. It truly presents a hazard to all who travel on it.

In closing, Big Horn County is not asking that the State do anything terribly radical or new. We are asking only that the State do what it told the federal district court that it had done for years. We are asking only that the State allocate a small percentage of those severance tax dollars which Big Horn County helped to generate.

EXHIBIT 8  
DATE 3-9-95  
HB 528

FILED, ENTERED AND NOTED  
IN CIVIL DOCKET  
NOV 23 1994  
JOE ALEKSICH, JR., CLERK  
By Rayna M. Weiss  
Realty

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF MONTANA  
BILLINGS DIVISION

THE CROW TRIBE OF INDIANS, )  
 )  
Plaintiff, )  
 )  
vs. )  
 )  
UNITED STATES OF AMERICA, )  
 )  
Plaintiff-Intervenor, )  
 )  
vs. )  
 )  
STATE OF MONTANA; MICHAEL )  
J. ROBINSON, Director, )  
Montana Department of )  
Revenue; BIG HORN COUNTY, )  
MONTANA; MARTHA FLETCHER, )  
Treasurer, Big Horn County, )  
Montana, )  
 )  
Defendants. )

Cause No. CV 78-110-BLG-JDS

RECEIVED

NOV 25 1994

BIG HORN COUNTY  
ATTORNEY'S OFFICE

FINDINGS OF FACT,  
CONCLUSIONS OF LAW AND  
JUDGMENT

The original of this document is stored at  
the Historical Society at 225 North Roberts  
Street, Helena, MT 59620-1201. The phone  
number is 444-2694.

I.

FINDINGS OF FACT

PARTIES

1. Plaintiff Crow Tribe of Indians (Tribe) is a sovereign American Indian tribe, with a governing body, the Crow Tribal Council, duly recognized by the United States Secretary of the Interior as the governing body of the Crow Indian Reservation.

2. Plaintiff-intervenor United States holds in trust, and the Tribe is the beneficial owner of, large amounts of coal resources underlying the Crow Indian Reservation and the Ceded Strip. The United States supervises the development of the Tribe's mineral resources through the Department of Interior and the Bureau

TESTIMONY ON BEHALF OF THE  
MONTANA AREA AGENCIES ON AGING ASSOCIATION  
ON HB 447, MARCH 9, 1995

Mr. Chairman, members of the Committee, my name is Don Allen and I appear here today on behalf of Montana Area Agencies on Aging Association in support of HB 447.

Montana's Area Agencies on Aging are public or non profit agencies, designated by the State Office on Aging, to address the needs and concerns of older Montanans at the local level. Each of the eleven Area Agency on Aging in the State is required to have an advisory council, comprised primarily of older persons, to review and comment on all programs affecting the elderly at the community level.

With the definition of "long term care" now including home and community based care as well as institutional care, the concept of a "continuum of care" stresses the need of the chronically ill elderly for different levels of care as health conditions and degree of illness varies and this continuum of care then implies a choice of the most appropriate services. Increased provision of community alternatives helps the impaired, less than fully sufficient elderly function at the highest possible level of well being in the least restrictive setting. The idea is to foster as much self sufficiency and independence as possible while allowing the family to carry part of the responsibility for care. In home services such as home delivered meals, home health agencies, homemaker or home chore services, friendly visiting telephone reassurance programs and respite care to assist caregivers of the elderly help individuals stay in their own homes and with their families for as long as possible.

Community-based services are provided at central locations throughout a local area. These services may include adult day care, senior center programs, meals in group settings, legal services, elder abuse prevention, employment services, volunteer opportunities, and long-term care ombudsmen who investigate complaints made or on behalf of residents of long-term care facilities.

Access services help an elderly person or family members connect with appropriate services. Transportation and information and referral services help elderly persons locate appropriate services and assist in evaluating which alternative forms of care best meet their needs.

Long term care now includes home and community-based, as well as, institutional care. Each chronically ill elderly person needs a different level of care and the availability of a continuum of care and services implies a choice of the most appropriate services.

Long Term Care Reform is essential when you consider the changing demographics as Montana's population ages and the need for services for older Montanan's increases.

- 17.6 percent of Montana's population is over 60 years of age and each day another 23 people turn 60 years of age.
- In 35 of the 56 Montana Counties (where statistics are available) 20 percent of each county's population is over 60 years of age.
- The fastest growing age group in Montana is the group 85 years of age and older.

We know you on the Committee have struggled to make adjustments in the appropriations to run the various functions of state government. We understand the desire to hold down spending and the size of the bureaucracy.

HB 447 is very compatible with what you are trying to accomplish because not only will it enable services to be delivered to more senior citizens, but it is a good investment of dollars. The longer people can avoid being institutionalized the less money it takes to make sure their needs are met. The longer these individuals can continue to be in their own homes, pay taxes and purchase utilities, groceries and personal services the more they contribute directly to the overall economic health of their communities. HB 447 provides an opportunity to take a common sense pro-active approach in dealing with a growing population of older Montanans.

One of the most frightening things that senior citizens have to face is uncertainty.

- Uncertainty about whether or not they will last longer than the dollars they have been able to save.
- Uncertainty about their health and if they can prepare their own meals.
- Uncertainty about where they will live.
- Uncertainty about how they will travel to where they want or need to go.
- Uncertainty about friends and family.

All of us in this room have already or will face these same uncertainties to some degree. This additional funding (in HB 447) will help the Area Agencies on Aging lessen the anxiety brought on by these uncertainties and will be spent in the local communities without top heavy administrative costs. The Area Agencies on Aging are allowed to spend up to 10% of their funds on administrative costs, but most of them are at about 8.5%.

Montana's citizens are seeking alternatives to institutionalization for the large elderly population "at risk". Community based long term care systems provide a way to preserve each elderly individual's independence. They gain freedom to make personal decisions and to have a choice of services enabling them to stay in their own homes and with their families for as long as possible.

# Montana

## Census Data

Information per 1990 census tables:  
 Persons by Age, Sex, Race - profile 2  
 Poverty Status - profile 19 of 29

**Notes:** Montana's 60+ population at 18% of the States population is 50% over the national average of 12%, and it is expected to rise.

Population	Total	60+	75+	60-64	65-69	70-74	75-79	80-84	85+
Male	424,851	62,784	17,601	16,730	15,571	12,882	9,111	5,275	3,215
Female	374,214	78,029	28,012	17,586	16,925	15,506	12,297	8,254	7,461
Total	799,065	140,813	45,613	34,316	32,496	28,388	21,408	13,529	10,676
Percent to Total		18%	6%	4%	4%	4%	3%	2%	1%
Percent of 60+ Population			32%	24%	23%	20%	15%	10%	8%

## Race Breakdown

White	741,111	136,885	44,635	33,051	31,530	27,669	20,908	13,261	10,466
Black	2,381	143	38	44	29	32	14	11	13
American Indian	47,679	3,254	827	1,034	790	603	431	227	169
Asian	4,259	290	60	100	80	50	33	13	14
Other	3,635	241	53	87	67	34	22	17	14

07/14/94

## # Facilities # Beds

Nursing	???	???
Hospital	???	???

Below Poverty	Total	65+	75+
Male	56,183	3,734	1,647
Female	68,670	8,699	4,870
Total	124,853	12,433	6,517
w/ Public Assist	23,001	4,050	

White	100,915	11,652	6,220
Black	571	25	
American Indian	21,362	723	285
Asian	819	16	
Other	1,186	17	12

Population	Total	60+	75+	60-64	65-69	70-74	75-79	80-84	85+
------------	-------	-----	-----	-------	-------	-------	-------	-------	-----

Male	53%	45%	39%	49%	48%	45%	43%	39%	30%
Female	47%	55%	61%	51%	52%	55%	57%	61%	70%

### Race Breakdown

White	92.7%	97.2%	97.9%	96.3%	97.0%	97.5%	97.7%	98.0%	98.0%
Black	0.3%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
American Indian	6.0%	2.3%	1.8%	3.0%	2.4%	2.1%	2.0%	1.7%	1.6%
Asian	0.5%	0.2%	0.1%	0.3%	0.2%	0.2%	0.2%	0.1%	0.1%
Other	0.5%	0.2%	0.1%	0.3%	0.2%	0.1%	0.1%	0.1%	0.1%

Below Poverty	Total	65+	75+
---------------	-------	-----	-----

Male	45%	30%	25%
Female	55%	70%	75%

w/ Public Assist	18%	33%
------------------	-----	-----

White	80.8%	93.7%	95.4%
Black	0.5%	0.2%	
American Indian	17.1%	5.8%	4.4%
Asian	0.7%	0.1%	
Other	0.9%	0.1%	0.2%

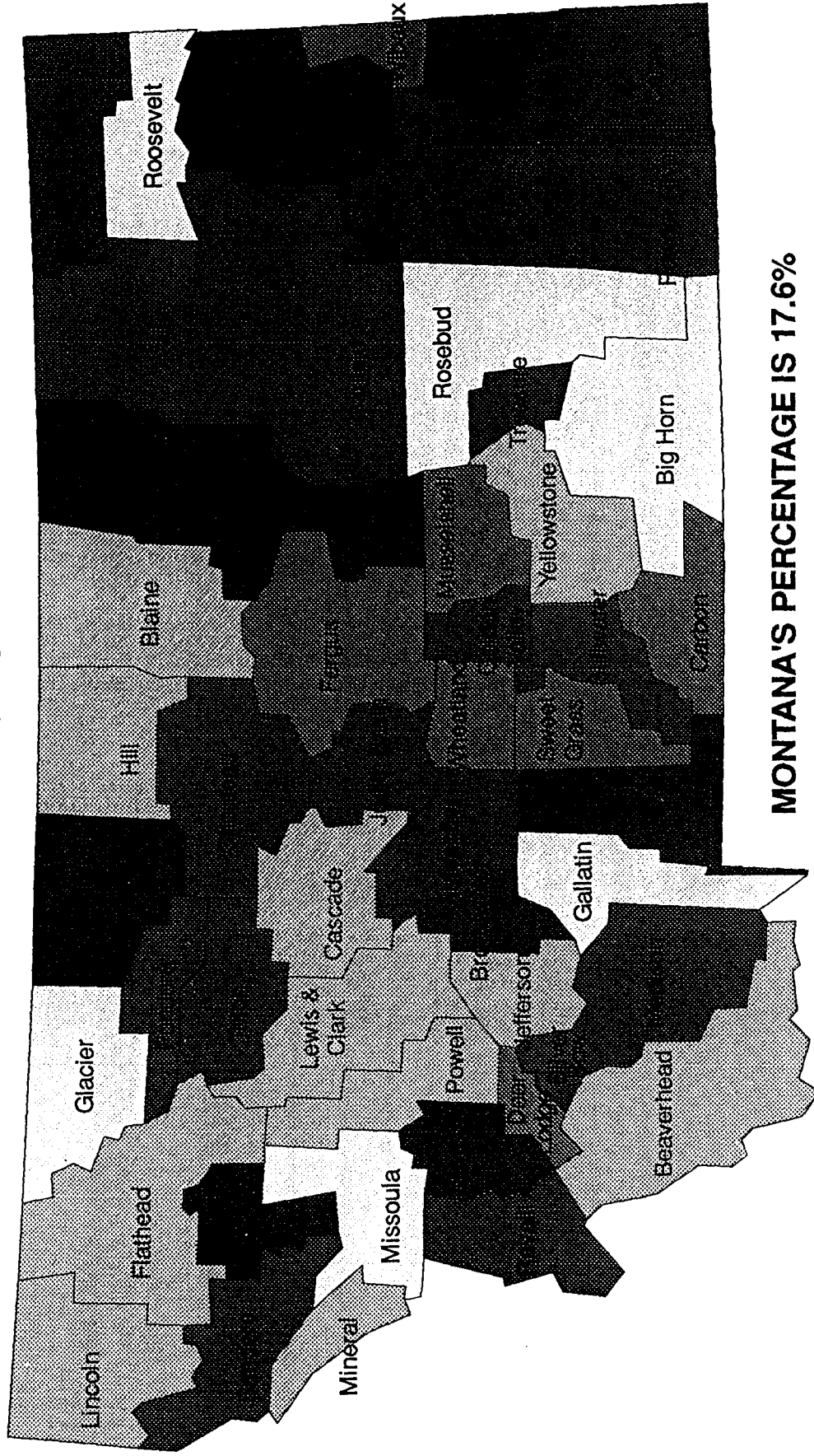
### # Facilities # Beds

Nursing	???	???
Hospital	???	???

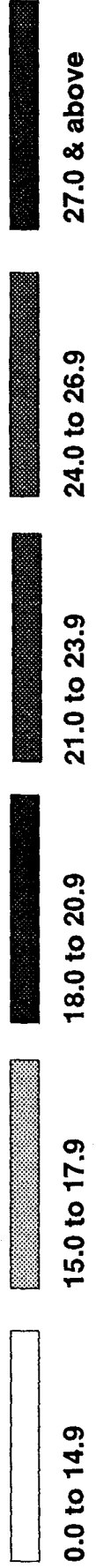


# MONTANA PERCENTAGE OF PERSONS 60 AND ABOVE

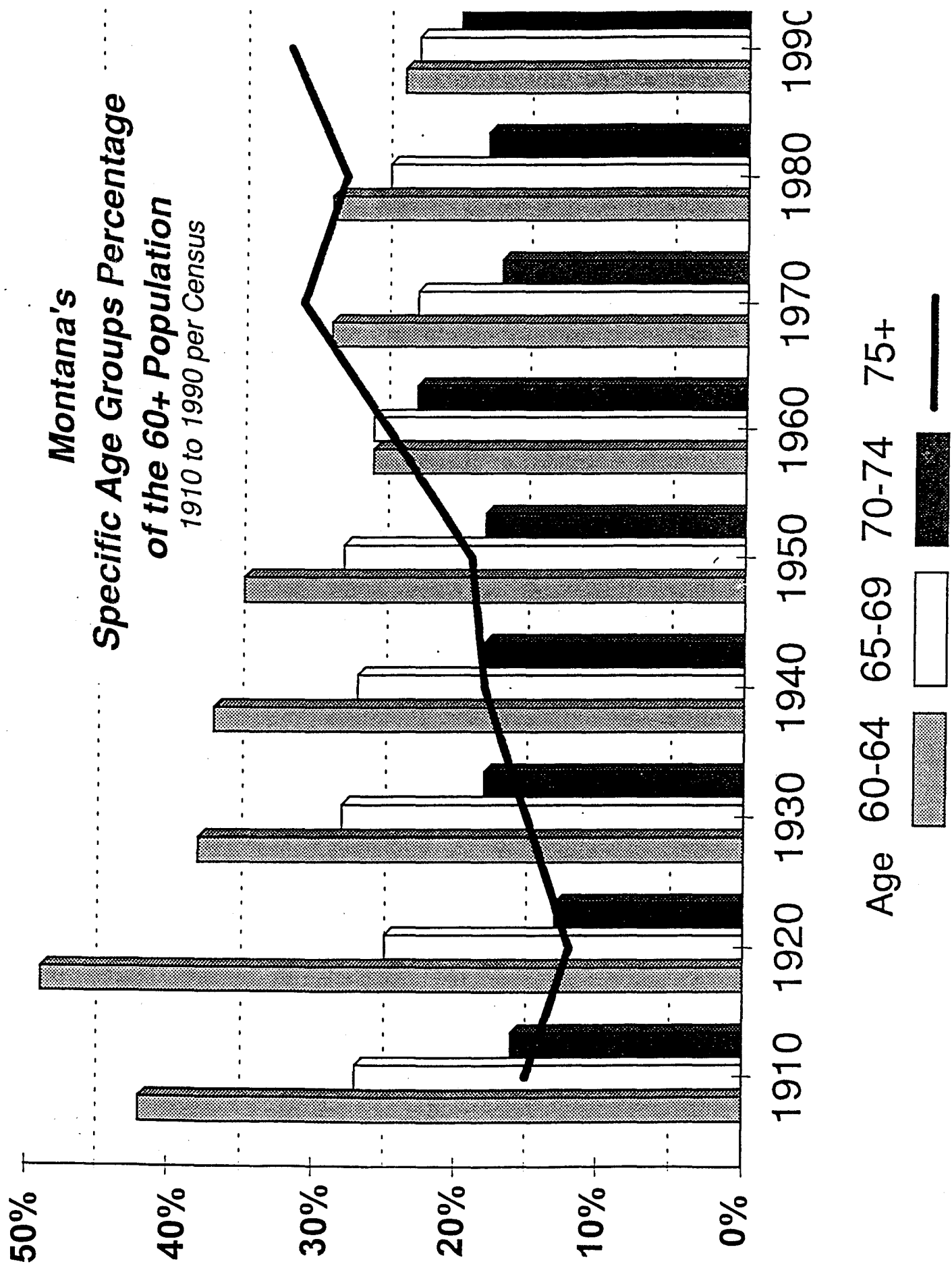
## ALL RACES



MONTANA'S PERCENTAGE IS 17.6%

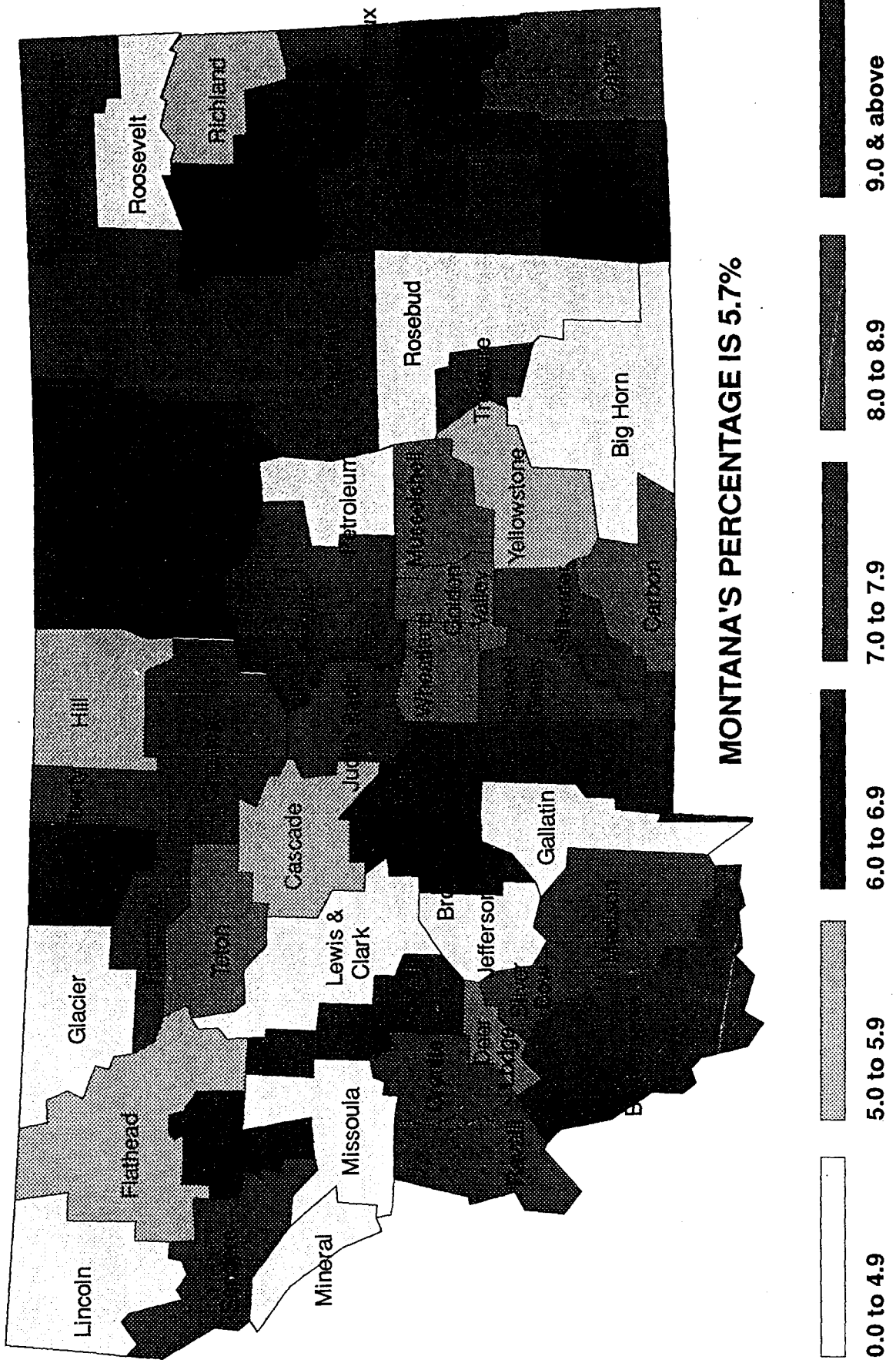


# Montana's Specific Age Groups Percentage of the 60+ Population 1910 to 1990 per Census



**MONTANA PERCENTAGE OF PERSONS 75 AND ABOVE  
ALL RACES**

EXHIBIT 7  
DATE 3-9-95  
HB 447

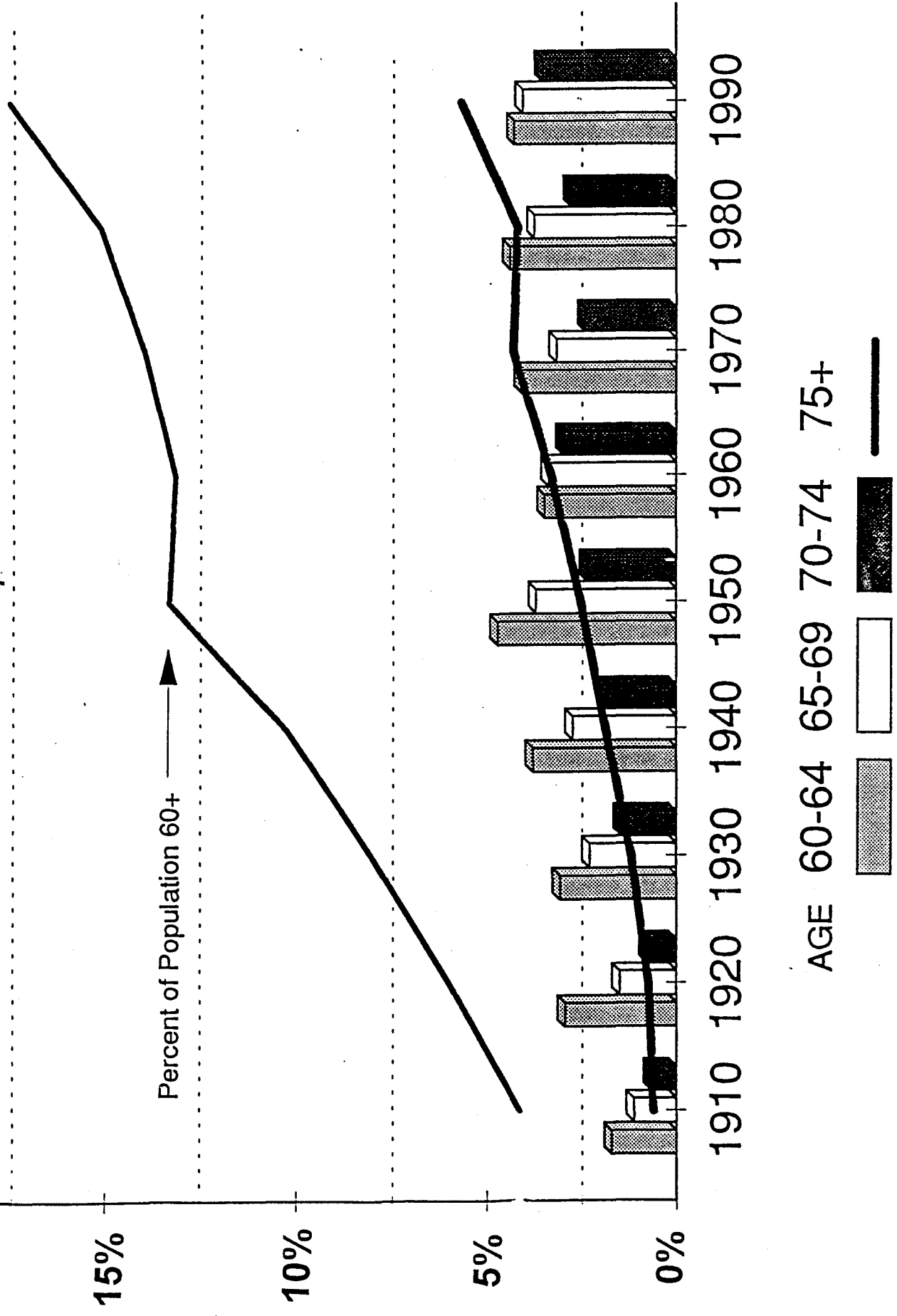


compiled by Montana Labor & Industry, Processed by CEIC of Montana DOC 08/94

**AGE75A**

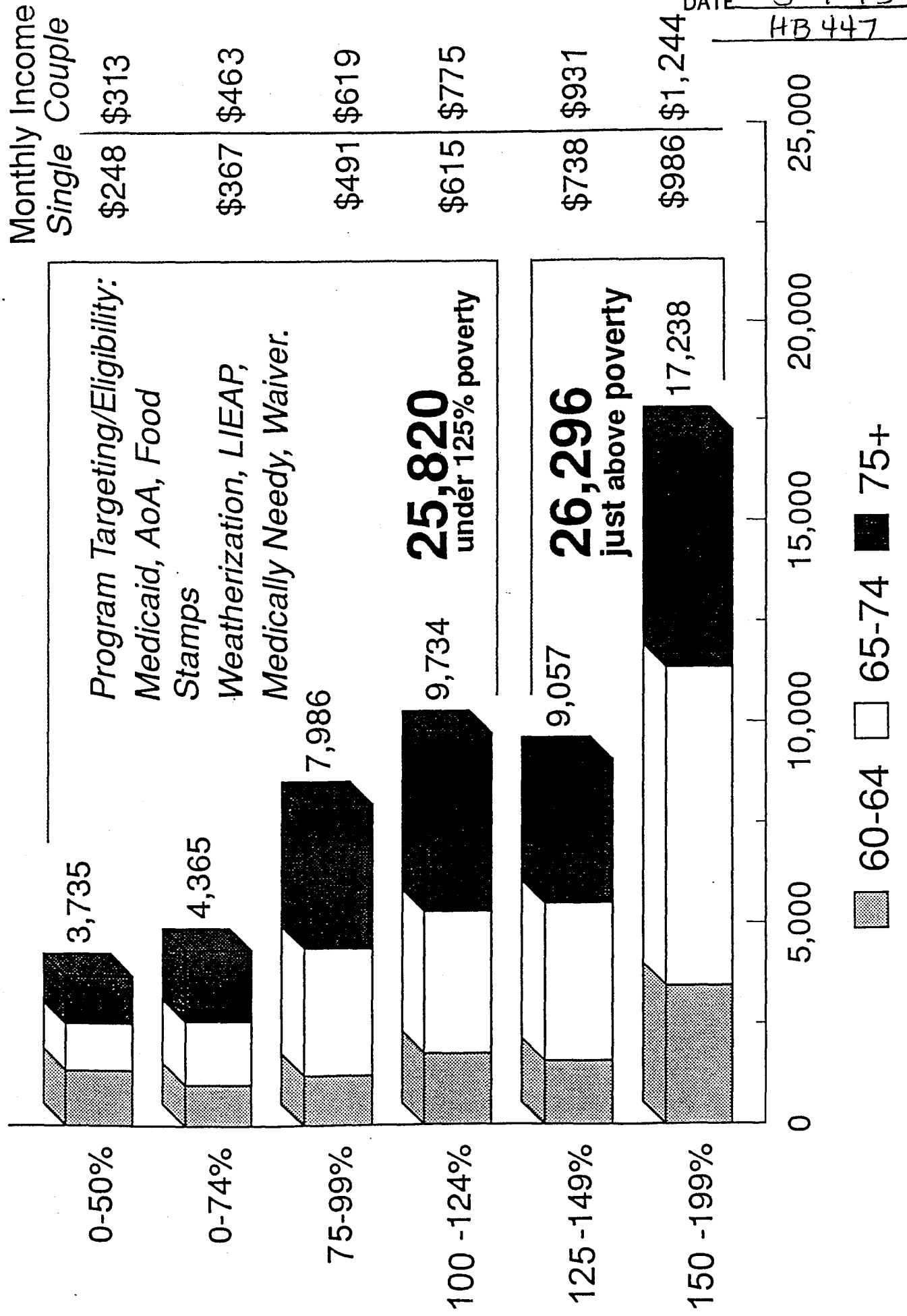
# Specific Age Groups Percentage to Full Population

## 1910 to 1990 per Census



# 1990 Census Poverty Status

Monthly Income  
Single Couple



Billings, Montana

March 10

DATE 3-9-95

HB 447

To: Mr. Tom Look, chairman of a Full House appropriation  
Committee.

Mr. John Cobb chairman of Human Service Sub-  
Committee

Red Minnahan - Introduced House Bill 447 to  
in home and Services and Social under Older Montana Act.

We are recipients of Helping Hands and believe  
me the name really means that, had it not  
been for them we would have been in a  
nursing home now, my husband & I were both  
disabled for 3 years and believe me Helping Hands  
watch their budget, they don't give visiting services  
or therapy unless under Doctors request, their  
Nurses & therapists give you strength to regain  
your confidence in staying in your home. We  
are slowly regaining our confidence we can  
get by without going to a Nursing home. They  
provide reasonable housekeeping services because  
I cannot do it now and it gives us a good  
feeling to know the home is kept up to  
standards.

We have spent our married life in Montana  
raising 3 children, in our young life involved  
in Community Activity, Boy Scouts girl scouts, P.T.A  
and just being concerned about the state activities.  
We will now be celebrating our 50th Anniversary  
next January and have spent our life savings  
on college education and supporting others.  
Now the state has a bill wanting the  
Senior Citizens to be cast away from help  
when we need it we certainly don't abuse it.  
Ask yourselves this, would you rather have  
the burden of keeping old people in Nursing Homes  
or remain home as self-supporting? Please  
don't take the support away from Helping  
Hands. Sincerely Mr. & Mrs. Lucile Habener  
1236 Custer Ave.

*Chairman - Committee members*

MY NAME IS AGNES CROW BILLINGS MT

HAVE YOU EVERY STOPPED TO THINK HOW WOULD YOU MAKE YOUR BED WITH  
A BAD BACK OR CRIPPLED HANDS, HOW DO YOU VACUUM, MOP  
CLEAN THAT BATH TUB, THEN ADD NOT BEING ABLE TO DRIVE, YOU HAVE  
NO CHILDREN IN MONT AS THEY HAD TO GO OUT STATE TO GET JOBS  
HOW WILL YOU GET TO DR, DENTISTS, GET YOUR GROCERIES AND THEN WHAT  
IF YOU COULD NOT COOK A GOOD MEAL, HOW ABOUT THAT YARD YOU HAVE  
ALWAYS BEEN PROUD OF

THIS IS WHAT THE STATE MONEYES HAVE PROVIDED FOR <sup>90,000</sup> SENIORS  
IN THE STATE THESE ARE SENIORS WHO DO NOT QUALIFY FOR THE MEDICAID  
WAIVER PROGRAM THEY ALL PAY WHAT THEY CAN AS BEING INDEPENDENT IN  
THEIR OWN HOME IS ONE OF THE STRONGEST DESIRES WE ALL HAVE.

AFTER WORKING FOR FIFTEEN YEARS WITH SENIOR CITIZENS IN 11 COUNTIES  
WHERE THEY ALL SAID A LITTLE HELP AT HOME WOULD HELP THEM TO STAY  
IN THEIR HOMES AND MAKE THEIR SMALL SAVINGS AND INCOME LAST LONGER  
ALL THE TIME I WORKED TO HELP GET THESE FUNDS WE HAVE BEEN RECEIVING  
FROM THE STATE FOR THESE SERVICES I NEVER DREAMED THAT 4 YEARS INTO MY  
RETIREMENT WOULD I NEED HELP BUT DUE TO PARKINSONS I AM SO  
GRATEFUL THIS HELP IS AVAILABLE AS MY HUSBAND OF 53 YEARS IS NOW 86  
and can do very little to help we can see we will not be able  
to drive much longer then what will we do if there is no services  
available as well as all the other folks needing help now and  
what will the many more of the fastest growing population do.

<sup>Do give the address here</sup>  
I CHALLENGE YOU TO VOTE TO ~~CONSIDER~~ FUNDING FOR THESE SERVICES AND  
I KNOW THAT SOME HELP AT HOME IS NOT ONLY LESS COSTLY THEN NURSING  
HOMES BUT EACH SENIOR THAT THE SMALL AMOUNT OF MONEYS GIVEN WILL  
BE EVERY GRATEFUL THAT YOU PLAYED A PART IN HELPING THEM TO STAY INDEP  
ENT AND KEEP THEIR DIGNITY. IN CLOSING I WOULD LIKE TO TELL  
YOU WHAT MY DEAR FATHER SAID AFTER HE HAD TO GO INTO A NURSING HOME  
IT SURE IS A HECK OF A WORLD WHEN A MAN CANT HAVE EVEN A DIME IN HIS  
POCKET AND GET UP WHEN HE WANTS AND GO TO BED WHEN HE WANTS.  
THANK YOU FOR YOUR TIME AND THINK ABOUT WHAT ABOUT <sup>you</sup> MY FOLKS OR YOURSELVE  
IN THE TIME OF NEED.

EXHIBIT 12  
DATE 3-9-95  
HB 447

As a home attendant for Cascade County Aging Services, I help the low income elderly who are alone and in need of some extra help to help them stay independent and not have to be placed in a nursing home.

Some of our duties are, light housekeeping, grocery shopping, laundry, food preparation, transportation to Doctor's appointments, and helping with money management.

We also do some of the small things that take little time but are important to them, change the batteries in their smoke alarms and cordless phones, run to the bank, help them contact other agencies, make sure their low income housing applications are filed on time and in general become a contact with the outside world.

My 28 clients include: <sup>5</sup> on oxygen, 3 diabetics, 6 sight impaired, 1 childhood polio, 1 amputee, 4 cancer patients, 2 rheumatoid arthritis, 4 people over the age of 90, several broken hips and osteoporosis victims.

Since there are only two of us in the County we are able to serve only the most needy in the most populous Areas. Recently we got a request from the small town of Cascade and are having difficulty finding time to go help these people.

Thank you for your time.

  
Jackie Day



Jackie  
Jan 1995

HOME

ATTENDANCE

MORNINGS

Ruth Taylor  
1612 5<sup>th</sup> ave S  
452-8467 2hr EOW  
E. Otter Straight Hall  
305 Austin Hall  
453-1209 2hr EOW  
Mable Van De Riet  
216 Cayles Manor  
452-7593  
Virginia White  
Dor 3<sup>rd</sup> fls  
453-3983 2hr EOW  
Chaele D Lang like  
Sawptomist Village  
452-1615-7 2hr EOW  
George & Em Bourne  
228 13<sup>th</sup> ave S #1  
771-1577 2hr EOW  
Davis Bacon  
2910 1<sup>st</sup> ave NW  
761-4349 2hr EOW  
Lawrence R Lyon  
813 3<sup>rd</sup> fls  
761-8993 2hr EOW  
E. Flier Halmet  
E. Flier 122 Sawptomist  
454-2193 2hr EOW

2hr EOW

771-0734 2hr EOW

Loye Harrison  
#87 Dawn tower  
453-6275

2hr EOW

Kay Ray  
#19 Dawn tower

453-5334

2hr EOW

Edna Dickson  
1919 Montana BE

452-6369

4hr EOW

AFTERNOONS

Marion Ruetter  
1205 6<sup>th</sup> ave N  
761-3686 2hr EOW  
Marion Strained  
520 4<sup>th</sup> ave N #4  
452-2886  
Margie Mullings  
#303 Shaler  
761-2962 2hr EOW  
Sharia Murphy  
1222 4<sup>th</sup> ave S

761-3538

4hr EOW

Myrtle Keenick  
121 Sunshine Village

761-5438

2hr EOW

Don + Charia Dome  
521 18<sup>th</sup> St S

452-0012

4hr EOW

Elleanor Porter  
#8 Sawptomist  
127-4934 2hr EOW  
Deanne Greenward  
Austin Hall

771-1693

2hr EOW

Pearl Kaslo  
A-3 Rainbow  
blauze

761-6384

2hr EOW

Vera Kalamich  
103 Parkdale  
761-7760 2hr EOW

Marie Stacy  
800 2<sup>nd</sup> ave N

453-5771 2hr EOW

Paper work  
and Cate up

To whom it may concern.

I am 93 years old and really need help

I have arthritis in my knees real bad

I have to use a walker its hard for me to walk.

I really need help and Pat helps me with washing changing bed and Vac.

I only ask her to help me once every 2 weeks

I have no help for relatives

My daughter in law had open heart surgery and her husband is on Oxygen.

EXHIBIT 13  
DATE 3-9-95  
HB 447

To whom it may concern:

I'm still in my own home, will be 84 on Apr. 6.

Cannot drive, have no relatives in town. My home attendant takes me for groceries & any other errands to drs. & dental appts. To laundromat to get blankets, etc. washed.

Replaces light bulbs, vacuums carpet.

Plus moral support and advice

I couldn't get along without her.

Sincerely, Ruth

EXHIBIT 13

DATE 3-9-95

March 8, 1995

HB 447

To Whom it may Concern:


I wish to express my appreciation for the kind and considerate care I have received from my Home Attendant. With congestive heart failure and breathing problems I, at times, find it very difficult to carry on my daily work.

With her help I can shop for groceries or have her shop for me when the weather is adverse. Doctors' appointments, emergencies, unexpected needs — I no longer worry about them. My Home Attendant helps me to take care of whatever comes up. What a blessing!

At age 85 and in poor health, I am happy to live in my own home, remain a tax payer and still be a useful contributor to society. Please help me to keep it that way!

Thanks for listening!

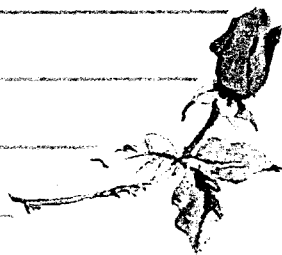
J.K.K.



To whom it may concern:

My uncle would not be  
able to live in his home if  
he once a week cleaning, washing  
his clothes and paying the bills  
did not take place.

Thank you  
Bertha & Carl Lehman



I am writing this on behalf of Mary Dille who is 81 years old.

Mary was an active and dedicated Volunteer in our Foster Grandparent Program until ill health forced her to retire. We estimate that Mary gave over 20,000 hours of Volunteer service to pre-school handicapped special education children in our community.

Mary receives some in-home health care from Montana Deaconess but there are still unmet needs that the Home Attendant does. We buy Mary's groceries, do her laundry, take her to her doctor and dentist and provide moral support.

Mary feels the most important job we do is buy cat food for George the cat and take George to get his claws clipped.

After years and years of Volunteer work, we feel we have to help Mary remain at home with George as long as possible.

To Whom it may concern:

The services that the home attendant provides for me are essential to my being able to function in my home instead of a nursing home -

Being able to have transportation to get food and drug items each week are very important to my existence -

I also need blood work done at a hospital frequently and also visits to the Doctor regularly - I could not afford these necessary trips on my limited income of Social Security. Cabs are very costly - Also help in my home as available whenever I need it

Being deprived of these services would be a serious hardship in my disabled condition

Please consider our needs

Jean Powell  
of Falls, Mt.

EXHIBIT 14  
DATE 3-9-95  
HB 447

HEADWATERS IN-HOME SERVICES

FEE SCHEDULE 1994	
SKILLED NURSING	\$80.00 PER HOUR
HOME HEALTH AIDE	\$45.00 PER HOUR
PERSONAL CARE ATTENDANT	\$8.65 PER HOUR
RESPIRE	\$8.65 PER HOUR
HOMEMAKER	\$6.75 PER HOUR

SLIDING SCALE FEE SCHEDULE		
FAMILY SIZE	MONTHLY DISPOSABLE INCOME	MINIMUM PAYMENT
1	\$0.00 - \$100.00	\$0.00
2	\$101.00 - \$200.00	20%
3	\$201.00 - \$300.00	40%
4	\$301.00 - \$400.00	60%
5	\$401.00 - \$500.00	80%
6	\$501.00 +	100%



## HOUSE OF REPRESENTATIVES

## VISITOR'S REGISTER

Appropriations COMMITTEE BILL NO. HB 365  
 DATE 3-9-95 SPONSOR(S) HB 447  
HB 513

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	BILL	OPPOSE	SUPPORT
<del>Donna Smith</del> End Limpsay	Legacy Legislature	447		✓
Margaret Henry	MSA, Int. Leg. Lg	447		✓
Karen Erdie	Area Agency on Aging	447		✓
Julie Wallace	St. Vincent's Hosp Senior Services	447		✓
Pacey Nebelauer	GOV Adv. Council	447		✓
Jim Atkinson	Area IX Agency on Aging	447		✓
Rhonda W. Warner	Area Agency on Aging	447		✓
Deanne K. Prother	Govs. Adv. Council	447		✓
Susan Kohler-Hed	Missoula Aging Services Area XI Agency on Aging	447		✓
LORI BRENGLE 111 W. BELL GLENDALE MT. 59330	AREA I AGENCY ON AGING	447		✓
Kandy Barnett 2332 S. SHELTON AVE. 3/4 CK ENGLE	Area VIII Agency on Aging	447		✓
Don All	MA Area Agencies on Aging	447		✓
Charles Briggs	Area IV Agency on Aging	447		✓

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS  
 ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.

## HOUSE OF REPRESENTATIVES

## VISITOR'S REGISTER

Appropriations COMMITTEE BILL NO. HB 479  
 DATE 3-9-95 SPONSOR(S) HB 528

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	BILL	OPPOSE	SUPPORT
John Doyle	Big Horn County	528		X
ROBT KOYAMA	Big Horn Cty	528		X
Sam Scott	Dasher Coal	528		X
TIM HALVERSON	ASSN - OIL + GAS - CAL - CO	528		X
FLORENCE Young	SELF	528		X
Bernard Redcheries	Northern Cheyenne Trib	528		X
Don Walborn	MREA	479		X
Jay Stroll	ROP	528		X
Jim Mark	MT Coal Council	528		✓
Judy Murchard	rop HDB	528		
Loran FRAZIER	SAME	479		X

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS  
 ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.

## HOUSE OF REPRESENTATIVES

## VISITOR'S REGISTER

Appropriations

COMMITTEE

BILL NO. HB 365  
HB 447DATE 3-9-95 SPONSOR(S) \_\_\_\_\_HB 513

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	BILL	OPPOSE	SUPPORT
Ardele Kruttsch	Senior Helping Hands Program, Inc	447		X
Doug Campbell	MSCA	447		X
Deane Smith	Ala Agency - Agency	447		X
Agnes Crow	Senior Citizens	447		X
Chris Melus	MSGA	513		✓
Ed Caplin	MSCA	447		✓
Bob Beshine	Hill Co Senior	447		✓

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.