MINUTES

MONTANA HOUSE OF REPRESENTATIVES 54th LEGISLATURE - REGULAR SESSION

COMMITTEE ON APPROPRIATIONS

Call to Order: By CHAIRMAN TOM ZOOK, on March 21, 1995, at 9:00 a.m.

ROLL CALL

Members Present:

Rep. Tom Zook, Chairman (R)
Rep. Edward J. "Ed" Grady, Vice Chairman (Majority) (R)

Rep. Joe Quilici, 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 605

Executive Action: TABLED: HB 13, HB 143, HB 224, HB 266,

HB 447, HB 471, HB 519, HB 528, HB 579,

HB 592;

DO PASS AS AMENDED: HB 189, HB 365,

HB 378, HB 540, HB 576, HB 605;

DO PASS: HB 493

HEARING ON HB 605

Opening Statement by Sponsor:

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REP. EDWARD GRADY, HD 55, Canyon Creek, opened the hearing on this bill which eliminates the state junk vehicle program. He mentioned that the bill does not address his original intention which was to privatize the program. He only wanted to give the counties the option of operating the program. He reiterated that he will have amendments written to show those changes. REP. GRADY said the state should discontinue this program and that by privatizing, the state would save lots of money.

Proponents' Testimony:

Henry Lohr, Hank's Salvage and Wrecking Yard, Townsend, said he definitely supports this bill. He said in his business, he picks up junk vehicles all the time anyway and he would support the proposed amendments as well.

Myrl Rose, Rose's Garage, Helena, has picked up junk cars for many years. He sees no need for the state to be involved in it. The price of metal has gone up and this is a good time to privatize the program.

Al Rose, Al Rose's Garage, Helena, also supports the program. He helped to start the program many years ago and hopes the proposal is passed. He said his garage is notified to pick up these vehicles, no matter who operates the program, so it might as well be privatized.

CHAIRMAN ZOOK noted that REP. PAUL SLITER, HD 76, Kalispell, also was a proponent of this bill with the amendments REP. GRADY will introduce. REP. SLITER is also against unfunded mandates to the counties.

Opponents' Testimony:

Roger Thorvilson, Department of Health and Environmental Sciences (DHES), Helena, said the department is opposed to this bill for many reasons. He said it is a major policy shift that is occurring late in the session and does not give them enough time to properly consider all the aspects. The junk vehicle program has been in Montana for 22 years. It provides a valuable service and is quite popular. It is recognized nationally as a quality recycling program. He said the bill as written does not mention privatization, but instead authorizes the counties to operate the program. He also felt that the bill provides no funding for the counties. He said the amendment would be certainly important to show the correct intention of the bill.

Gordon Morris, Director, Montana Association of Counties, stated that his organization strongly endorses the funding in HB 2 for the junk vehicle program. He told the committee that DHES has operated a very successful junk vehicle program. He doesn't think the private sector can compete, but does not want an unfunded mandate for the counties, either. He said DHES currently charges \$50 for licensing and if the county will be issuing the licenses, they have no authority to collect the fees. He further stated that he does not think the counties should have oversight on all the wrecking yards in their districts. He also said there are 5,355 junk vehicles in county yards right now that would have to be dealt with. EXHIBIT 1.

Joan Miles, Director, Lewis and Clark County Health Department, Helena, said she has not had any time to look at the bill and probably is not prepared to testify. She agrees with Mr. Thorvilson in that it is a major policy shift from the state to local levels and does not think it should be done at this time. She said another bill could be designed better to instruct the counties. Her department administers the program on the county level; people pay 50¢ for license fees and the county hauls away a junk vehicle, free-of-charge. For the same 50¢, the counties try to educate people on the statutes, or provide enforcement when a neighborhood has problems with junk. She also said she is appalled at the numbers of junk vehicles she sees when she travels through other states that don't have as good a program as Montana does.

REP. TONI HAGENER, HD 90, Havre, said she objected to the same action on the House floor during the HB 2 debate. She said her county treasurer collected 4% for the state and the county is reimbursed from the program. She said the additional responsibility to the counties was an unfunded mandate. When the counties get a minimum number of 200 vehicles in their wrecking yards, they notify the state and the state sends a crusher to take the cars away. There are very few local companies with the equipment to do this. State coordination is definitely needed. The county would have the additional responsibility of licensure. She said the loss to her county would be about \$15,742. She doesn't know how her county will make up the money under the constraints of I-105. She told the committee to seriously study what the effects would be on the counties.

Bob Gilbert, Montana Tow Truck Association, concerned that the public is not being given a fair opportunity to study this issue and he doesn't have a clue what this bill would do. His association does not have a problem with privatizing this program. He thinks it is a case of making unnecessary changes because they can be made, not because they need to be changed.

CHAIRMAN ZOOK told Mr. Gilbert that this was a committee bill that was written and had to meet the deadline of transmittal and to comply with HB 2. The intent of the committee is not to send any unfunded mandates to the counties. He assured everyone that the bill will be in that condition when it leaves the committee.

Loretta Miller, Green Meadow Auto Salvage, Helena, said there were problems with this bill -- if the junk vehicle program isn't broken, don't fix it. She handed in her testimony. EXHIBIT 2.

Richard Corrigan, Missoula County Health Department, did not testify, but handed in his testimony. EXHIBIT 3.

{Tape: 1; Side: A; Approx. Counter: 44.0.}

Questions From Committee Members and Responses:

REP. MARJORIE FISHER, HD 80, Whitefish, asked DHES how many FTES were presently handling this program. There are 3 FTEs doing the work. REP. FISHER then asked Mr. Lohr what would happen if the price of metal went down. Mr. Lohr said he picks up everything from fenders to any miscellaneous steel, and holds onto it until the prices go back up again. REP. FISHER then asked REP. GRADY how the counties would run this program. REP. GRADY said that his full intent was more of a coordination bill, but it didn't get drafted as such. He will introduce the amendments to clarify the issue before the committee takes Executive Action. He says the counties will have the option of being in the program if they want, and they would keep the funding.

REP. QUILICI asked Ms. Miller who they get their licenses from now. She said the license comes through the state and the county inspects the wrecking yards annually. REP. QUILICI said the bill does not include protection for health and safety hazards from products such as used oil, hazardous water, used batteries, etc., that are found at junk yards. Ms. Miller stated that they haul used batteries to Great Falls, collect freon and sell it to recyclers in Billings, sell used anti-freeze for 50¢/gallon and have also purchased a waste-oil heater for their main shop.

REP. JOHN JOHNSON, HD 2, Glendive, asked Mr. Thorvilson who he thought would be responsible for enforcement of the laws concerned with disposing of junk vehicles and miscellaneous fluids. Mr. Thorvilson said if the county would ultimately be responsible for licensing, it would also be responsible for enforcement. REP. JOHNSON stated he would protest the bill as written as the counties simply cannot do the extra work. The program is working well in his county at the present time.

REP. DON HOLLAND, HD 7, Forsyth, said they had been listening to a lot of testimony on the counties dislike for this bill. He asked if the amendments would lead into a privatization program. REP. GRADY acknowledged that the amendments would address that specifically. He mentioned that as a compliance with HB 2 the committee bill was written hastily and did not address the issue as he had wanted.

{Tape: 1; Side: A; Approx. Counter: 53.0.}

Closing by Sponsor:

REP. GRADY closed by reminding the committee that the bill was a committee bill written in regards to the action on the House floor and that was the reason for the short turn-around. apologized to the opponents of the bill. The funding has been eliminated but if the counties do want to take over the program, that would have to be addressed. The original funding for this bill was \$115,000. Presently, the fund has \$1 million. This is an over-funded program, which should be used. All the junk dealers are licensed in the state and have to follow the same criteria. They recycle everything they can. The counties could probably contract with private dealers but they don't at the present time. They've discussed privatizing other programs, such as the motor pool, but have not had much success. REP. GRADY said that many people in his district, and across Montana for that matter, want this legislature to find ways to save the state money and this is one way they can.

{Tape: 1; Side: A; Approx. Counter: 57.5.}

EXECUTIVE ACTION ON HB 224

Motion: REP. VICK MOVED THAT HB 224 BE TAKEN OFF THE TABLE.

<u>Discussion</u>: REP. VICK said that he was requested to take the money sections out of HB 224, the shooting range grants. REP. MENAHAN asked why the bill was needed because it should be a local zoning issue. REP. WISEMAN agreed. He said most of the sections in the bill included grants. REP. JOHN JOHNSON also agreed; anyone could contact the Department of Fish, Wildlife and Parks and get a list of the shooting ranges in the state. REP. VICK said he did not mean to change the amount of money that the department spent, but to take Sections 5 and 6, which would take out the statutory appropriations. The bill would then change the grant criteria and expenses involved.

<u>Vote</u>: Motion that HB 224 Be Taken Off the Table failed 1 - 17, with REP. VICK voting yes.

{Tape: 1; Side: B; Approx. Counter: 0.3.}

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EXECUTIVE ACTION ON HB 378

Motion: REP. DEBRUYCKER MOVED HB 378 DO PASS.

Motion: REP. GRADY MOVED HB 378 AMENDMENTS DO PASS.

Discussion: REP. GRADY said that the amendments were recommended by SPEAKER MERCER. REP. BERGSAGEL asked if the amendments authorize the sentencing commission to use the "two strikes and you're in policy. REP. FISHER asked why they would have to pass the bill now, if the legislature will review the study in two years. REP. KADAS said they should let the sentencing commission do their work. REP. VICK understands that the sentencing commission would have clear title to the direction to proceed, so the legislature would know the impacts before they took effect. He supports the amendment. REP. ROYAL JOHNSON was confused how they would be able to assess the impact if the bill isn't in effect. REP. BERGSAGEL noted #3 in the fiscal note, under Long-Range Effects, means an 80-bed close-custody housing unit would have to be constructed and occupied with offenders every three years beginning seven to eight years after implementation of this REP. WISEMAN said the bill would have to be passed into law and go into effect before people even commit their first crime. REP. DEBRUYCKER disagrees with the fiscal note in that if criminals know what the consequences are, they might not be so anxious to go back to the "crow-bar hotel." REP. KADAS expressed his concerns that instead of a suitable result being a decrease in crime, it's an increase in prison beds.

<u>Vote</u>: Motion that HB 378 Amendments Do Pass carried 12 - 6, with REPS. COBB, JOHN JOHNSON, BARNHART, KASTEN, KADAS and FISHER voting no.

<u>Discussion</u>: REP. ROYAL JOHNSON said he was still unclear about what this bill accomplished. Since it doesn't go into effect until July 1997, what would be done between now and then. REP. KADAS clarified that if the sentencing bill this bill both pass, then the sentencing commission has to adopt this bill. He feels they should let the sentencing commission look at the bill and make their recommendations.

REP. QUILICI said the effective date of July 1997, as well as part of the bill changing statutes, doesn't have any "teeth" in it. He wondered why they didn't just make a resolution for the sentencing commission. He thinks it is unworkable as written.

CHAIRMAN ZOOK said the description of the proposed legislation on the fiscal note says it all and if anyone supports that they will vote for the bill, and if they don't, they will vote, 'nay.' The paragraph he referred to is the description of proposed legislation, "A bill providing that in a criminal proceeding, if both the previous offense and the present offense were crimes of violence, the jury may recommend a sentence if the case was tried before a jury. The offender shall serve the entire sentence and may not be paroled or given time off for good behavior or otherwise be given an early release for any reason."

<u>Vote</u>: Motion that HB 378 Do Pass As Amended carried 11 - 7, with REPS. QUILICI, KADAS, JOHN JOHNSON, BERGSAGEL, COBB, FISHER and ROYAL JOHNSON voting no.

{Tape: 1; Side: B; Approx. Counter: 10.7.}

EXECUTIVE ACTION ON HB 447

Motion: REP. COBB MOVED HB 447 BE TABLED.

<u>Discussion</u>: REP. COBB said HB 447 appropriates money to the Department of Family Services for the Montana Older Americans Act. He said that HB 2 appropriated \$100,000 and he doesn't think this bill will pass.

<u>Vote</u>: Motion that HB 447 Be Tabled carried 17 - 1, with REP. DEBRUYCKER voting no.

EXECUTIVE ACTION ON HB 471

Motion/Vote: REP. COBB MOVED HB 471 BE TABLED. Motion carried 17 - 1, with REP. COBB voting no.

EXECUTIVE ACTION ON HB 143

Motion: REP. GRADY MOVED HB 143 BE TABLED.

<u>Discussion</u>: REP. GRADY handed out an explanation from the fiscal analyst's office. He said HB 176 was through the House and dealt with the funding mechanism for court automation. HB 176 is expected to generate about \$983,000 a year, but HB 143 would only generate about \$160,000 a year. REP. MENAHAN wondered if they

could tell the courts to follow this records preservation issue and use the money for both. REP. GRADY said he didn't have any problems with that and the language in the bill relates to that. EXHIBIT 4.

<u>Vote</u>: Motion that HB 143 Be Tabled carried unanimously.

{Tape: 1; Side: B; Approx. Counter: 14.9.}

EXECUTIVE ACTION ON HB 189

Motion: REP. BERGSAGEL MOVED HB 189 AMENDMENTS DO PASS.

<u>Discussion</u>: REP. BERGSAGEL said these were technical amendments. The bill creates a budget stabilization account. The amendments were recommended by the fiscal analyst's office.

Vote: Motion that HB 189 Amendments Do Pass carried unanimously.

Motion: REP. BERGSAGEL MOVED HB 189 DO PASS AS AMENDED.

Discussion: REP. KADAS asked about New Section 4, cash reserve fund, in which the Governor's uses are outlined -- fire suppression, disaster, revenue shortfall. He said other things that would throw them into that kind of situation would be significant underestimate or ballooning of medicaid costs. It seemed to him it should be noted as well. REP. BERGSAGEL noted #2 under the same section whereby the legislature may expend those funds by a two-thirds vote. He said that medicaid would be a different situation and the next legislature should probably deal with those changes. CHAIRMAN ZOOK wondered what would prevent the next legislature from changing page 2, line 16, from "a two-thirds vote of each house" to "a simple majority." REP. BERGSAGEL said there was nothing to prevent that but hopes they wouldn't.

Dave Lewis, Office of Budget and Program Planning, just wanted to bring up the same point as CHAIRMAN ZOOK. He isn't against the concept, but he would like to see the bill's effective date changed to January 1, 1996, instead of 1995, to make sure they have no problems with refunds and to give them enough time.

Motion: REP. ROYAL JOHNSON MOVED TO CHANGE THE DATE FROM JANUARY 1, 1995 TO JANUARY 1, 1996, Amendment #2.

<u>Discussion</u>: REP. KADAS asked if October 1, 1995, would be more appropriate in case there is a shortfall during FY 96. The program would be available for use by the Governor if there was a shortfall in FY 96. Mr. Lewis said that January 1, 1996, would still be more appropriate. If there were a possible conflict, that would give them enough time.

<u>Vote</u>: Motion that HB 189 Amendment #2 Do Pass carried 17 - 1, with REP. DEBRUYCKER voting no.

<u>Vote</u>: Motion that HB 189 Do Pass As Amended carried 15 - 3 on a roll call vote, with REPS. GRADY, FELAND and CHAIRMAN ZOOK voting no.

EXECUTIVE ACTION ON HB 266

Motion: REP. BERGSAGEL MOVED HB 266 BE TABLED.

<u>Discussion</u>: REP. BERGSAGEL said he wanted to keep this bill alive until the end of the session because of all the discussion on the House floor concerning the State Prison.

<u>Vote</u>: Motion that HB 266 Be Tabled carried 12 - 6, with REPS. COBB, JOHN JOHNSON, DEBRUYCKER, MENAHAN, FELAND and QUILICI voting no.

{Tape: 1; Side: B; Approx. Counter: 26.8.}

EXECUTIVE ACTION ON HB 365

Motion: REP. COBB MOVED HB 365 DO PASS AS AMENDED.

<u>Discussion</u>: REP. COBB said he still didn't think there should be a fiscal impact on this bill, but he was given a revised fiscal note from Dave Lewis. He reminded the committee that the amendments had been passed earlier. This bill requests the Board of Regents to report to the legislature. REP. QUILICI asked about the amendment which strikes lines 26-28 on page 2. The amendments took out the part about the Board of Regents advising students about their chances of graduation. REP. COBB reiterated that he didn't intend to add any FTEs, but the fiscal note shows OBPP has added 2.5 FTE and he doesn't agree. REP. MENAHAN said that he doesn't understand why this bill is even needed for graduation rates. If there are 1,000 freshman attending college and four years later, there are 500 graduates, why spend so much

money to figure out how many dropped out. REP. WISEMAN likes the REP. ROYAL JOHNSON said this was a correlation of the high schools and colleges reporting on success rates. He doesn't want the bill to die just because there is disagreement on the fiscal REP. COBB said the conference committee might put the money in the bill, but he isn't sure what they would do. BARNHART asked if they could put an amendment on the bill that states they wouldn't be appropriating any money from the general REP. KADAS said that when the conference committee acts on the bill, if they refuse to put any funding into it, the fiscal impact would disappear. REP. KASTEN said that was her point she made on the House floor with another bill. They could add an amendment that said the report would be accomplished within the university system's existing budget. REP. GRADY said the report goes to the finance committee and the Governor. Can't the finance committee request this information now? Why involve the issue with a bill. REP. KADAS said the finance committee requesting the study would probably have the same impact as the legislature. This makes it clear that it's an on-going issue, that the legislature wants to see these reports every year, not just a one-time study. REP. GRADY wants to strip the funding if this bill is approved. Clayton Schenck, Legislative Fiscal Analyst, said it would be up to the conference committee or the Senate if the bill passes before HB 2 gets to the Senate. KADAS stated there was no money in HB 2 for this bill, so there is no money in this bill; nothing is appropriated. REP. HOLLAND would like REP. KADAS to explain that to the House floor, because he feels if there is a fiscal note with this bill when it gets to the House floor, in his opinion, it is dead. REP. GRADY reiterated that if the bill passes as is, the fiscal note will be included and that would be as good as the committee saying they agree with using the general fund dollars. REP. COBB made a substitute motion that the university system do the reporting within their existing budgets.

<u>Vote</u>: Motion that HB 365 Amendment Do Pass carried 17 - 1, with REP. DEBRUYCKER voting no.

<u>Vote</u>: Motion that HB 365 Do Pass As Amended carried 17 - 1, with REP. DEBRUYCKER voting no.

{Tape: 1; Side: B; Approx. Counter: 43.8.}

EXECUTIVE ACTION ON HB 493

Motion: REP. COBB MOVED HB 493 DO PASS.

<u>Discussion</u>: REP. DEBRUYCKER said there were more funding projects in this state than most people are aware of. If someone wants to have a water project, let them put up their own money.

He doesn't think the state should be in this business. He said his water line at home costs him \$230 a month. If you want it, you pay for it. REP. COBB said the smaller communities just want some help and they need loans or grants. REP. KADAS said with any federal program, they shouldn't just give them a 'carte blanche.' REP. JOHN JOHNSON mentioned that he takes his drinking water from the river; it's important to have funds available for the smaller communities. REP. FISHER doesn't like the fiscal note because they aren't lending money to people in communities, but to a state agency. It bothers her that every time a program is added, FTEs are added which are never reduced when the programs end. REP. BERGSAGEL said that he's been sitting on the Long-range Building Committee that hears all the grants and loans requests and he likes the programs. He also said that not all the communities should be eligible; if there is a community expanding, they shouldn't be putting money into it. It's the smaller communities who are just sustaining populations. We should recognize the need for some type of program that assures them clean drinking water. He also said his frustration is that we impose rules and regulations that sometimes increase costs to local government and state agencies. Ann Miller, DNRC, said there were no FTEs added to this bill, it just allows DNRC to use a grant from the federal government for loans to communities. All the money that is loaned will be repaid and there's no money from the general fund. This bill would just give them the opportunity to borrow money at 4%. REP. DEBRUYCKER wanted to make sure DNRC would guarantee the money is definitely paid back and that there are no grants.

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<u>Vote</u>: Motion that HB 493 Do Pass carried 16 - 2, with REPS. KASTEN and DEBRUYCKER voting no.

EXECUTIVE ACTION ON HB 519

Motion: REP. ROYAL JOHNSON MOVED HB 519 DO PASS.

<u>Discussion</u>: REP. KASTEN said she couldn't go along with this bill which provides general fund money to pay costs associated with civil commitments of the seriously mentally ill. Welfare budgets have escalated and we have gotten ourselves into a real problem in Montana. CHAIRMAN ZOOK mentioned the long-range effects of the fiscal note included shifting costs to the state, thereby reducing the incentive for the counties to make commitments economically. REP. MENAHAN told the committee that he met with some county attorneys that had testified on this bill who told him they committed 2,500 people last year. He suggested to just hang onto the bill and work with the mental health budgets and HB 2. The counties commit people and then the Board of Visitors sends them right back home. There has to be some coordination with the patients' attorneys at the hospital and the

county attorneys. Some refining of this bill is definitely needed. REP. BARNHART asked about the proposed 50/50 funding; REP. MENAHAN said that was a good idea but maybe it should come from mental health's budget since these people are their patients.

Motion/Vote: REP. QUILICI MADE A SUBSTITUTE MOTION THAT HB 519
BE TABLED. Motion carried 17 - 1, with REP. ROYAL JOHNSON voting
no.

{Tape: 1; Side: B; Approx. Counter: 57.1.}

EXECUTIVE ACTION ON HB 528

Motion: REP. FISHER MOVED HB 528 AMENDMENT DO PASS.

<u>Discussion</u>: REP. FISHER said the amendment changes the amount of appropriation from the local impact account. Item 3 changes the total amount of the bill and Item 5 changes the original appropriation from \$5 million to \$4.6 million. The amendment also eliminates reallocation of the coal severance tax from the reconstruction trust fund to the coal-area highway improvement account. REP. DEBRUYCKER said that was the intent of the coal money to be used on the highways, but the money will come from the school equalization account. CHAIRMAN ZOOK did not think that was true. REP. KADAS said, (1) they could leave the bill the way it is and de-fund the long-range building program; (2) adopt the amendment and add the cost of \$4.5 million to the general fund; and (3) kill the bill. REP. JOHN JOHNSON asked if they were taking away the duties of the coal board. Mr. Schenck said the only money that goes into the coal impact fund that the Board can use is what is appropriated to them and there hasn't been much appropriated. So, if the committee makes this appropriation, you can award it for this particular purpose. REP. HOLLAND said he visited with a member of the coal board and he's aware of this bill. He would support the project if the money was diverted back for that use. The road in question was built for lighter traffic mostly for recreation to the Tonque River Dam. The coal industry wasn't there at that time. that heavy-duty hauling has been used on that road, it hasn't been able to withstand the impacts. They will have to rebuild the road or take off the blacktop and use it for a gravel road. The intent of this revenue is for impact purposes and he supports the amendment as well as the bill. CHAIRMAN ZOOK said he is uncomfortable with what seems like micro-managing, but, at the same time, he doesn't like the way the Highway Department lists their priorities.

{Tape: 2; Side: A; Approx. Counter: 0.5.}

REP. DEBRUYCKER said this money comes in every year. Last session they didn't give them all the money to spend and this session they took it all away. The testimony was that most of the road projects had been taken care of, most of the road work was done, but they did testify that the Roundup coal mine was coming in. REP. KASTEN said for the \$200,000 administration costs, they get to keep a Board that isn't doing anything. REP. DEBRUYCKER thought the Coal Board didn't meet all the time and wouldn't spend it if they weren't doing anything. REP. FISHER stated she thought the Department of Transportation should have paid attention to the coal industry when they built the road in the first place; it was built 10 years ago and the coal industry has been there since the 1970s; the department should have known the types of traffic it would have.

<u>Vote</u>: Motion that HB 528 Amendment Do Pass carried 9 - 8, with REPS. BARNHART, BERGSAGEL, DEBRUYCKER, FELAND, JOHN JOHNSON, MCCANN, VICK, and CHAIRMAN ZOOK voting no.

Discussion: REP. ROYAL JOHNSON asked what happens to the \$200,000 for administration of the Coal Board if they don't administer this. He said it seemed like a lot of money for administration purposes. REP. JOHN JOHNSON reminded the committee that the county commissioners establish priorities for roads in their counties. Mr. Schenck said the appropriations are authorized to continue for the duration of the construction project described. CHAIRMAN ZOOK said that could include a lot of money. Mr. Schenck then told them if the money is appropriated and the funds are not used, they will revert to the school equalization account which is the general fund, so they would revert back.

Motion/Vote: REP. FISHER MOVED HB 528 DO PASS AS AMENDED.
Motion failed 6 - 12, on a roll call vote, with REPS. COBB,
FISHER, HOLLAND, ROYAL JOHNSON, KASTEN and WISEMAN voting yes.

Motion/Vote: REP. BERGSAGEL MOVED THAT HB 528 BE TABLED. Motion carried 17 - 1, with REP. COBB voting no.

{Tape: 2; Side: A; Approx. Counter: 10.8.}

EXECUTIVE ACTION ON HB 579

Motion: REP. BARNHART MOVED HB 579 AMENDMENT DO PASS.

<u>Discussion</u>: REP. BARNHART said the only change the amendment made to the bill was to strike the appropriation of \$150,000 each

fiscal year and reduce the amount to \$10,000 for each fiscal year. The bill would appropriate money from the general fund to the Board of Regents for the Montana Geographical Alliance and the money would receive matching funds from the National Geographic Society. REP. VICK asked why they didn't just raise the private funds from \$140,000 to \$150,000. REP. BARNHART didn't think the intention was to raise the \$140,000; the program would just receive matching funds from the Society or any other donators. She thought during the hearing that the committee had looked upon the bill favorably so she wanted to make the appropriation an amount that could be supported.

Vote: Motion that HB 579 Amendment Do Pass carried unanimously.

Motion/Vote: REP. BARNHART MOVED HB 579 DO PASS AS AMENDED. Motion failed on a tie vote 9 - 9, with REPS. KASTEN, BERGSAGEL, KADAS, VICK, HOLLAND, ROYAL JOHNSON, FELAND, WISEMAN and CHAIRMAN ZOOK voting no.

Motion/Vote: REP. COBB MOVED HB 579 BE TABLED. Motion carried 15 - 3, with REPS. MENAHAN, DEBRUYCKER, and JOHN JOHNSON voting no.

EXECUTIVE ACTION ON HB 592

Motion/Vote: REP. QUILICI MOVED HB 592 BE TABLED. Motion
carried 15 - 3, with REPS. DEBRUYCKER, KASTEN and COBB voting no.

EXECUTIVE ACTION ON HB 13

Motion: REP. KASTEN MOVED HB 13 BE TABLED.

<u>Discussion</u>: CHAIRMAN ZOOK mentioned that they would all probably like to support this bill, but it is very expensive.

<u>Vote</u>: Motion that HB 13 Be Tabled carried 15 - 3, with REPS. MENAHAN, JOHN JOHNSON and QUILICI voting no.

{Tape: 2; Side: A; Approx. Counter: 6.2.}

EXECUTIVE ACTION ON HB 605

Motion: REP. GRADY MOVED HB 605 AMENDMENTS DO PASS.

<u>Discussion</u>: **REP. GRADY** mentioned that his amendment corrected the intention of the bill by privatizing the junk vehicle program. He further stated that the counties would license the junk yards, thereby giving them money from the license fees to conduct inspections. All the money from the vehicles would go to private businesses. REP. JOHN JOHNSON said he had a list of title transfers from July 1994 to the present which included \$198,000 for registration. He wanted to know what would happen to the money if this program is ended and who would collect the REP. GRADY discussed the timing of HB 2 which eliminates money, effective July 1. This bill has a January 1, 1996 effective date, so for six months fees will still come in. referred to Item 5 on the amendment which clarified that any money remaining in the state account would be transferred to the REP. JOHN JOHNSON asked if the \$1.50 is taken off general fund. the title transfer what would happen to that fee for the REP. GRADY clarified that the counties won't have costs except to license the junk yards and do inspections every two years. He also thinks there would be a lot more private businesses if the program is privatized. The idea is for the state and counties to get out of the program and have the private sector pick it up. REP. QUILICI also said that he is concerned that there would be no one to oversee the program. It is 23 years old and still needed. The mandatory portions of the law would only be licensing and the wrecking facilities would ultimately be responsible. REP. KADAS mentioned that the fee comes off June 1st, but the counties responsibilities don't end until January 1st, and the money for running the program is taken So it will be an unfunded mandate for six months. GRADY reminded everyone that there is \$1 million in the account and only \$400,000 has been used in another bill. There is still six months of revenue coming in. REP. HOLLAND asked about small communities who don't even have wrecking yards. It is not mandatory for counties to have one. REP. GRADY reminded everyone that one of the dealers who had testified at the hearing that morning stated he had just shipped out four semi-truck loads of Once the state is out and the private sector is in, it could be more popular business. CHAIRMAN ZOOK said that county commissioners could probably pass an ordinance to deal with that and charge penalties if it isn't complied with. People would be made responsible for their junk vehicles. REP. KADAS agreed but thought they should amend the bill to make sure the county commissioners have the authority to pass an ordinance requiring cleanup of junk vehicles; he doesn't think that is a power they have presently.

<u>Vote</u>: Motion that HB 605 Amendment Do Pass carried 16 - 2, with REPS. BARNHART and QUILICI voting no.

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Discussion: REP. KADAS mentioned he had talked to the legislative council and they confirmed that the counties would have authority to establish a program. Many years ago there was a reason to include the public into the market because it wasn't working. The two items that make this program work are the price of metal and the distance you have to transport the vehicles. if either of those things fail, the system doesn't work. He said Montana has ended up with lots of junk vehicles in fields which brought us to the program 23 years ago. He doesn't think the program should be repealed. REP. GRADY said he doesn't think the program has been working very well, that the auditors have said there were some problems, so now is the time to let the private sector try. We can reduce government and let the private businesses make some money.

Motion/Vote: REP. GRADY MOVED HB 605 DO PASS AS AMENDED. Motion carried 12 - 8, with REPS. MENAHAN, JOHN JOHNSON, QUILICI, KADAS, BARNHART, MCCANN, HOLLAND and ROYAL JOHNSON voting no.

{Tape: 2; Side: A; Approx. Counter: 35.8.}

EXECUTIVE ACTION ON HB 576

<u>Discussion</u>: Dave Lewis, Office of Budget and Program Planning, summarized what each of the five amendments deal with. HB 576, the truth in accounting bill, essentially needed these amendments to clarify accounting principles. The intent of the bill is to eliminate significant double counting of appropriations and expenditures to provide a more accurate reflection of the cost of government to the taxpayers.

Motion/Vote: REP. COBB MOVED HB 576 AMENDMENT, ITEMS 1-5 on
"Proposed Amendments to HB 576, Introduced Reading Copy." Motion
carried unanimously.

Motion/Vote: REP. KASTEN MOVED HB 576 AMENDMENT #2. Motion carried unanimously.

<u>Discussion</u>: Connie Griffith, Department of Administration, discussed Item #3 which deals with Section 2 to place the money in a fiduciary account instead of the state special revenue fund. She said that the distribution of taxes are presently statutorily appropriated to the counties.

00000130 1044

Motion/Vote: REP. COBB MOVED HB 576 AMENDMENT #3 DO PASS.
Motion carried unanimously.

Motion: REP. COBB MOVED HB 576 OBPP AMENDMENT DO PASS.

<u>Discussion</u>: REP. GRADY asked Dave Lewis to clarify what the amendments had changed on the fiscal note. Mr. Lewis said this would reclassify appropriations and reduce HB 2 by \$280 million. The amendments by the Department of Administration deal with \$65 million, so more than \$300 million would not be in the appropriation act. Mr. Lewis also said it doesn't cut the budget, but eliminates a level of accounting in the appropriation They have not cut the budget, but reported in a more accurate manner what is being spent. REP. KADAS asked if legislative oversight would be reduced. Mr. Lewis said no, but it would improve accounting. REP. KADAS wanted to clarify that the proprietary accounts would be based on the rates not the dollar amounts, that all the dollars associated to the rates would be statutorily appropriated. CHAIRMAN ZOOK said that it would all be reviewed by the fiscal analyst's office. said the budget office was concerned about the amendment which includes authority for Departments of State Lands and Health to The subcommittee chose to cut that authority. He is cover EISs. concerned with the way the law reads now and thinks they need to amend statutes to make it clear what a budget amendment does. REP. COBB likes the first page of the amendment, but wants his amendment language added, which would make it more restrictive and tie it to existing laws.

{Tape: 2; Side: B; Approx. Counter: 1.0.}

REP. COBB stated that was a big loophole and wanted to know if the finance committee was protected here. Mr. Schenck remarked that this amendment does provide more flexibility to OBPP and he's not sure what loopholes there would be, but the phrase, "significant identifiable events" leaves a lot of flexibility to interpretation. He doesn't think it's an issue of protection for the finance committee, but is still slightly vague in terms of what they can apply under that particular language. He also said it was hard to narrow down to a specific case but knows that the budget office has been working for some time on this and this is the closest it's come. REP. ROYAL JOHNSON asked what the loopholes were. Mr. Lewis said that the language is just cleanup language -- the major issue was the language discussed here -the rest of it is just technical cleanup. CHAIRMAN ZOOK then asked Mr. Lewis if REP. COBB's amendment was acceptable to him. Mr. Lewis said he agreed with Mr. Schenck -- they've worked with everyone and this is the closest they've come to. He is concerned about water quality laws and EISs because they don't want to end up in litigation.

Motion: REP. COBB MOVED THE FIRST PAGE OF THE OBPP AMENDMENT ADDING HIS AMENDMENT AT THE BOTTOM OF THE PAGE: ... "significant identifiable events, specific to Montana and pursuant to provisions or requirements of Montana state law, have occurred."

Motion/Vote: REP. ROYAL JOHNSON MOVED A SUBSTITUTE MOTION TO ADOPT THE OBPP AMENDMENT WITHOUT THE COBB AMENDMENT. Substitute motion failed 6 - 12, with REPS. ROYAL JOHNSON, FISHER, WISEMAN, VICK, KASTEN and GRADY voting yes.

Motion/Vote: REP. ROYAL JOHNSON MOVED A SUBSTITUTE MOTION THAT HB 576 OBPP AMENDMENT, PAGE 1, WITHOUT COBB'S AMENDMENT ADDED DO PASS. Substitute motion failed 5 - 12, with REPS. ROYAL JOHNSON, FISHER, WISEMAN, QUILICI, and VICK voting yes.

Motion/Vote: REP. COBB MOVED THAT HB 576 OBPP AMENDMENT, PAGE 1, WITH HIS AMENDMENT ADDED DO PASS. Motion carried unanimously.

Motion/Vote: REP. COBB MOVED HB 576 DO PASS AS AMENDED. Motion carried 16 - 2, with REPS. KASTEN and DEBRUYCKER voting no.

{Tape: 2; Side: B; Approx. Counter: 9.6.}

EXECUTIVE ACTION ON HB 540

Motion: REP. VICK MOVED HB 540 DO PASS AS AMENDED.

<u>Discussion</u>: REP. KASTEN discussed Amendment HB054003.AGP and the changes that were involved. First of all, the legislative council worked very hard to get these amendments written because REP. MOLNAR kept changing his mind. On page 2 of her amendment, after #18, there should be another amendment which deletes Section 22. She said the mission of the bill was saved. In essence, this amendment is in agreement with the Department of Family Services and the Board of Crime Control and takes out all the money, so there is no fiscal note any longer. CHAIRMAN ZOOK asked if it left in Section 7 and it did.

<u>Vote</u>: Motion that HB 540 Kasten Amendments Do Pass carried 17 - 1, with REP. DEBRUYCKER voting no.

Motion: REP. VICK MOVED HB 540 MOLNAR AMENDMENTS DO PASS.

Discussion: REP. MOLNAR said this amendment doesn't interfere with the amendments just passed. This amendment requires the department to develop an RFP (Request for Proposals) from local government for a youth correctional facility. REP. KASTEN hesitates to speak for the whole group she met with, but this amendment was passed out earlier at the hearing and she did not get one single supportive comment. It was not considered and she is reluctant to put it on the bill as she doesn't know what the ramifications would be. Al Davis, Juvenile Corrections Division, Department of Family Services, has no objections to this amendment. REP. VICK summarized that it just deals with site selections, RFPs, and procedures and criteria, and appropriates \$8,000 to DFS for the site selection committee. REP. KASTEN said it would be better to wait for the study before deciding how, why and where to put the facility. Mr. Davis agreed. A 50-bed facility would be adding another whole correctional facility to what they have already in the state and is a fairly major shift The director of DFS and Corrections would probably want to be involved in this issue. REP. KASTEN said since there was an 11-member committee assigned to do this she wasn't sure the \$8,000 be sufficient for the study. Mr. Davis agreed. said this committee, as well as the RFP, would be somewhat similar those used with the women's correctional facility and the appropriation for that study was \$50,000. The \$8,000 would not even cover costs. REP. FISHER reminded everyone that if this bill suggests to build another facility, that REP. BERGSAGEL should have that in his Long-Range Building proposals. opposes the amendment. REP. BERGSAGEL added that the site selection committee costs would probably be about \$12,000 just for the expenses of the committee. REP. VICK asked if there were any requirements in the RFP that would prohibit the committee from adding 50 beds to an existing facility, such as Pine Hills School. Mr. Davis thought that one of the areas in question for study was relative to privatization of existing state facilities; he assumes this amendment would include a new facility in the He also felt that the director of the Department of Corrections would probably want to respond to this issue. The impacts are unclear right now. REP. VICK said that juvenile crime was increasing and these kids need to be housed somewhere. He sees nothing wrong with requesting the RFP to see what's out there that can be used. REP. KASTEN suggested that the Wilderness Program increase the number of beds; she felt that maybe that's what should be expanded, rather than build more buildings and keep up more sites. Let's give what's out there a chance to work.

<u>Vote</u>: Motion that HB 540 Molnar Amendment Do Pass failed 9 - 9 on a roll call vote, with REPS. GRADY, BARNHART, FISHER, JOHN JOHNSON, KADAS, KASTEN, MENAHAN, QUILICI and CHAIRMAN ZOOK voting no.

Motion/Vote: REP. COBB MOVED HB 540 DO PASS AS AMENDED. Motion carried 13 - 5 on a roll call vote, with REPS. BARNHART, JOHN JOHNSON, KADAS, MENAHAN and QUILICI voting no.

ADJOURNMENT

Adjournment: 5:20 p.m.

TOM ZOOK, Chairman

MARJORIE PETERSON, Secretary

TZ/mp

HOUSE OF REPRESENTATIVES

Appropriations

ROLL CALL

DATE 3-21-95

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	V		
Rep. Roger DeBruycker			
Rep. Gary Feland	\		
Rep. Marj Fisher	/		
Rep. Don Holland	/		
Rep. John Johnson	$\sqrt{}$	{	
Rep. Royal Johnson	/		
Rep. Mike Kadas	/		
Rep. Betty Lou Kasten	. 🗸		
Rep. Matt McCann	/		
Rep. Red Menahan			
Rep. Steve Vick			
Rep. Bill Wiseman			



March 22, 1995

Page 1 of 2

Mr. Speaker: We, the committee on Appropriations report that House Bill 189 (first reading copy -- white) do pass as amended.

Signed:

Tøm Zook, Chair

And, that such amendments read:

1. Title, line 9.

Strike: "AN"

Insert: "A DELAYED"

2. Page 1, line 19.

Strike: "revenue estimating resolution provided for in 5-18-

107(5)"

Insert: "legislative fiscal analyst's postsession appropriations
 report"

3. Page 1, line 21.

Following: "general"

Insert: " fund"

4. Page 1, line 26.

Following: "transferred"

Insert: " by the department of administration"

5. Page 2, line 1.

Strike: "25%"

Insert: "2.5%"

Following: "total" Insert: " biennial"

Committee Vote: Yes 15, No 3.

6. Page 4, line 13. Following: "effective" Strike: "July 1, 1995" Insert: "January 1, 1996"



March 22, 1995

Page 1 of 1

Mr. Speaker: We, the committee on Appropriations report that House Bill 365 (first reading copy -- white) do pass as amended.

Tom Zook, Chair

And, that such amendments read:

1. Title, lines 12 through 14.

Following: "+"

Strike: remainder of line 12 through "CRITERIA;" on line 14

2. Page 2, lines 26 through 28.

Strike: lines 26 through 28 in their entirety.

Renumber: subsequent subsection

3. Page 2, line 30. Following: "."

Insert: "The report must be prepared using funds within the existing appropriation for the university system."

-END-



March 21, 1995

Page 1 of 1

Mr. Speaker: We, the committee on Appropriations report that House Bill 493 (first

reading copy -- white) do pass.

Signed:

Tom Zook, Chair



March 22, 1995

Page 1 of 3

Mr. Speaker: We, the committee on Appropriations report that House Bill 540 (first reading copy -- white) do pass as amended.

/Signed:

Tom Zook, Chair

And, that such amendments read:

1. Title, line 5. Following: line 4

Insert: "AND"

Strike: "7-32-2244,"
Following: "39-71-774,"

Strike: remainder of line 5 in its entirety

2. Title, line 6.

Strike: "41-5-103," through "41-5-301,

3. Title, line 7.

Strike: "41-3-305,"

Strike: "41-5-307, 41-5-313, 41-5-401,"

Strike: "41-5-521," Strike: "41-5-523,"

4. Title, line 8.

Strike: "41-5-526," through "41-5-601,"

Strike: "41-5-703,"

Strike: "41-5-810,"

Insert: "AND"

5. Title, lines 9 and 10

Strike: line 9 through "41-5-809," on line 10

6. Page 1, lines 14 through 16.

Committee Vote: Yes 13, No 5.

Strike: section 1 in its entirety Renumber: subsequent sections

7. Page 6, line 1 through page 10, line 13. Strike: sections 2 through 4 in their entirety

Renumber: subsequent sections

8. Page 10, line 20.

Strike: "or force the child to take prescribed"

Following: "medicine"

Insert: "prescribed for the child"

9. Page 11, lines 15 through 17. Following: "include" on line 15

Strike: remainder of line 15 through "as" on line 16

Following: the first "defense"

Strike: "or"
Insert: ","

Following: "others,"

Insert: "or"

Following: "harm" on line 16

Strike: remainder of line 16 through "actions" on line 17 Insert: "that does not constitute harm to a child's health or

welfare"

10. Page 12, line 2. Following: "shelter," Insert: "shelter,"

11. Page 14, line 6 through page 23, line 3. Strike: sections 8 through 13 in their entirety Renumber: subsequent sections

12. Page 23, line 19 through page 24, line 14. Strike: section 15 in its entirety Renumber: subsequent sections

13. Page 24, line 21.

Following: "or"
Insert: "or"

14. Page 24, lines 23 and 24.

Strike: "; OR" through "FACILITY" on line 24

15. Page 24, line 26.

Strike: ", must be segregated from juvenile offenders,"

16. Page 25, line 6 through page 27, line 4.

Strike: sections 17 through 19 in their entirety Renumber: subsequent sections

17. Page 27, line 20. Following: "quardian"

Insert: "the parents, legal guardian, or"

18. Page 29, line 15.

Following: "(4)"

19. Page 29, line 18 through page 30, line 15. Strike: section 22 in its entirety Renumber: subsequent sections

20. Page 31, line 15. Following: "guardian"
Insert: "the parents, legal guardian, or"

21. Page 31, line 21 through page 39, line 28. Strike: sections 24 through 29 in their entirety Renumber: subsequent sections

22. Page 40, line 4. Strike: "must"

Insert: "may"

23. Page 40, lines 17 through 28. Strike: section 31 in its entirety Renumber: subsequent sections

24. Page 41, line 3.
Following: "provide"
Strike: "shelter care"
Insert: "an appropriately physically restricting setting"

25. Page 41, line 13 through page 42, line 1. Strike: section 33 in its entirety Renumber: subsequent sections

26. Page 42, line 27 through page 47, line 23. Strike: sections 35 through 41 in their entirety



March 22, 1995

Page 1 of 4

Mr. Speaker: We, the committee on Appropriations report that House Bill 576 (first

reading copy -- white) do pass as amended.

Signed;

¶om Zook, Chair

And, that such amendments read:

1. Title, line 6.

Following: "APPROPRIATION;"

Insert: "GENERALLY REVISING THE LAW CONCERNING BUDGET

AMENDMENTS;"

2. Title, line 8.

Following: "2-8-304"

Insert: ", 17-2-103, 17-7-402,"

3. Page 2, line 6.

Following: line 5

Insert: "Section 2. Section 17-2-103, MCA, is amended to read: "17-2-103. Previous definitions of funds -- identification or segregation of moneys and funds. (1) It is the intent of the legislature that the definitions in 17-2-102 supersede all previous definitions of public funds which are inconsistent with the definitions found in this part.

- (2) Any laws enacted in the future or any contracts entered into in the future in pursuance of law that require the segregation of moneys in the state treasury by means of a separate treasury fund shall be interpreted as permitting the segregation of such moneys by means of a subfund or account within one of the funds created by 17-2-102.
- (3) Each federal grant or other federal money within any subfund or account of one of the funds created by 17-2-102(1)(a) through (1)(c) must be identifiable as a separate accounting

Committee Vote: Yes /6, No 2.

entity, reporting center, responsibility center, or revenue identification code, and an account must be made of each such grant or other money by income and expenditure for each federal

grant year or fiscal year as may be applicable.

(4) Unless otherwise specifically provided in the statutes pertaining to the tax, the portion of taxes collected by the state that, pursuant to a statute, are to be wholly or partially allocated or distributed to units of local government, school districts, authorities, or other local governmental entities shall be accounted for in the state special revenue a fiduciary fund, established in 17-2-102, as prescribed by the department in accordance with generally accepted accounting principles."

Section 3. Section 17-7-402, MCA, is amended to read: "17-7-402. Budget amendment requirements. (1) Except as provided in subsection (6) (5), a budget amendment may not be approved:

(a) by the approving authority, except a budget amendment to spend:

(i) additional federal revenue;

(ii) additional tuition collected by the Montana university system;

(iii) additional revenue deposited in the internal service funds within the department or the office of the commissioner of higher education as a result of increased service demands by state agencies;

(iv) Montana historical society enterprise revenue resulting

from sales to the public; or

- (v) additional revenue deposited in funds, other than the general fund, from the sale of fuel for those agencies participating in the Montana public vehicle fueling program established by Executive Order 22-91, or a new source of revenue that was not available for legislative consideration during the most recent legislative session open to that matter;
- (b) by the approving authority, which if the budget amendment contains any significant ascertainable commitment for any present or future increased general fund support;
- (c) by the approving authority, for the expenditure of money in the state special revenue fund unless an emergency justifies the expenditure;
- (d) by the approving authority, unless it will provide additional services;
- (e) by the approving authority, for any matter of which the requesting agency had knowledge at a time when the proposal could have been presented to an appropriation subcommittee, the house appropriations committee, or the senate finance and claims committee of the most recent legislative session open to that

matter, except when the legislative finance committee is given specific notice by the approving authority that significant identifiable events, specific to Montana and pursuant to provisions or requirements of Montana state law, have occurred since the matter was raised with or presented for consideration by the legislature; or

- (f) to extend beyond June 30 of the last year of any biennium.
- (2) All budget amendments must itemize planned expenditures by fiscal year.
- (3) Each budget amendment must be submitted by the approving authority to the budget director and the office of the legislative fiscal analyst.
- (4) Money from nonstate or nonfederal sources that would be deposited in the state special revenue fund and that is restricted by law or by the terms of a written agreement, such as a contract, trust agreement, or donation, is subject to the review process provided in 17-7-114 and is exempt from the requirements of this part.
- (5) An appropriation that would usually be the subject of a budget amendment that is submitted to the legislature for approval during a legislative session may not include authority to spend money beyond the first fiscal year of the next biennium.
- (6) A budget amendment to spend state funds, other than from the general fund, required for matching funds in order to receive a grant is exempt from the provisions of subsection (1)."

Renumber: subsequent sections

4. Page 2, lines 28 and 29.

Strike: "state agencies" on line 28 Insert: "internal service funds" Following: "report" on line 29

Insert: "on the application of generally accepted accounting
 principles in the development of fees and charges,"

Following: "reasonableness of"

Strike: "internal service fund type"

Following: "charges"

Insert: ","

5. Page 3, lines 5 and 6.

Strike: "development of and" on line 5

Following: "." on line 6

Insert: "Internal service fund type fees and charges must be
 approved by the legislature in the general appropriations
 act."

6. Page 3, lines 7 through 9.

Strike: subsection (7) in its entirety.

Renumber: subsequent subsections

7. Page 3, lines 15 through 17. Following: "17-7-102," on line 15 Strike: "expenditures from"

Insert: "fees or charges to finance"

Following: "not" on line 16

Strike: "exceed 110% of each year's target spending level"

Insert: "be increased by 10% over the level"

8. Page 3, line 18.

Following: "request for" Strike: "expenditures"

Insert: "an increase in fees or charges"
Strike: "110% of the target spending level"

Insert: "10% of the level approved by the legislature"

9. Page 3, line 21. Following: "that"

Insert: "is not an enterprise or internal service function and otherwise"



March 22, 1995

Page 1 of 2

Mr. Speaker: We, the committee on Appropriations report that House Bill 605 (first reading copy -- white) do pass as amended.

Signed:////

Tom Zook, Chair

And, that such amendments read:

1. Page 3, line 4. Following: "point" Insert: "that may be"

2. Page 4, line 4.

Strike: "<u>a</u>"
Insert: "the"

Following: "county"

Insert: "where the facility or graveyard is located"

3. Page 4, line 5. Following: "county."

Insert: "A county may establish the fee for licensure."

4. Page 6, line 1.

Strike: "Each" Insert: "A"

Strike: "shall" Insert: "may"

Strike: "free"

5. Page 8, line 3.

Insert: "

NEW SECTION. Section 14. Fund transfer. Any money remaining in the state special revenue account on [the effective date of this act] that is to be used pursuant to 75-10-532 is

transferred to the general fund.

NEW SECTION. Section 15. Saving clause. [This act] does not affect rights and duties that matured, penalties that were incurred, or proceedings that were begun before [the effective date of this act]."

Renumber: subsequent section

-END-



March 22, 1995

Page 1 of 1

Mr. Speaker: We, the committee on Appropriations report that House Bill 378 (first

reading copy -- white) do pass.

Signed:

Tom Zook, Chair

HOUSE OF REPRESENTATIVES 54TH LEGISLATIVE SESSION - 1995

ROLL CALL VOTE

APPROPRIATIONS COMMITTEE

APPROPRIATIONS COMMITTEE				
DATE 3-21-95 BILL NO				
MOTION Bep. Bergragel more Pass As Smerded Carri	ed 14B18	19 Do		
Pass As Smended Cours	id 15	3		
NAME	AYE	NO		
Rep. Ed Grady, VICE CHAIRMAN, MAJORITY				
Rep. Beverly Barnhart	/	·		
Rep. Ernest Bergsagel	V			
Rep. John Cobb	/			
Rep. Roger DeBruycker				
Rep. Gary Feland				
Rep. Marjorie Fisher	· V			
Rep. Don Holland	/			
Rep. John Johnson	/			
Rep. Royal Johnson				
Rep. Mike Kadas	/			

Rep. Betty Lou Kasten

Rep. Joe Quilici, VICE CHAIRMAN, MINORITY

Rep. Matt McCann

Rep. Red Menahan

Rep. Steve Vick

Rep. Bill Wiseman

Rep. Tom Zook, CHAIRMAN

ROLL CALL VOTE

ATE 3-21-95 BILL NO.	14852	8
ATE 3-21-95 BILL NO COTION By. Froher moved 14 Do Pass, motion sourced	-B528 _ 9-8,	Dmesdme
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Pen Ed Grady VICE CHAIDMAN MAJORITY	AIL	NO
Rep. Ed Grady, VICE CHAIRMAN, MAJORITY Rep. Beverly Barnhart		. /
Rep. Ernest Bergsagel		
Rep. John Cobb	~	
Rep. Roger DeBruycker		
Rep. Gary Feland		V
Rep. Marjorie Fisher	· /	
Rep. Don Holland	V	
Rep. John Johnson		/
Rep. Royal Johnson	V	
Rep. Mike Kadas		
Rep. Betty Lou Kasten	/	
Rep. Matt McCann		/
Rep. Red Menahan	/	·
Rep. Joe Quilici, VICE CHAIRMAN, MINORITY		
Rep. Steve Vick		V
Rep. Bill Wiseman		
Rep. Tom Zook, CHAIRMAN		

ROLL CALL VOTE

APPROPRIATIONS COM	MMITTEE	
DATE 3-21-95 BILL NO.	AB 52	28
MOTION Rep. Fisher moved He	3528 Do	- Pass As
Amended, motion Gailes	L 6-12	
NAME	AYE	NO
Rep. Ed Grady, VICE CHAIRMAN, MAJORITY		
Rep. Beverly Barnhart		
Rep. Ernest Bergsagel		/
Rep. John Cobb	/	
Rep. Roger DeBruycker		

Rep. Gary Feland

Rep. Don Holland

Rep. John Johnson

Rep. Royal Johnson

Rep. Betty Lou Kasten

Rep. Matt McCann

Rep. Red Menahan

Rep. Steve Vick

Rep. Bill Wiseman

Rep. Tom Zook, CHAIRMAN

Rep. Joe Quilici, VICE CHAIRMAN, MINORITY

Rep. Mike Kadas

Rep. Marjorie Fisher

ROLL CALL VOTE

MIROI MILION CON		
DATE 3-21-95 BILL NO.	HB 60.	5
Do Pass. Motion carried		
Do Pass. motion carried	l 16-2	2,
	·	
NAME	AYE	NO
Rep. Ed Grady, VICE CHAIRMAN, MAJORITY	/	
Rep. Beverly Barnhart		/
Rep. Ernest Bergsagel		
Rep. John Cobb	V	
Rep. Roger DeBruycker	\checkmark	
Rep. Gary Feland	✓	
Rep. Marjorie Fisher	'/	
Rep. Don Holland .	✓	
Rep. John Johnson	/	
Rep. Royal Johnson	<u>/</u> .	
Rep. Mike Kadas		
Rep. Betty Lou Kasten	V	
Rep. Matt McCann		
Rep. Red Menahan		
Rep. Joe Quilici, VICE CHAIRMAN, MINORITY		
Rep. Steve Vick	V	
Rep. Bill Wiseman	✓	
Rep. Tom Zook, CHAIRMAN		

ROLL CALL VOTE

DATE	3-21-	95	BIL	L NO	DC	540	
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(14800	, 54001.,	76P) D	o Pass	Coul	ed "	9-9,	·
				()			

NAME	AYE	NO
Rep. Ed Grady, VICE CHAIRMAN, MAJORITY		
Rep. Beverly Barnhart		
Rep. Ernest Bergsagel	✓	
Rep. John Cobb	/	
Rep. Roger DeBruycker	/	
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Rep. Marjorie Fisher		
Rep. Don Holland	/	
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Rep. Matt McCann	/	
Rep. Red Menahan		V
Rep. Joe Quilici, VICE CHAIRMAN, MINORITY		V
Rep. Steve Vick	/	
Rep. Bill Wiseman		
Rep. Tom Zook, CHAIRMAN		

ROLL CALL VOTE

DATE 3-21-95 BILL NO.	HB 54	0
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Rep. Bill Wiseman	<u> </u>	
Rep. Tom Zook, CHAIRMAN		

EXHIB	T	
DATE_	3-21-9	<u>.</u>
HB	605	

FAX ALERT

TO:

Board of County Commissioners

442-5209

FROM:

Gordon Morris, Executive Director

DATE:

March 20, 1995

MACo PHONE

MACo FAX

442-5238

LEGISLATIVE FAX NUMBERS:

444-3036 AND 444-4105

TELEPHONE MESSAGES FOR LEGISLATORS

444-4800

HEARINGS OR STATUS OF BILLS

444-4853

FUNDING FOR MODS

The Montana Department of Revenue sent all counties a letter dated March 16 regarding the MODS. In particular, DOR said that the department has been trying to secure additional funding for providing each county with a direct computer data communication link. The link will provide the department with a mechanism to transfer data electronically between your county computer system and the department's MODS system.

MACo supported the department in the Appropriations Committee to get this funding, but so far the effort has failed. The department will attempt to get the necessary funding when HB 2 comes before the Senate Finance and Claims Committee this week. MACo will be there; however, counties must get behind this effort and send letters of support to Sen. Gary Aklestad, chair of the Senate Finance and Claims Committee, with copies to your own legislators. (Send MACo a copy, too.)

JUNK VEHICLES

In action on HB 2, the House voted to delete \$1 million in state funding from a program for hauling away junk vehicles. The action would effectively abolish the state's junk-vehicle program, but the cut is contingent on passage of a separate bill, HB 605, to formally end the 23-year old program. The formal copy of the bill has not been distributed, but we were able to download it from the State Bulletin Board late today. This bill will be heard Tuesday, Mar. 21 in House Appropriations Committee.

The statute which mandates county junk vehicle activities is 75-10-521, so the current actions eliminating the program funding could constitute an unfunded mandate of major proportions. Elimination of program funding could also impact heavily upon county solid waste programs. Total state funds for grants to counties for Fiscal Year 1995 amounted to \$875,334. The total number of junk vehicles presently in county yards which would have to be dealt with if the state program were discontinued is 5,355. Talk to your Senators about not passing down the costs of the junk vehicle program to the counties.

If it's not broken don't fix it. The state junk vehicle program is not broken, please don't fix it. This program pays its own way. It may not be 100% effective but it is still very effective.

The functions of the state program go beyond mandating the collection of junk vehicles. This program also enforces standards for the salvage yards and county wrecking facilities. These standards include fencing requirements, storm water run-off, freon collection, hazardous waste disposal (oil, antifreeze, batteries). The Justice Department uses this program to enforce its rules about turning titles into Deer Lodge to combat stolen vehicles and keep their vehicle records current.

The program now allows the counties to develop any type of program that works in that community. In Helena and Lewis and Clark County, we had a very aggressive person in charge of the program until 2 years ago. He enforced all the rules on all the

of county satellite yards started so the vehicles didn't have to be hauled from Augusta and Lincoln to Helena to the county facility. But since he has left the program at the county level, the program is certainly not strong. I have had to call the state the last 2 years to get my annual inspection to keep my license.

The programs in both Anaconda and Polson are partnerships between the county and private enterprise.

The program in Yellowstone County last year picked up about 700 vehicles. The private towing companies picked up another 1100 vehicles according to one of the towing companies there.

There are also some counties in the less populated counties in the state where there are no privately owned salvage yards. If the counties become the regulators the standards of fencing and environmental controls will be very different. Areas with very strong environmental consciousness will

make getting a license virtually impossible.

will have very lax standards. The standards

will also change with a change of personnel as has been seen in Lewis and Clark County.

I also have a concern about an increase in the stolen car activity. Montana has been an attractive area for stolen car activity because of the ease of using our titling system. The salvage yards have been the focus of the control for the Department of Justice to get a handle on the titles that float around the state. Without uniform statewide regulations and the annual inspection of records, it may encourage more activity because there is no way to police the problem. Salvage auctions are an attractive place to purchase the titles, now they require a salvage or a used dealer license to bid on vehicles. Who will get to bid if the standards are not the same.

This bill would move the responsibility for running the program to the county's control. There is no mention of how the counties will fund the program. Will the state use the money in the junk vehicle fund to give each

\$1.50 per car junk vehicle tax levied with each license plate? Can the counties put that money in the general fund for the county or does it have to be used in the junk vehicle program. Does the state continue to get it?

If you need the excess money in the junk vehicle program, borrow the surplus from the fund, but please don't fix the program. It is not broken.

Respectfully submitted March 21, 1995 Loretta Miller

Owner Green Meadow Auto Salvage Vice President Montana Automobile Dismantlers and Recyclers Association



MISSOULA CITY-COUNTY HEALTH DEPARTMENT 301 WEST ALDER ST MISSOULA MT 59802-4123

JUNK VEHICLE PROGRAM (406) 523-4755 EXT 3372

House Appropriations Committee

DATE 3-21-95

Testimony Regarding House Bill 605

HB 605

To: Honorable Tom Zook, Chairperson and House Appropriations

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Committee Members

From: Richard A. Corrigan, Missoula County Junk Vehicle Program

Coordinator

Date: March 20,1995

My name is Richard Corrigan, as the program coordinator for the Missoula County Junk Vehicle Program, I would like to enter testimony on House Bill 605.

The bill "An act eliminating the State Junk Vehicle Program; Authorizing a County to operate a junk vehicle program; Amending sections 61-3-211, 75-10-501, 75-10-504, 75-10-511, 75-10-513, 75-10-514, 75-10-516, 75-10-521, 75-10-522, 75-10-531, 75-10-541 and 75-10-542, MCA; Repealing Sections 61-3-508, 75-10-503, 75-10-515, 75-10-532, 75-10-533, and 75-10-534, MCA and providing a delayed effective date".

Not only as the individual who is charged with overseeing the Junk Vehicle program in Missoula County but also as a concerned Montana citizen I feel the passage of this bill would be a tragedy for the State of Montana and a disservice to its citizens. By passage of this bill it would do just as the bills title states, it would eliminate the Junk Vehicle Program in the State of Montana. bill provides for a County to maintain a Junk Vehicle Program, but cuts the funding for it, effectively eliminating the programs in every county in the state. Even the largest of the counties could not afford/or justify the cost of the program in these times of shrinking budgets and the shifting of costs back to local governments. Counties are barely able to keep their financial heads above water as it is and the Junk Vehicle program, though it is a cost effective benefit to the citizens of our state would be a luxury the Counties could simply not afford. Therefore the program would no longer exist and our beautiful state would once again look like an unorganized wrecking facility from border to border as it did before the program was enacted.

The citizens of State of Montana have always been proud of the natural beauty of Montana. We as Montanans have spent countless dollars to maintain this beauty, it would be a disservice to each and every Montanan to throw this all away.

Our State depends a great deal on tourism dollars, people come from all over this great nation and from every corner of the world to see the beauty of Montana. I wonder, if this bill passed, would those people come to see the fourth largest junk yard in the nation. One doesn't have to drive very far outside of our borders to see the difference the program has made to our state.

Montana was not only the first state to enact a Junk Vehicle law but most of the states that now have Junk Vehicle laws have patterned theirs after ours. This alone speaks for the soundness and the needs for the program. The Junk Vehicle program needs to be left in tact and strengthened if anything. At present it is funded by fees that are very small and barely noticeable, if this bill is passed it would convert the program from an economical benefit for the people into an ineffective seldom used burden on the tax payer.

In a State that has regulated the size of billboards to enhance the ascetics and the beauty of our state, I find it hard to believe that we would allow our land to be strewn with Junk Cars.

In Missoula County alone last year we recycled almost one and one half million pounds of junk cars, and since the program began, over 13 million pounds of steel in the form of junk cars have been recycled. It would be a sad sight to see these 7000 plus Junk Vehicles scattered back across our county. Statewide we would have over 150,000 more Junk cars strewn across the state without the Junk Vehicle Program. If the program is eliminated we would soon be in this situation, maybe the tourists would ask the next legislature to repeal the billboard restrictions, so larger billboards could be built to hide the mess.

Most of the vehicles we pick up through the Junk Vehicle program are vehicles that have been stripped of any usable parts, and most of their weight and therefore the wrecking facilities do not want them, others are to far from town or to costly for a wrecking facility to go and retrieve and still make a profit, so if the Junk Vehicle program were eliminated these vehicles would remain scattered throughout the state.

The big debate this year seems to be on water quality, since the program was started here in Missoula County we have removed over 800 junk vehicles from the rivers and streams, and at least that many more from the mountains and gullies within the county. Without the Junk Vehicle program these vehicles would likely still be out there. Without the Junk Vehicle program in place and actively enforcing the Junk Vehicle laws, the rivers and mountains will again become a popular place to dispose of these vehicles that no one including the wrecking facilities want.

Another result in eliminating the Junk Vehicle program would be to increase the crime rate in Montana by making it a prime target for those wanting to start up an automobile chop shop.

By eliminating the program there would be no agency keeping track of the unwanted vehicles being crushed or recycled through our wrecking facilities, or monitoring their activities.

Before long we would have an unshielded wrecking facility on every corner doing what ever they pleased. You would be able to buy a fake automobile title on any street corner, as the entire titling and wrecking system would revert pretty much to the honor system, which I don't think would remain honorable for very long.

I am a firm believer in the old saying "if it isn't broken don't fix it", in this case if the Junk Vehicle program were eliminated it would be, "if it isn't broken lets break it". Having been with the Missoula Junk Vehicle program for coming on two years, I have dealt with numerous Missoula County residents, very seldom have I ever encountered anyone, other than a small number who had unshielded Junk Vehicles, that did not think the program was worth while. I have heard on several occasions the program "was the government doing something for the people rather than to them".

During this fiscal year alone our Missoula Junk vehicle program has removed over 400 vehicles for people who had no other way of disposing of them, and I have responded to 44 complaints concerning Junk Vehicles, it would be a shame if the Junk Vehicle program was not there to help them.

I feel this is probably one of the most cost effective, and visible programs the State of Montana has to offer it citizens, our fees for the most part have not increased since the program was started almost 24 years ago and in some fees have decreased, how many other government programs can claim that. The Junk Vehicle program is a program if operating properly is noticed by very few, but if it is not operating properly it is noticed by everyone, by the increased number of junk cars in our neighborhoods and along our roads.

The Junk Vehicle program is working properly and the enhanced beauty of our state is a testimony to that, therefore I would ask every member of the House Appropriations Committee to vote against House Bill 605, and lets keep Montana beautiful.

Thank You for your time and consideration

March 16, 1995

EXHIBIT 4

DATE 3-21-95

HB 143

Representative Ed Grady Seat #95 Montana House of Representatives Helena, MT 59604

Dear Representative Grady,

You have asked whether or not the proposed district court records retention, preservation and technology project funded in HB 143 (introduced by Representative Pavlovich), and the court automation project funded in HB 176 (introduced by Representative Hagener), could be combined and funded through one or the other funding source.

It is my opinion that YES, both projects could be funded through one funding source. Based on my review of both pieces of legislation, it appears that the funding source sufficient to fund both projects is the \$5 user surcharge imposed in HB 176, which is expected to generate approximately \$983,400 each year. The proposed fees in HB 143 would generate approximately \$160,000 per year, which is insufficient to fund both projects at a reasonable level.

Funding the district court records retention, preservation, and technology project through HB 176 funding appears to be a wise decision for other reasons:

- 1) HB 146 would have fees authorized by the legislature deposited in a county fund solely controlled by district court clerks. Utilization of HB 176 fees to support the project would keep control of the funds and duration of the project in the hands of the legislature through its appropriation process.
- 2) HB 146 funds the project "forever," as there is no termination date in that bill (as there is in HB 176--it terminates in 4 years). Under Judiciary's court automation plan, all courts will eventually be automated--including the records retention and preservation functions. Consequently, at some point in time there would be no further need for separate district court records retention and preservation funding. HB 146 would continue to provide funds for this project indefinitely.

It appears that the need for district court records retention and preservation is similar to the need described by the Secretary of State in regard to records maintained in that office. There are actually two needs regarding records when automation is planned: a) immediate storage and preservation of "old" records which are not computerized; and b) the manner in which the "old" records will be transferred to the computer once automation is completed. Once the office is automated, "new" records will automatically be retained and preserved in the computer; and eventually the backlog of storing and preserving "old" records, and transferring them to the computer will be eliminated.

If the legislature chose to fund the district court records retention/preservation project through HB 176 funds, it would reduce the amount of funds otherwise available for court automation activities from \$983,400 each year to \$823,400 per year (assuming the district court project were funded at \$160,000 per year). While a reduction in funds for court automation would lengthen the amount of time necessary to automate all courts, it is uncertain at this point how long the automation process will take anyway--even if all the fees authorized by HB 176 are available for that purpose.

If the legislature chose to fund the district court records project through fees authorized in HB 176, the legislature could get those funds to the district courts through a \$160,000 appropriation each year in the Judiciary's District Court Operations program. The legislature could also direct how those funds are to be distributed to individual district courts. By funding this project through this process, it would mirror the process that will be used to fund court automation: a temporary appropriation in the general appropriations act, which will be reviewed in each subsequent legislative session.

I hope this answers your question. If you have more, please do not hesitate to contact me.

Sincerely,

Terri Perrigo

Senior Fiscal Analyst

Office of the Legislative Fiscal Analyst

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HOUSE OF REPRESENTATIVES

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