

## MINUTES

### MONTANA SENATE 54th LEGISLATURE - REGULAR SESSION

#### COMMITTEE ON FINANCE & CLAIMS

Call to Order: By SENATOR GARY AKLESTAD, Chairman, on April 4, 1995, at 7:30 a.m., Room 108.

#### ROLL CALL

##### Members Present:

Sen. Gary C. Aklestad, Chairman (R)  
Sen. Thomas F. Keating, Vice Chairman (R)  
Sen. Thomas A. "Tom" Beck (R)  
Sen. James H. "Jim" Burnett (R)  
Sen. Loren Jenkins (R)  
Sen. Ethel M. Harding (R)  
Sen. Arnie A. Mohl (R)  
Sen. Charles "Chuck" Swysgood (R)  
Sen. Daryl Toews (R)  
Sen. Larry J. Tveit (R)  
Sen. B.F. "Chris" Christiaens (D)  
Sen. Eve Franklin (D)  
Sen. Judy H. Jacobson (D)  
Sen. Greg Jergeson (D)  
Sen. John "J.D." Lynch (D)  
Sen. Mignon Waterman (D)

Members Excused: None

Members Absent: None

Staff Present: Taryn Purdy, Legislative Fiscal Analyst  
Lynn Staley, Committee Secretary

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

##### Committee Business Summary:

Hearing: HB 578, HB 577  
Executive Action: HB 416, HB 493, HB 576, HB 577, HB 578,  
HB 594, HB 297, HB 268, HB 528, HB 17,  
HB 5, HB 584, HB 528

#### EXECUTIVE ACTION ON HOUSE BILL 416

Discussion: CHAIRMAN AKLESTAD explained there had been two amendments to HB 416, one was killed and the other amendment relating to SB 83 was already passed by the committee.

Taryn Purdy said it was a technical amendment that would appropriate funds out of the general fund if SB 83 passes.

Motion/Vote: SENATOR WATERMAN MOVED HOUSE BILL 416 AS AMENDED BE CONCURRED IN. Motion CARRIED unanimously. SENATOR WATERMAN will carry HB 416.

EXECUTIVE ACTION ON HOUSE BILL 493

Discussion: SENATOR JENKINS presented an amendment to HB 493 stating that federal dollars have to be obtained first. EXHIBIT 1

Motion/Vote: SENATOR JENKINS MOVED TO AMEND HB 493. EXHIBIT 1 Motion CARRIED unanimously.

Motion//Vote: SENATOR JERGESON MOVED HOUSE BILL 493 AS AMENDED BE CONCURRED IN. Motion CARRIED unanimously. SENATOR HARP will carry HB 493.

EXECUTIVE ACTION ON HOUSE BILL 576

Discussion: SENATOR JENKINS commented that this language gives the Budget Office the chance to look at requests and agree to them.

SENATOR WATERMAN voiced concern that this would significantly change the whole budget amendment process and take a lot of control out of the hands of the legislature. She remarked that it would be best to put in a budget authority for the Seven Up Pete Mine in HB 2.

In questioning from SENATOR SWYSGOOD whether there was an amendment, CHAIRMAN AKLESTAD said there was an amendment that passed on the bill, and he asked the committee if they desired to reconsider action on the bill.

Motion/Vote: SENATOR JENKINS MOVED TO RECONSIDER ACTION ON HOUSE BILL 576. Motion CARRIED with SENATOR WATERMAN opposed.

Motion/Vote: SENATOR JENKINS MOVED HOUSE BILL 576 AS AMENDED BE CONCURRED IN. Motion CARRIED on a roll call vote. SENATOR KEATING will carry HB 576.

DISCUSSION ON HOUSE BILL 5

Discussion: Nan LeFebvre, LFA, said there was a question in terms of the Regents priority list as well as which projects are funded by the Long Range Building program.

Tom O'Connell, Architecture and Engineering, commenting on the priority list of projects in the LRBP, explained that in July

each agency submits a prioritized list of projects. Not all of them are recommended as part of HB 5 or HB 15, but all projects are listed. He explained that the list the committee had yesterday was the Regents priority list. He said priority 15, which is the pharmacy addition and priority 35, which is deferred maintenance were in the program to begin with and were removed by legislative action today.

**SENATOR LYNCH** questioned the \$412,000 figure for the MSU Billings electrical retrofit and the proposed amendment from a previous meeting that was three times that amount.

**Tom O'Connell** explained that the project requested in July was a \$400,000 project that was not recommended in the priority list and the LRBP that came to the legislature. Since that time a more accurate estimate of the work that needing to be done was obtained.

When questioned by **SENATOR LYNCH** what would have happened if they had gotten the \$412,000, **Mr. O'Connell** said he did not think they would have been able to complete the project.

**Nan LeFebvre** distributed a handout for the Long Range Building Program Account. **EXHIBIT 2**

**SENATOR LYNCH** commented that if the Warm Springs bill failed, there would be problems with fire and safety hazards and nothing is appropriated. He questioned how much it would take to make the people safe and if some of the ending fund balance would be needed.

**REPRESENTATIVE BERGSAGEL** said it would take more than what is available.

**SENATOR WATERMAN** commented that even if the Warm Springs facility is approved, it will not be built within the next two years. If the Warm Springs facility is not approved, the legislature will come back in two years and do something. She questioned why if there are life and safety problems that have to be addressed immediately, they are not in this budget.

**REPRESENTATIVE BERGSAGEL** said there are a lot of issues like that. The issue with Warm Springs is if we don't build, we will have that facility for awhile and have to put money into it. If the Warm Springs facility is built, money will not be put into it, but whatever maintenance necessary to sustain it will be done.

**CHAIRMAN AKLESTAD** said the discussion on HB 5 would continue after hearings on HB 578 and HB 577.

Opening Statement by Sponsor:

REPRESENTATIVE ROYAL JOHNSON, House District 10, Billings, sponsor, said HB 578 is an attempt to include the legislature in the reorganization program of state government which is vital.

Proponents' Testimony:

Steve Yeakel, Montana Council on Maternal and Child Health, rose in support of HB 578. He proclaimed that this particular issue was strongly endorsed during the 11 meetings across the state and is endorsed by the 40 plus organizations who support the Montana children's agenda.

Opponents' Testimony:

None.

Questions From Committee Members and Responses:

None.

Closing by Sponsor:

In closing, REPRESENTATIVE JOHNSON said it is very important to have legislative oversight in this area.

HEARING ON HOUSE BILL 577

Opening Statement by Sponsor:

REPRESENTATIVE TOM ZOOK, House District 3, Miles City, sponsor, said HB 577 was introduced because of a situation where only the Finance Committee could act on a private donation, and it was thought the legislature should also be able to make that decision.

Proponents' Testimony:

None.

Opponents' Testimony:

None.

Questions From Committee Members and Responses:

None.

Closing by Sponsor:

REPRESENTATIVE ZOOK closed on HB 577.

EXECUTIVE ACTION ON HOUSE BILL 577

Motion/Vote: SENATOR WATERMAN MOVED HOUSE BILL 577 BE CONCURRED IN. Motion CARRIED unanimously. SENATOR LYNCH will carry HB 577.

EXECUTIVE ACTION ON HOUSE BILL 578

Motion/Vote: SENATOR LYNCH MOVED HOUSE BILL 578 BE CONCURRED IN. Motion CARRIED unanimously. SENATOR KEATING will carry HB 578.

EXECUTIVE ACTION ON HOUSE BILL 5 (CONTINUED)

Motion: SENATOR JENKINS moved amendment (#hb000508.a11) to HB 5 and said it is out of Fish and Game license revenue. EXHIBIT 3

Discussion: SENATOR AKLESTAD asked if it was appropriating state special, to which SENATOR JENKINS said it is license fees and some federal.

SENATOR CHRISTIAENS asked Pat Graham to explain the Bearpaw Dam project.

Pat Graham, Fish Wildlife and Parks, said the Bearpaw Dam had a safety problem with erosion under the tailway and spillway. The original engineering estimates were that it could be done for the money that was appropriated last session. However, the estimates now are \$210,000 over what has been appropriated.

In answer to a question by SENATOR AKLESTAD, SENATOR HARDING said money was put in by the Long Range Building Program last session but not this session.

SENATOR MOHL questioned where the figure of \$210,000 was from and if the money from last session was still there.

SENATOR JERGESON said the amount approved last session is not adequate to do the project, therefore the money is still there.

Vote: The motion on the amendment EXHIBIT 3 CARRIED with SENATORS WATERMAN and HARDING opposed.

Motion: SENATOR JENKINS MOVED AMENDMENT #hb000509.a11. EXHIBIT 4. He explained it is to provide a loan from the cultural trust to assist with the purchase of the Exalted Ruler painting.

Discussion: SENATOR WATERMAN questioned where the money would come from and if grants would have to be further reduced by \$250,000, and further questioned how C. M. Russell Museum was going to repay.

**Nan LeFebvre** said the idea was to loan the money directly from the cultural trust. The grant money comes from the interest earned on the arts trust account.

When questioned by **SENATOR WATERMAN** how much it would reduce the interest income, **Ms. LeFebvre** said there is about \$6 million in the trust. Although she did not have the information of what the reduction would be, it definitely would reduce the interest earnings and make less grant money available.

**SENATOR WATERMAN** questioned how the Russell Museum would repay it and if they knew they would have to repay.

**SENATOR AKLESTAD** said they were not aware.

**SENATOR JENKINS**, in defending the amendment, said they are getting close to obtaining the \$1.1 million needed for the painting.

**SENATOR WATERMAN** stated opposition to the amendment as it is going to reduce the money available for other grants in the state, and it is not known if the Museum can enter into the loan or how they would repay it. \$25,000 has already been given for the purchase of the Exalted Ruler painting, and she concluded it is more important to take 1/10th of that amount of money for art work in other facilities around the state.

**SENATOR BECK** asked **REPRESENTATIVE BERGSAGEL** to explain the language stating that Architecture and Engineering Division of the Department of Administration is directed to minimize the allocation of funds for the acquisition of works of art.

**REPRESENTATIVE BERGSAGEL** commented that it is frustrating that we would be willing, by statute, to allocate up to one percent of monies for art in a new facility when the money isn't available to repair roofs and toilets. He stated that this particular amendment raises the question of whether this would now require a 2/3 vote or a 3/4 vote. Since it is not known if the Museum wants the loan, he suggested stating in the amendment that it would be on approval of the C.M. Russell Museum management.

**SENATOR BECK** commented if they were going to borrow the money, the interest should be enough so that the state does not lose money on the trust account.

**SENATOR JENKINS** professed that the amendment is just an appropriation to allow a loan to the museum; it doesn't state that the museum definitely has to take it.

**Vote :** The motion on **SENATOR JENKINS'** amendment **FAILED. EXHIBIT 4**

**Motion:** **SENATOR WATERMAN MOVED AMENDMENT #hb000506.a11** which would remove the directive to the Architecture & Engineering

Division to "minimize the allocation of funds for the acquisition of works of art." **EXHIBIT 5**

**Discussion:** **SENATOR HARDING** commented that she did not totally agree with minimizing the allocation of funds for art as the committee would put first priorities first, therefore the language would not be necessary.

**Vote :** The motion on **SENATOR WATERMAN'S** amendment **FAILED**.  
**EXHIBIT 5**

**Motion:** **SENATOR HARDING MOVED AMENDMENT #hb000502.a16**, which is for the Pharmacy/Psychology Building Addition. **EXHIBIT 6**

**Discussion:** **SENATOR HARDING** said the building would serve approximately 1,000 students and combines two necessary programs.

When asked by **SENATOR AKLESTAD** if it was brought before the subcommittee, **SENATOR HARDING** answered it was before the subcommittee for \$2 million in bonding from state, and since that time they have said they would be able to get the funds and simply need the authority to build. She asked **Bob Frazier** to explain the Life Sciences Building from a previous session.

**Bob Frazier, University of Montana**, said \$12 million of authority was provided in 1991 to apply to the federal government for money for a Life Sciences Building. At the present time they have not done anything to raise that money. The ALSAM Foundation came forward with \$60,000 for a planning grant for an addition to the Pharmacy Building and \$2.5 million in funding. There are two other foundations interested in giving approximately \$2 million each, and the university thinks they can raise the remainder of the money through the private sector. He concluded that they are interested in the original \$2 million from the state, but if that isn't possible they would like the authority to raise the money themselves.

**SENATOR JENKINS** asked **Mr. Frazier** to explain the psychology therapy.

**Mr. Frazier** said psychology is located within the same area, but this particular building addition would only affect physical therapy and pharmacy and would bring the allied sciences departments together.

In answer to **SENATOR JENKINS'** question on the placement figures of the physical therapy and pharmacy departments, **Mr. Frazier** said there was a hundred percent placement in both programs, adding that most of the students remain in the state of Montana.

**SENATOR HARDING** asked **Jane Hamman** to explain the \$12 million authority from the 1991 session.

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**Ms. Hamman** said it is \$12 million of empty federal authority which would be deleted from the books if the university system does not need it within the next year in cooperation with Architecture and Engineering.

**Vote:** The motion on **SENATOR HARDING'S** amendment **CARRIED. EXHIBIT 6**

**CHAIRMAN AKLESTAD** said further discussion of HB 5 would be continued later in the meeting in order to allow **SENATOR KEATING** to present an amendment.

#### DISCUSSION ON HOUSE BILL 528

**Discussion:** **Taryn Purdy, LFA**, said **REPRESENTATIVE TAYLOR** may have an amendment to HB 528, but she was in Billings at this time.

**SENATOR MOHL** asked to have someone explain the bill and amendment to see what is needed.

**Taryn Purdy** said HB 528 relates to the road in Big Horn County from Decker to Busby. The bill originally had an appropriation from the Highway fund from the local impact account to build the road. Any potential amendment would use bonding authority and local impact funds to pay back any bonds received, and it would have to go through the Department of Transportation. The ultimate effect of it would be to use a couple million dollars of local impact funds that right now are not appropriated and by default would go into the school equalization account, essentially the general fund, at the end of this biennium. She reported that **REPRESENTATIVE TAYLOR** had asked about the possibilities for some bonding authority and how to pay it back.

**SENATOR MOHL** asked the Highway Department to explain their thoughts on the bill.

**Marvin Dye, Department of Transportation**, said he discussed with **REPRESENTATIVE TAYLOR** the possibility of letting bonds for the purpose of funding the road and using some mechanism where coal impact funds could be used to pay off the loan over time. The Department of Transportation would have the ability to do that through the department.

In answer to **SENATOR AKLESTAD'S** question of where the funds would come from, **Mr. Dye** said \$5 million of coal impact funds was directed into the highway special revenue fund and that has since been redirected to Long Range Building. He thought that **REPRESENTATIVE TAYLOR** was looking at the coal impact funds.



In answer to **SENATOR AKLESTAD'S** question if there were any funds in any existing SOS for this project, **Mr. Dye** said there could be a small portion of the road that SOS funds could be used to overlay, but the rest of the route needs to be rebuilt as it is not capable of carrying the heavy trucks.

**SENATOR AKLESTAD** questioned if a portion of the road was being constructed, and **Mr. Dye** said he did not think that was the case.

When questioned by **SENATOR AKLESTAD** regarding half of the road being in a different category, **Mr. Dye** said Big Horn County is allocated for federal aid funds for a different route in the county.

**SENATOR AKLESTAD** asked if there was \$4 million in one area that would revert into SEA, and those dollars would revert into the general fund.

**SENATOR JENKINS** commented that it was stated that the coal companies had built part of the road which was standing up good, but the Highway Department had built the other part and it was in need of repair, and he questioned the difference in the construction.

**Tom Barnard, Chief Engineer, Department of Transportation,** stated the portion the Department constructed is standing up well. He explained that there are three segments that need something done; in the area of Decker, the Tongue River Dam is going to be raised, which requires that some of the road be relocated. The middle section needs to be resurfaced which he thought could be taken care of with the SOS program. On the north end there is a very old 12 or 13 mile section that is in extremely poor condition. He insisted that it wasn't a failure; it just wore out. While part of that section is on the reservation, he did not believe the reservation has money to reconstruct it. He concluded that the BIA does have some federal funding, but that is already committed for the Pryor area.

**CHAIRMAN AKLESTAD** said until **REPRESENTATIVE TAYLOR** returns to Helena, the committee will hold action on HB 528.

#### EXECUTIVE ACTION ON HOUSE BILL 594

**Motion:** **SENATOR LYNCH** MOVED THAT HOUSE BILL 594 BE CONCURRED IN.

**Motion:** **SENATOR CHRISTIAENS** MOVED AMENDMENT #hb059401.ADN which asks the Mental Health and Advisory Council to study the facilities for the treatment of mentally ill patients and that the department consider the results before they use the loan proceeds for construction of the Warm Springs facility. **EXHIBIT**

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**Discussion:** **SENATOR LYNCH** spoke against the amendments.

**SENATOR JACOBSON** said if these amendments are accepted, the bill is not needed because essentially it will be in limbo for two years.

**SENATOR CHRISTIAENS** said if the hospital were approved today, money has to be spent, and he added we need to keep in mind what will be done for life/safety issues over the next four years.

**SENATOR FRANKLIN** said despite the changes that come with managed care, it is necessary to build a safe, healthy physical structure for people to be in and also the need to spend money on community care.

**SENATOR HARDING** stated her opposition to the amendment because there are many people that will only be taken care of at a state hospital, therefore a secure facility is needed.

When asked by **SENATOR LYNCH** if mental health facilities were considered advocates, **SENATOR CHRISTIAENS** explained that every mental health center was opposed to it with the exception of Great Falls. He professed that he was amazed that this committee would vote to spend money for a facility that would cost \$126,000 a bed and not put money into community services. The testimony was that the facility was built on over 300 acres of land to take care of 2,000 patients, while today there are just over 200 patients. He maintained that there are 1800 plus in communities that we are not doing anything for as far as spending money. He concluded that people were being put in the most expensive care first rather than taking care of them in the communities where they live and where they hope to return. He urged support for the amendment. **EXHIBIT 7**

**Vote:** **SENATOR CHRISTIAENS'** amendment motion **EXHIBIT 7 FAILED** on a roll call vote.

**Discussion:** **SENATOR AKLESTAD** said his concern is with the total project of \$36 million and the fact that the people the service is provided for seem to be against the project.

**SENATOR BECK** commented that there is more to HB 594 besides just building a hospital, as there is a correctional problem also. He said 200 beds would be picked up in the correctional facility, and there would be no intermingling of inmates with mental patients. He added that standards cannot currently be met so he didn't think there was a choice, also that it would be somewhat self funded.

**SENATOR WATERMAN** said although the hospitals testified, they were not included in the process. They explained that if they had another two years, they could have worked with the legislature on a proposal.

**Vote:** **SENATOR LYNCH'S MOTION TO CONCUR IN HB 594 CARRIED** on a roll call vote. **SENATOR HARDING** will carry HB 594.

EXECUTIVE ACTION ON HOUSE BILL 297

Discussion: CHAIRMAN AKLESTAD explained that HB 297 appropriates \$7.5 million each year of the biennium to counties and cities. The ratio was 60 percent counties and 40 percent cities, and it is on a mileage basis rather than population. Cities and certain class towns of 5,000 or less could use the money to buy equipment.

SENATOR SWYSGOOD questioned if the cities and towns would still get the split they are currently getting if HB 297 doesn't pass.

Tom Barnard, Department of Highways, said they would still get monies from the other programs; this would have no impact on those dollars.

Motion/Vote: SENATOR SWYSGOOD MOVED TO TABLE HOUSE BILL 297.  
Motion FAILED on a roll call vote.

Discussion: SENATOR AKLESTAD presented amendment #hb029703.agp and said under the amendment the current delinquents would still owe their delinquent taxes. EXHIBIT 8

Motion/Vote: SENATOR CHRISTIAENS MOVED THE AMENDMENT. EXHIBIT 8  
Motion CARRIED with SENATORS SWYSGOOD AND MOHL opposed.

Motion: SENATOR WATERMAN MOVED HOUSE BILL 297 AS AMENDED BE  
CONCURRED IN.

CHAIRMAN AKLESTAD said there were more amendments to be considered before voting on the bill.

Motion: SENATOR MOHL MOVED AMENDMENT #HB029703.A13. EXHIBIT 9

Discussion: SENATOR MOHL indicated that his amendment EXHIBIT 9 strikes all references to the statutes appropriating the fuel tax to counties and cities and restores the present law amount of \$16,766,000. The counties and cities are getting a fair share now, and SENATOR MOHL indicated that with his amendment on HB 2 they will get \$15 million of work if there is excess fuel tax. The way this is broken down, the smaller cities and counties would only get \$2,000 to \$4,000 which is not enough to do anything. HB 297 states they can spend 25 percent on equipment, and the rest has to be contracted out. He concluded that it is wrong to keep taking away from the Highway Department as they can't plan ahead; every city in the state has big projects going on.

SENATOR MOHL asked Tom Barnard to explain some of the projects.

Tom Barnard, DOT, said if another \$7.5 million is taken out of the Highway Program, another fuel tax increase would be needed or drastic cuts would have to be made in the program by the next

biennium. Currently there is approximately \$95 million a year out of the fuel tax that is going directly to cities and counties, either by projects funded within city limits or secondaries through the urban program or the fuel tax rebate program. In addition, street construction has been funded in the amount of \$95 million over the past 3.5 years in cities alone, so there is already a substantial amount of money going into those areas.

In questioning from **SENATOR BECK** as to how many counties use the local option fuel tax, **SENATOR SWYSGOOD** said none; HB 297 repeals it.

**SENATOR WATERMAN** said county commissioners testified that this would make a difference and urged support of the amendment.

**SENATOR JERGESON** said effectively this amendment guts the bill. He declared that he was surprised at the approach of the Department of Transportation on this kind of issue. Last session when the 3 cent increase in motor fuel tax was adopted, the revenues came in at a level much higher than estimated. Had the revenues come in according to the estimates, he wondered what the budgets for the various departments would have looked like. He contended that local governments have been stuck for many years under I-105 and added that a couple thousand dollars to some of the small cities might make a difference for the quality of the streets and key intersections. He concluded that since this is additional revenue that was not anticipated, and we don't give it back to the taxpayers, it should be given to local government units that have been under a tax limitation structure.

**SENATOR AKLESTAD** asked if the Department of Transportation had the figures of the estimates that would be coming in 1993 as far as the fuel tax.

**Mr. Barnard** said he did not recall the projected revenue in 1993.

When questioned by **SENATOR JENKINS** if the \$40 million was going to pay off bonds, **Mr. Barnard** said the initial plan was that \$40 million of the bonds would be paid off but that was contingent upon other things. He reported that if HB 297 goes through, they would not be able to pay off the bonds.

**Mr. Barnard** said the \$7.5 million a year in HB 297 would be distributed to cities and counties.

**SENATOR AKLESTAD** questioned where the money would go if HB 297 did not pass.

**Mr. Barnard** said the Department's intent was to increase the state funded construction program in the amount of \$10 million in 1996 and \$15 million in 1997. That money would be spent in the biennium on pavement preservation jobs throughout the state. Looking into the 1999 biennium, the intent is to accelerate major

reconstruction jobs throughout the state as there is not enough federal money to do it, and the federal program could not be depended on to do major construction on primary routes in the state. In answer to a question by **SENATOR JENKINS**, he said if the money is put back into the Department's budget, they would use the money for construction. Whether or not they would be able to pay off any bonds would be dependent on what the revenues continue to be, but the primary intent would be to accelerate construction projects.

**SENATOR LYNCH** questioned how much the local option fuel tax is and if every county uses the local option fuel tax.

**SENATOR SWYSGOOD** said no one gets it.

**SENATOR LYNCH** voiced concern that the \$15 million was taken out of cities and counties in HB 2 and put back into the state, and now **SENATOR MOHL'S** amendment **EXHIBIT 9** says they can use up to the \$15 million for construction.

**SENATOR MOHL** said the amendment was that after the state got the \$165 million to match everything they need to spend on highways, any excess up to \$15 million would be spent on county urban roads.

**SENATOR LYNCH** asked what would happen if HB 297 passes without **SENATOR MOHL'S** amendment and HB 2 stays the same in terms of appropriating the money.

**SENATOR AKLESTAD** said this would be a statute so it would appropriate the money.

**Motion/vote:** **SENATOR SWYSGOOD MADE A SUBSTITUTE MOTION TO TABLE HB 297.** Motion **CARRIED** on a roll call vote.

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#### EXECUTIVE ACTION ON HOUSE BILL 268

**Motion:** **SENATOR WATERMAN MOVED AMENDMENT #hb026807.ash.**  
**EXHIBIT 10**

**Discussion:** **SENATOR AKLESTAD** remarked that it appears the amendment changes all of the percentages and schedules.

**Dave Senn, Department of Administration,** said the proposed amendments do several things. Speaking on the Teachers Retirement System, they are opening up a window that was in HB 268 in the House to recognize value members of purchase for summer employment that is worth something in terms of future retirement benefits. They will add to that summer employment that members have contributed on. As of July 1, 1995, they will

put that value in the calculation of their future benefits if they retire within a 10 year window. In order to do that, there is an increased cost to the retirement system which is why there is a change in the schedules. Also, to recognize the concerns of the university system whose members are under the Teachers Retirement System, receive a substantial amount of their income during the summer, these amendments will allow those individuals to continue to contribute on their summer employment. They will not be covered under the ten year window. He concluded that they will only receive value based upon the average of the percentage share of base contract that they have been contributing over their career.

In answer to **SENATOR AKLESTAD'S** question, **Mr. Senn** said the fiscal impact to the general fund does not go up appreciably from the House version. The increase in the employee contribution was nine hundredths of a percent, which is phased in over 4 years, so the total employee and employer contributions rates are from 1.24 in the House version to 1.33 with these amendments. **EXHIBIT 10** He said there is a very small impact with the amendments, but he did not know the dollar amount.

**Dan Gengler, OBPP**, said a preliminary analysis was done on the cost of the amendments, and it would reduce the general fund in the first biennium by \$100,000, increase the general fund in the second biennium by \$600,000 and increase the general fund in the third biennium by \$850,000.

**SENATOR JENKINS** requested further information from **Linda King, Department of Administration**. **Ms. King** said the main amendment in the Public Employees Retirement System is that the effective date is put off in the sections that require members to pay the full actuarial cost. The date is July 1, 1996 rather than July 1, 1995, so members can continue to buy service at the current rate.

**Vote:** **SENATOR WATERMAN'S AMENDMENT MOTION EXHIBIT 10 CARRIED** on a roll call vote.

**Motion/Vote:** **SENATOR LYNCH MOVED HOUSE BILL 268 AS AMENDED BE CONCURRED IN.** MOTION CARRIED with **SENATOR AKLESTAD** opposed. **SENATOR BECK** will carry HB 268.

#### EXECUTIVE ACTION ON HOUSE BILL 528

**Motion/Vote:** **SENATOR FRANKLIN MOVED THAT HOUSE BILL 528 BE TABLED.** Motion **FAILED** on a roll call vote.

#### EXECUTIVE ACTION ON HOUSE BILL 17

**Motion/Vote:** SENATOR JACOBSON MOVED THAT HOUSE BILL 17 BE CONCURRED IN. Motion CARRIED on a roll call vote. SENATOR LYNCH will carry HB 17.

**EXECUTIVE ACTION ON HOUSE BILL 5**

**Motion:** SENATOR FRANKLIN MOVED SENATOR KEATING'S AMENDMENT #hb000501.a16 which would provide funding and authorization for the replacement of the electrical system at MSU - Billings. EXHIBIT 11

**Discussion:** CHAIRMAN AKLESTAD asked Nan LeFebvre to explain the amendment. Ms. LeFebvre said the \$1,487,500 would come from the Long Range Building program which would reduce the fund balance. The \$262,500 would come from auxiliary funds and would not impact the cash balance.

In answer to SENATOR AKLESTAD'S question, Ron Sexton, MSU-Billings, said auxiliary funds are student dollars from user fees in residence halls and the student-union building.

SENATOR AKLESTAD questioned if the students would be paying for the electrical rewiring, to which Mr. Sexton replied as a percentage of the overall cost because the direct benefit to the residence halls and student-union building were calculated accordingly, and he concluded that the students are aware of the amendment.

SENATOR CHRISTIAENS said while he didn't oppose the amendment, he was going to vote against it as there will continue to be maintenance problems.

In answer to SENATOR SWYSGOOD'S question, Tom O'Connell said the auxiliary is based on a percentage of use and for the MSU-Billings campus, it would be approximately 85 percent of facilities that would be supported by the cigarette tax and 15 percent would be serviced by the auxiliary.

Mr. O'Connell further explained that when a project encompasses a campus system, it services both academic and auxiliary buildings, and the funding is split between cigarette tax dollars and auxiliary dollars to make sure both sources contribute to the overall project. The breakdown of funding is reflective of that type of split on the Eastern Montana campus. Other projects such as the business administration at Missoula are all academic; there are no auxiliary fees at all, while other projects could be entirely auxiliary fees.

SENATOR TVEIT questioned how many times the campus had been written up in violation of the codes.

Mr. O'Connell said the campus distribution system for the primary electrical system would be for the entire campus. The system

services each building on the system. He deferred to **Bob Lashaway** to answer **SENATOR TVEIT'S** question.

**Bob Lashaway, Director of Facilities, MSU**, said they have had write-ups from the Department of Safety in the past and Montana Power has pointed out the urgency of taking care of the problem, but he did not know many citations there were.

When questioned by **SENATOR MOHL** if OSHA wanted to shut the campus down, **Mr. Lashaway** said the campuses are inspected on a regular basis from various state agencies. When their citations are given, the low cost and no cost items are taken care of as quickly as possible, but for the major deficiencies it is necessary to come to the legislature for funds. However, at some time they could say it is not in compliance and shut the campus down.

**SENATOR HARDING** stated while she realizes all the maintenance that needs to be done across the state, there is only so much money. She voiced concern in seeing the ending fund balance get any lower in event there are emergencies that would need to be taken care of.

**Vote:** **SENATOR FRANKLIN'S** amendment motion **FAILED**. **EXHIBIT 11**

**Motion/Vote:** **SENATOR CHRISTIAENS** MOVED HOUSE BILL 5 AS AMENDED BE CONCURRED IN. The motion **CARRIED**. **SENATOR HARDING** will carry HB 5.

#### EXECUTIVE ACTION ON HOUSE BILL 584

**Motion:** **SENATOR JERGESON** MOVED HOUSE BILL 584 BE CONCURRED IN and further MOVED AN AMENDMENT TO HOUSE BILL 584. **EXHIBIT 12**

**Motion/Vote:** **SENATOR LYNCH** MADE A SUBSTITUTE MOTION FOR AMENDMENT #hb058405.a11, which is for the Montana Law Enforcement Academy to be moved to Galen, Montana. **EXHIBIT 13** Motion on **SENATOR LYNCH'S** amendment **FAILED** on a roll call vote.

**Vote:** The motion on **SENATOR JERGESON'S** amendment **EXHIBIT 12** **CARRIED**.

**Vote:** **SENATOR JERGESON'S** MOTION THAT HB 584 AS AMENDED BE CONCURRED IN **CARRIED** with **SENATORS AKLESTAD** and **LYNCH** opposed. **SENATOR HARDING** will carry HB 584.

#### EXECUTIVE ACTION ON HOUSE BILL 528

**Discussion:** **REPRESENTATIVE TAYLOR** asked **Skip Culver, Legislative Fiscal Analyst's Office (LFA)** to explain the amendment to HB 528. **EXHIBIT 14**



**Skip Culver, LFA**, said currently there is 17.5 percent of the coal severance tax deposited into the local impact account, and this amendment adds a section stating that \$1 million from the local impact account is transferred annually to the coal area highway improvement account. Language also is inserted that states funds deposited into the coal area highway improvement account provided for in 90-6-202 are appropriated to the Department of Transportation to reconstruct 13 miles of Montana Highway 314 between Decker and Busby, Montana. They could then issue bonds, and **Mr. Culver** figured that \$1 million a year over 20 years would give them approximately \$12 million on a 20 year bond.

**SENATOR AKLESTAD** asked if the \$1 million appropriated out of the fund would satisfy the issuance of the bond over 20 years, to which **Mr. Culver** said yes, and there is no termination on the clause.

In questioning from **SENATOR AKLESTAD** whether this would be a \$12 million issue, **Mr. Culver** said approximately, depending on what the interest rates would be.

In a comment from **SENATOR AKLESTAD** that he thought that would be overappropriated, **Mr. Culver** said the period of time could be shortened and pay it off early.

**SENATOR SWYSGOOD** asked if the money comes out of what was originally going to the coal impact, and **Mr. Culver** said that was correct.

**SENATOR SWYSGOOD** voiced concern that \$1 million was already given to Roundup and another \$1 million for this project, that would leave approximately \$3 million that would go to the SEA account.

**SENATOR JENKINS** contended that the \$1 million going to Roundup is only if the Roundup mine is opened but is still encumbered at \$500,000 a year.

**SENATOR SWYSGOOD** commented that 17.5 percent of the coal trust money goes to the local coal impact account and brings in about \$5.2 million a year, and there is also encumbered \$1 million for Roundup and another \$1 million to pay off the bonds.

**SENATOR AKLESTAD** claimed that the \$1 million is over appropriated and he is concerned about getting a bond issued on the strength that they might get the money every two years.

**Taryn Purdy** said in discussing this with the bond expert at the Board of Investments, they indicated if it was statutory and not a surety of payment, the underwriter would be reluctant to undertake that and sell a 20 year bond. The assurance is that they would be highway bonds and highways would be responsible for paying those bonds whether the \$1 million is put in every year or not.

**SENATOR JACOBSON** commented that this obligation affects the general fund by \$2 million in the next biennium.

**SENATOR WATERMAN** noted that it is only general fund money when it flows through and we don't appropriate for coal impact. She contended that this is a coal impact road and the money should be used for that.

In questioning from **SENATOR JENKINS** when construction would be started, **Marvin Dye** said it would probably take two years before a contract could be let, but they need to know now so they can move forward.

**SENATOR JERGESON** claimed that while he understands the problem with the highway in that area, roads in his area are impacted with overloaded trucks hauling wheat from Canada that tear up the roads as well as other areas in the state that are probably impacted in one way or another. He concluded that the legislature is being asked to solve an isolated problem that should be on a priority list of the Department of Transportation.

**SENATOR SWYSGOOD** commented that if the Coal Board had been doing what they should have, this road would be in better shape. He expounded that there are laws in the state concerning overweight trucks and if the Department of Transportation is not checking the trucks, they should be.

**Mr. Dye** said he is not sure there are overweight trucks on that route, but that the road is not built to standard for trucks of any kind which is why there are difficulties.

**SENATOR TVEIT** proclaimed that the dollars going into the coal impact account are there for a reason, and this is one example.

**Motion:** **SENATOR TVEIT MOVED AMENDMENT #HB052801.A13. EXHIBIT 14**

**Mr. Culver** said the Department of Transportation has the discretion to issue the bonds.

**SENATOR JACOBSON** voiced concern that \$2 million of general fund money is being spent that is not available for the university systems, MRM and all the other things in HB 2.

**SENATOR MOHL** questioned if there was anything that guarantees if the Highway Department gets a bond that it will be paid off and future sessions can take the \$2 million out for something else.

**Mr. Culver** said the \$2 million would be in statute, but the next session could change that statute.


**Ms. Purdy** remarked that she did not believe this legislature can obligate any other legislature to maintain that appropriation.

Vote: Motion on the amendment **EXHIBIT 14 CARRIED** on a roll call vote.

Motion/Vote: SENATOR TVEIT MOVED HOUSE BILL 528 AS AMENDED BE CONCURRED IN. Motion **CARRIED** with SENATORS BECK, FRANKLIN, JACOBSON, JERGESON and LYNCH opposed. SENATOR TVEIT will carry HB 528.

ADJOURNMENT

Adjournment: 11:10 a.m.

  
\_\_\_\_\_  
SENATOR GARY AKLESTAD, Chairman

  
\_\_\_\_\_  
LYNN STALEY Secretary

GA/ljs

MONTANA SENATE  
1995 LEGISLATURE  
FINANCE AND CLAIMS COMMITTEE

ROLL CALL

DATE

4/4/95

NAME	PRESENT	ABSENT	EXCUSED
SWYSGOOD, CHUCK	✓		
BURNETT, JIM	✓		
MOHL, ARNIE	✓		
JERGESON, GREG	✓		
FRANKLIN, EVE	✓		
TVEIT, LARRY	✓		
JENKINS, LOREN	✓		
JACOBSON, JUDY	✓		
LYNCH, J.D.	✓		
HARDING, ETHEL	✓		
TOEWS, DARYL	✓		
CHRISTIAENS, B.F. "CHRIS"	✓		
WATERMAN, MIGNON	✓		
KEATING, TOM - VICE CHAIRMAN	✓		
BECK, TOM	✓		
AKLESTAD, GARY - CHAIRMAN	✓		

SEN:1995  
wp.rollcall.man

SENATE STANDING COMMITTEE REPORT

Page 1 of 1  
April 4, 1995

MR. PRESIDENT:

We, your committee on Finance and Claims having had under consideration HB 416 (third reading copy -- blue), respectfully report that HB 416 be amended as follows and as so amended be concurred in.

Signed:   
Senator Gary Aklestad, Chair

That such amendments read:

1. Page 10.

Following: line 2

Insert: "NEW SECTION. Section 10. Coordination. If Senate Bill No. 83 is passed and approved, then the appropriation from the school equalization account in [section 9] of this act is appropriated from the general fund."

Renumber: subsequent sections.

-END-



Amd. Coord.

Sec. Sec. of Senate



Senator Carrying Bill

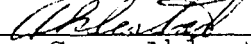
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SENATE STANDING COMMITTEE REPORT

Page 1 of 1  
April 4, 1995

MR. PRESIDENT:

We, your committee on Finance and Claims having had under consideration HB 493 (third reading copy -- blue), respectfully report that HB 493 be amended as follows and as so amended be concurred in.

Signed:   
Senator Gary Aklestad, Chair

That such amendments read:

1. Page 15, lines 16 and 17.

Following: "(1)" on line 16

Strike: remainder of line 16 through "upon" on line 17

Insert: "Upon"

Following: "conservation" on line 17

Insert: "and upon certification by the department of natural resources and conservation that the state has entered into a capitalization grant agreement or other agreement with the United States government pursuant to [section 4] and that federal capitalization grants have been made to the state for the program"

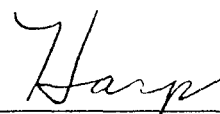
Following: ", "

Insert: "the board of examiners is authorized"

-END-



Amd. Coord.  
Sec. of Senate

  
Senator Carrying Bill


771616SC.SRF

SENATE STANDING COMMITTEE REPORT

Page 1 of 1  
April 4, 1995

MR. PRESIDENT:

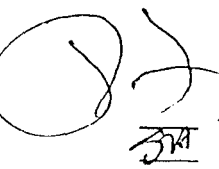
We, your committee on Finance and Claims having had under consideration HB 576 (third reading copy -- blue), respectfully report that HB 576 be amended as follows and as so amended be concurred in.

Signed:   
Senator Gary Aklestad, Chair

That such amendments read:

1. Page 4, lines 27 through 30.  
Strike: "INTERNAL" on line 27 through "FUNDS" on line 28  
Insert: "state agencies"  
Strike: "ON" on line 28 through "CHARGES," on line 29  
Following: "type" on line 30  
Insert: "internal service fund type"  
Following: "charges"  
Strike: "L"

-END-

 Amd. Coord.  
Sec. of Senate

  
Senator Carrying Bill

771516SC.SRF

SENATE STANDING COMMITTEE REPORT

Page 1 of 1  
April 4, 1995

MR. PRESIDENT:

We, your committee on Finance and Claims having had under consideration HB 577 (third reading copy -- blue), respectfully report that HB 577 be concurred in.

Signed:   
Senator Gary Aklestad, Chair



Amd. Coord.  
Sec. of Senate



Senator Carrying Bill

771518SC.SRF



SENATE STANDING COMMITTEE REPORT

Page 1 of 1  
April 4, 1995

MR. PRESIDENT:

We, your committee on Finance and Claims having had under consideration HB 578 (third reading copy -- blue), respectfully report that HB 578 be concurred in.

Signed:   
Senator Gary Aklestad, Chair



Amd. Coord.  
Sec. of Senate

  
Senator Carrying Bill

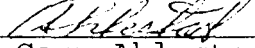
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SENATE STANDING COMMITTEE REPORT

Page 1 of 1  
April 4, 1995

MR. PRESIDENT:

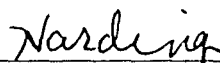
We, your committee on Finance and Claims having had under consideration HB 594 (third reading copy -- blue), respectfully report that HB 594 be concurred in.

Signed:   
Senator Gary Aklestad, Chair

  
52<sup>d</sup>

Amd. Coord.

Sec. of Senate

  
Senator Carrying Bill

771522SC.SRF

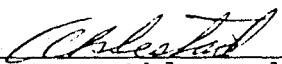
SENATE STANDING COMMITTEE REPORT

Page 1 of 7  
April 4, 1995

MR. PRESIDENT:

We, your committee on Finance and Claims having had under consideration HB 268 (third reading copy -- blue), respectfully report that HB 268 be amended as follows and as so amended be concurred in.

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

  
Senator Gary Aklestad, Chair

That such amendments read:

1. Title, line 25.

Following: "SYSTEM"

Insert: "AND ALLOWING AN EXCEPTION FOR UNIVERSITY SYSTEM  
EMPLOYEES"

2. Title, line 29.

Following: "PROVIDING"

Strike: "AN"

3. Title, line 30.

Strike: "DATE"

Insert: "DATES"

4. Page 3, line 2.

Following: "EMPLOYMENT"

Insert: "and other extra-duty service"

5. Page 3, line 4.

Following: "VESTED"

Insert: ", nonuniversity system"

6. Page 3, line 6.


Following: line 5


Insert: "and extra duty"

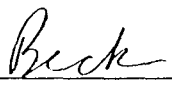
7. Page 3.

Following: line 8

Insert: "Because of the unique characteristics of summer employment under the university system, it is the intent of the legislature that the university system continue to report compensation received for the summer session and that summer earnings included in the calculation of the member's average final compensation be limited to the average percentage of base compensation reported over the member's career and that the teachers' retirement board adopt rules governing summer compensation reported."

 Amd. Coord.

 Sec. of Senate

  
Senator Carrying Bill

771612SC.SRF

8. Page 6, line 2.

Strike: "0.3%"

Insert: "0.28%"

9. Page 6, line 4.

Strike: "0.25%"

Insert: "0.23%"

10. Page 6, line 10.

Strike: "0.1%"

Insert: "0.07%"

11. Page 6, line 12.

Strike: "0.05%"

Insert: "0.025%"

12. Page 6, line 19.

Strike: "0.015%"

Insert: "0.025%"

13. Page 6, line 20.

Strike: "0.325%"

Insert: "0.365%"

14. Page 6, line 21.

Strike: "0.6%"

Insert: "0.676%"

15. Page 6, line 22.

Strike: "0.9%"

Insert: "1.0%"

16. Page 6, line 26.

Following: "SUMMER"

Insert: " and extra-duty"

17. Page 6, line 27.

Following: "1995,"

Insert: "whose primary employer is not the university system,"

18. Page 6, line 28.

Following: "SESSION"

Insert: "and extra-duty"

19. Page 6, line 29.

Following: "FOR"

Insert: "all or a portion of"

Following: "1995"

Insert: ", "

20. Page 7, lines 1 and 2.  
Following: "SUMMER" in two places  
Insert: "and extra-duty"

21. Page 7, line 5.  
Following: "YEAR"  
Insert: "and that extra-duty compensation does not exceed the amounts allowed under 19-20-101(5)(b) had the member retired on July 1, 1995"

22. Page 7, lines 8, 12, 14, 19, 21, and 29.  
Following: "SUMMER"  
Insert: "and extra-duty"

23. Page 7.  
Following: line 30.  
Insert: "NEW SECTION. **Section 8. Summer compensation benefit for university system employees.** (1) Members employed by the university system under both an academic year and a summer session contract shall contribute, as required by 19-20-602, to the retirement system on the compensation received under both contracts. Summer session compensation reported each month during the summer session may not exceed one-ninth of the member's academic year contract. Summer session compensation must be identified or reported separately on the employer's regular monthly report.

(2) If a member has summer compensation reported during the period determined to be the member's highest 3 consecutive years, the board shall determine the amount of summer compensation that may be used in the calculation of average final compensation by:

(a) calculating the percentage of the member's base contract amount reported as summer compensation each fiscal year and determining the average percentage reported as summer compensation since July 1, 1990; and

(b) multiplying the average percentage since July 1, 1990, by the base contract amount that is included in the calculation of average final compensation."

Renumber: subsequent sections

24. Page 8, line 6.  
Page 8, line 29.  
Strike: "7%"  
Insert: "6.98%"

25. Page 11, line 29.

Page 12, line 9.  
Strike: "31.68%"  
Insert: "29.39%"

26. Page 15, line 24.  
Strike: "7.77%"  
Insert: "7.74%"

27. Page 17, line 29.  
Strike: "16.21%"  
Insert: "15.76%"

28. Page 17, line 30.  
Strike: "16.06%"  
Insert: "15.71%"

29. Page 18, line 7.  
Strike: "14.51%"  
Insert: "14.41%"

30. Page 18, line 20 and line 26.  
Strike: "12.25%"  
Insert: "11.5%"

31. Page 18, line 23.  
Strike: "9.55%"  
Insert: "8.8%"

32. Page 18, line 24.  
Strike: "10.75%"  
Insert: "10%"

33. Page 20, line 20.  
Strike: "24.01%"  
Insert: "23.84%"

34. Page 20, line 21.  
Strike: "23.935%"  
Insert: "23.715%"

35. Page 25, line 5.  
Strike: "SECTION"  
Insert: "sections"  
Following: "7"  
Insert: "and 8"

36. Page 26, line 16.  
Strike: "COMPENSATION"

Insert: "duty"

37. Page 27, line 2.

Following: "(10)"

Insert: "Extra-duty compensation" means any compensation in addition to amounts paid based on placement for experience and education level on the applicable salary matrix and in addition to the amount paid for the member's primary position.

(11)"

Renumber: subsequent subsections

38. Page 27, line 17.

Strike: "(20)"

Insert: "(21)"

39. Page 28, line 3.

Strike: "7.354%"

Insert: "7.374%"

40. Page 28, line 4.

Strike: "7.664%"

Insert: "7.704%"

41. Page 28, line 5.

Strike: "7.974%"

Insert: "8.034%"

42. Page 28, line 6.

Strike: "8.284%"

Insert: "8.374%"

43. Page 29, line 15.

Strike: "7.78%"

Insert: "7.80%"

44. Page 29, line 16.

Strike: "8.09%"

Insert: "8.13%"

45. Page 29, line 17.

Strike: "8.4%"

Insert: "8.46%"

46. Page 29, line 18.

Strike: "8.71%"  
Insert: "8.8%"

47. Page 32, lines 22 and 23.  
Strike: "AND 7"  
Insert: "through 8"

48. Page 32, line 27.  
Strike: "36(8)"  
Insert: "37(8)"

49. Page 33, line 23.  
Following: "BE"  
Strike: "8.755%"  
Insert: "8.752% "

50. Page 33, line 25.  
Strike: "23"  
Insert: "24"

51. Page 34, line 10.  
Strike: "25"  
Insert: "26"

52. Page 34, line 23.  
Strike: "27"  
Insert: "28"

53. Page 35, line 4.  
Strike: "30"  
Insert: "31"

54. Page 35, line 14.  
Strike: "31"  
Insert: "32"

55. Page 35, line 25.  
Strike: "25.01%"  
Insert: "24.84%"

56. Page 35, line 26.  
Strike: "24.935%"  
Insert: "24.715%"

57. Page 35, line 30.  
Strike: "32"



Insert: "33"

58. Page 36, line 11.

Strike: "33"

Insert: "34"

59. Page 37, line 18.

Strike: "34"

Insert: "35"

60. Page 38, line 19.

Strike: "35"

Insert: "36"

61. Page 39, line 21.

Strike: "date"

Insert: "dates"

Strike: "[This act]"

Insert: "(1) Except as provided in subsection (2), [this act]"

Following: line 21

Insert: "(2) [Sections 11 through 13] are effective July 1, 1996."

-END-


SENATE STANDING COMMITTEE REPORT

Page 1 of 1  
April 4, 1995


MR. PRESIDENT:

We, your committee on Finance and Claims having had under consideration HB 17 (third reading copy -- blue), respectfully report that HB 17 be concurred in.

Signed:   
Senator Gary Aklestad, Chair

  
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Amd. Coord.  
Sec. of Senate

  
Senator Carrying Bill

771524SC.SRF

SENATE STANDING COMMITTEE REPORT

Page 1 of 1  
April 4, 1995

MR. PRESIDENT:

We, your committee on Finance and Claims having had under consideration HB 5 (third reading copy -- blue), respectfully report that HB 5 be amended as follows and as so amended be concurred in.

Signed:   
Senator Gary Aklestad, Chair

That such amendments read:

1. Page 7, following line 9.

Insert: "Bearpaw Dam Upgrade  
Revenue"


\$210,000 State Special

2. Page 5, following line 20.

Insert: "Pharmacy/Psychology Building Addition  
10,400,000 Federal and Donations"

The Legislature appropriated \$275,000 (\$68,750 State Special and \$206,250 Federal Special Revenue) to the Department of Fish, Wildlife and Parks to upgrade the Bearpaw Dam. Due to an increase in engineering costs, however, an additional \$210,000 is need to complete the project.

-END-

  
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Amd. Coord.  
Sec. of Senate

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Senator Carrying Bill

771533SC.SRF

SENATE STANDING COMMITTEE REPORT

Page 1 of 1  
April 4, 1995

MR. PRESIDENT:

We, your committee on Finance and Claims having had under consideration HB 584 (third reading copy -- blue), respectfully report that HB 584 be amended as follows and as so amended be concurred in.

Signed:   
Senator Gary Aklestad, Chair

That such amendments read:

1. Page 1, line 21.

Strike: "FERGUS"

Insert: "Lewis and Clark"

2. Page 1, lines 23 and 24.

Strike: "MAIDEN VALLEY MILITARY INSTITUTE IN LEWISTOWN"

Insert: "Mountain View school in Helena"

3. Page 2, line 11.

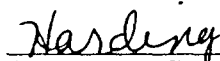
Strike: "FERGUS"

Insert: "Lewis and Clark"

-END-

  
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Amd. Coord.  
Sec. of Senate

  
Senator Carrying Bill

771527SC.SRF

SENATE STANDING COMMITTEE REPORT

Page 1 of 4  
April 4, 1995

MR. PRESIDENT:

We, your committee on Finance and Claims having had under consideration HB 528 (third reading copy -- blue), respectfully report that HB 528 be amended as follows and as so amended be concurred in.

Signed:   
Senator Gary Aklestad, Chair

That such amendments read:

1. Title, line 9.

Following: "MCA,"

Insert: "APPROPRIATING FUNDS FROM THE COAL AREA HIGHWAY  
IMPROVEMENT ACCOUNT; AMENDING SECTION 15-35-108, MCA;"

2. Page 1.

Following: line 26

Insert: "(3) Funds deposited into the coal area highway improvement account provided for in 90-6-202 are appropriated to the department of transportation to reconstruct 13 miles of Montana highway 314 between Decker and Busby, Montana."

3. Page 5.

Following: line 18

Insert: "Section 2. Section 15-35-108, MCA, is amended to read:  
"15-35-108. (Temporary) Disposal of severance taxes.

Severance taxes collected under this chapter must, in accordance with the provisions of 15-1-501(6), be allocated as follows:

(1) To the trust fund created by Article IX, section 5, of the Montana constitution, 50% of total coal severance tax collections. The trust fund money must be deposited in the fund established under 17-6-203(6) and invested by the board of investments as provided by law.

(2) Starting July 1, 1987, and ending June 30, 2003, 12% of coal severance tax collections are allocated to the highway reconstruction trust fund account in the state special revenue fund.

(3) Coal severance tax collections remaining after allocation to the trust fund under subsection (1) are allocated in the following percentages of the remaining balance:

(a) 17 1/2% to the credit of the local impact account. Unencumbered funds remaining in the local impact account at the end of each biennium are allocated to the state special revenue

  
Amd. Coord.  
Sec. of Senate

  
Senator Carrying Bill

771529SC.SRF

fund for state equalization aid to public schools of the state.

(b) 30% to the state special revenue fund for state equalization aid to public schools of the state;

(c) 1% to the state special revenue fund to the credit of the county land planning account;

(d) 1 1/4% to the credit of the renewable resource development bond fund;

(e) 0% to a nonexpendable trust fund for the purpose of parks acquisition or management. Income from this trust fund must be appropriated for the acquisition, development, operation, and maintenance of any sites and areas described in 23-1-102.

(f) 1% to the state special revenue fund to the credit of the state library commission for the purposes of providing basic library services for the residents of all counties through library federations and for payment of the costs of participating in regional and national networking;

(g) 1/2 of 1% to the state special revenue fund for conservation districts;

(h) 1 1/4% to the debt service fund type to the credit of the renewable resource loan debt service fund;

(i) 2% to the state special revenue fund for the Montana Growth Through Agriculture Act;

(j) 1 2/3% to a nonexpendable trust fund for the purpose of protection of works of art in the state capitol and for other cultural and aesthetic projects. Income from this trust fund shall be appropriated for protection of works of art in the state capitol and other cultural and aesthetic projects.

(k) beginning July 1, 1993, and ending June 30, 1995, 3 1/3% to a special revenue account to be used by the department of fish, wildlife, and parks for the stabilization and preservation of historic and cultural sites within the state park system;

(l) all other revenues from severance taxes collected under the provisions of this chapter to the credit of the general fund of the state. (Terminates June 30, 1995--sec. 4, Ch. 536, L. 1993.)

**15-35-108. (Effective July 1, 1995) Disposal of severance taxes.** Severance taxes collected under this chapter must, in accordance with the provisions of 15-1-501(6), be allocated as follows:

(1) To the trust fund created by Article IX, section 5, of the Montana constitution, 50% of total coal severance tax collections. The trust fund money must be deposited in the fund established under 17-6-203(6) and invested by the board of investments as provided by law.

(2) Starting July 1, 1987, and ending June 30, 2003, 12% of coal severance tax collections are allocated to the highway reconstruction trust fund account in the state special revenue fund.

(3) Coal severance tax collections remaining after allocation to the trust fund under subsection (1) are allocated in the following percentages of the remaining balance:

(a) 17 1/2% to the credit of the local impact account.

Unencumbered funds remaining in the local impact account at the end of each biennium are allocated to the state special revenue fund for state equalization aid to public schools of the state.

(b) 30% to the state special revenue fund for state equalization aid to public schools of the state;

(c) 1% to the state special revenue fund to the credit of the county land planning account;

(d) 1 1/4% to the credit of the renewable resource development bond fund;

(e) 3 1/3% to a nonexpendable trust fund for the purpose of parks acquisition or management. Income from this trust fund must be appropriated for the acquisition, development, operation, and maintenance of any sites and areas described in 23-1-102.

(f) 1% to the state special revenue fund to the credit of the state library commission for the purposes of providing basic library services for the residents of all counties through library federations and for payment of the costs of participating in regional and national networking;

(g) 1/2 of 1% to the state special revenue fund for conservation districts;

(h) 1 1/4% to the debt service fund type to the credit of the renewable resource loan debt service fund;

(i) 2% to the state special revenue fund for the Montana Growth Through Agriculture Act;

(j) 1 2/3% to a nonexpendable trust fund for the purpose of protection of works of art in the state capitol and for other cultural and aesthetic projects. Income from this trust fund shall be appropriated for protection of works of art in the state capitol and other cultural and aesthetic projects.

(k) all other revenues from severance taxes collected under the provisions of this chapter to the credit of the general fund of the state.

(4) From the amount allocated in subsection (3)(a) to the local impact account, \$1 million is transferred annually to the coal area highway improvement account provided for in 90-6-202. (Terminates July 1, 2003--sec. 4, Ch. 191, L. 1991.)

**15-35-108. (Effective July 1, 2003) Disposal of severance taxes.** Severance taxes collected under this chapter must, in accordance with the provisions of 15-1-501(6), be allocated as follows:

(1) To the trust fund created by Article IX, section 5, of the Montana constitution, 50% of total coal severance tax collections. The trust fund money must be deposited in the fund established under 17-6-203(6) and invested by the board of

investments as provided by law.

(2) Coal severance tax collections remaining after allocation to the trust fund under subsection (1) are allocated in the following percentages of the remaining balance:

(a) 17 1/2% to the credit of the local impact account. Unencumbered funds remaining in the local impact account at the end of each biennium are allocated to the state special revenue fund for state equalization aid to public schools of the state.

(b) 30% to the state special revenue fund for state equalization aid to public schools of the state;

(c) 1% to the state special revenue fund to the credit of the county land planning account;

(d) 1 1/4% to the credit of the renewable resource development bond fund;

(e) 3 1/3% to a nonexpendable trust fund for the purpose of parks acquisition or management. Income from this trust fund must be appropriated for the acquisition, development, operation, and maintenance of any sites and areas described in 23-1-102.

(f) 1% to the state special revenue fund to the credit of the state library commission for the purposes of providing basic library services for the residents of all counties through library federations and for payment of the costs of participating in regional and national networking;

(g) 1/2 of 1% to the state special revenue fund for conservation districts;

(h) 1 1/4% to the debt service fund type to the credit of the renewable resource loan debt service fund;

(i) 2% to the state special revenue fund for the Montana Growth Through Agriculture Act;

(j) 1 2/3% to a nonexpendable trust fund for the purpose of protection of works of art in the state capitol and for other cultural and aesthetic projects. Income from this trust fund shall be appropriated for protection of works of art in the state capitol and other cultural and aesthetic projects.

(k) all other revenues from severance taxes collected under the provisions of this chapter to the credit of the general fund of the state.

(4) From the amount allocated in subsection (2)(a) to the local impact account, \$1 million is transferred annually to the coal area highway improvement account provided for in 90-6-202."

Renumber: subsequent section.

-END-



MONTANA SENATE  
1995 LEGISLATURE  
FINANCE AND CLAIMS COMMITTEE  
ROLL CALL VOTE

DATE 4/4/95 BILL NO. HB 576 NUMBER \_\_\_\_\_

MOTION: Sen. Jenkins moved HB 576

As Amended Be Concurred In.

Carried

NAME	AYE	NO
SWYSGOOD, CHUCK	✓	
BURNETT, JIM	✓	
MOHL, ARNIE	✓	
JERGESON, GREG		✓
FRANKLIN, EVE <i>Absent</i>		
TVEIT, LARRY	✓	
JENKINS, LOREN	✓	
JACOBSON, JUDY		✓
LYNCH, J.D.		✓
HARDING, ETHEL	✓	
TOEWS, DARYL	✓	
CHRISTIAENS, B.F. "CHRIS"		✓
WATERMAN, MIGNON		✓
KEATING, TOM - VICE CHAIRMAN	✓	
BECK, TOM	✓	
AKLESTAD, GARY - CHAIRMAN	✓	

MONTANA SENATE  
1995 LEGISLATURE  
FINANCE AND CLAIMS COMMITTEE  
ROLL CALL VOTE

DATE 4/4/95 BILL NO. HB 594 NUMBER \_\_\_\_\_

MOTION: Sen. Christiaens amendment  
motion to HB 594 Exhibit 7  
failed

NAME	AYE	NO
SWYSGOOD, CHUCK		✓
BURNETT, JIM		✓
MOHL, ARNIE		✓
JERGESON, GREG		✓
FRANKLIN, EVE		✓
TVEIT, LARRY		✓
JENKINS, LOREN		✓
JACOBSON, JUDY		✓
LYNCH, J.D.		✓
HARDING, ETHEL		✓
TOEWS, DARYL		<i>Excused</i>
CHRISTIAENS, B.F. "CHRIS"	✓	
WATERMAN, MIGNON	✓	
KEATING, TOM - VICE CHAIRMAN		<i>Excused</i>
BECK, TOM		✓
AKLESTAD, GARY - CHAIRMAN	✓	

MONTANA SENATE  
1995 LEGISLATURE  
FINANCE AND CLAIMS COMMITTEE  
ROLL CALL VOTE

DATE 4/4/95 BILL NO. HB 594 NUMBER \_\_\_\_\_

MOTION: Sen. Lynch moved HB 594  
Be Concurred In.

Carried

NAME	AYE	NO
SWYSGOOD, CHUCK	✓	
BURNETT, JIM	✓	
MOHL, ARNIE	✓	
JERGESON, GREG	✓	
FRANKLIN, EVE	✓	
TVEIT, LARRY		✓
JENKINS, LOREN	✓	
JACOBSON, JUDY	✓	
LYNCH, J.D.	✓	
HARDING, ETHEL	✓	
TOEWS, DARYL	<i>Excused</i>	
CHRISTIAENS, B.F. "CHRIS"		✓
WATERMAN, MIGNON		✓
KEATING, TOM - VICE CHAIRMAN	<i>Excused</i>	
BECK, TOM	✓	
AKLESTAD, GARY - CHAIRMAN		✓

MONTANA SENATE  
1995 LEGISLATURE  
FINANCE AND CLAIMS COMMITTEE  
ROLL CALL VOTE

DATE 4/4/95 BILL NO. HB 297 NUMBER \_\_\_\_\_

MOTION: Senator Swysgood Substitute Motion  
to Table HB 297  
Carried

NAME	AYE	NO
SWYSGOOD, CHUCK	✓	
BURNETT, JIM	✓	
MOHL, ARNIE	✓	
JERGESON, GREG		✓
FRANKLIN, EVE		✓
TVEIT, LARRY	✓	
JENKINS, LOREN	✓	
JACOBSON, JUDY	✓	
LYNCH, J.D.		✓
HARDING, ETHEL	✓	
TOEWS, DARYL	✓	
CHRISTIAENS, B.F. "CHRIS"		✓
WATERMAN, MIGNON		✓
KEATING, TOM - VICE CHAIRMAN	<i>Excused</i>	
BECK, TOM	✓	
AKLESTAD, GARY - CHAIRMAN		✓

MONTANA SENATE  
1995 LEGISLATURE  
FINANCE AND CLAIMS COMMITTEE  
ROLL CALL VOTE

DATE 4/4/95 BILL NO. HB 297 NUMBER \_\_\_\_\_

MOTION: Sen. Swysgood motion to  
table HB 297  
Failed

NAME	AYE	NO
SWYSGOOD, CHUCK	✓	
BURNETT, JIM	✓	
MOHL, ARNIE	✓	
JERGESON, GREG		✓
FRANKLIN, EVE		✓
TVEIT, LARRY	<i>Excused</i>	
JENKINS, LOREN		✓
JACOBSON, JUDY	✓	
LYNCH, J.D.		✓
HARDING, ETHEL	✓	
TOEWS, DARYL	✓	
CHRISTIAENS, B.F. "CHRIS"		✓
WATERMAN, MIGNON		✓
KEATING, TOM - VICE CHAIRMAN	<i>Excused</i>	
BECK, TOM	✓	
AKLESTAD, GARY - CHAIRMAN		✓

MONTANA SENATE  
1995 LEGISLATURE  
FINANCE AND CLAIMS COMMITTEE  
ROLL CALL VOTE

DATE 4/4/95 BILL NO. HB 268 NUMBER \_\_\_\_\_

MOTION: Senator Waterman motion to  
amend HB 268 - Exhibit 10.  
Carried

NAME	AYE	NO
SWYSGOOD, CHUCK		✓
BURNETT, JIM		✓
MOHL, ARNIE		✓
JERGESON, GREG	✓	
FRANKLIN, EVE	✓	
TVEIT, LARRY		✓
JENKINS, LOREN	✓	
JACOBSON, JUDY	✓	
LYNCH, J.D.	✓	
HARDING, ETHEL	✓	
TOEWS, DARYL		✓
CHRISTIAENS, B.F. "CHRIS"	✓	
WATERMAN, MIGNON	✓	
KEATING, TOM - VICE CHAIRMAN	<i>Excused</i>	
BECK, TOM		
AKLESTAD, GARY - CHAIRMAN		✓

MONTANA SENATE  
1995 LEGISLATURE  
FINANCE AND CLAIMS COMMITTEE  
ROLL CALL VOTE

DATE 4/4/95 BILL NO. HB 528 NUMBER \_\_\_\_\_

MOTION: Senator Franklin motion to  
table HB 528.

Failed

NAME	AYE	NO
SWYSGOOD, CHUCK		✓
BURNETT, JIM		✓
MOHL, ARNIE		✓
JERGESON, GREG	✓	
FRANKLIN, EVE	✓	
TVEIT, LARRY		✓
JENKINS, LOREN		✓
JACOBSON, JUDY	✓	
LYNCH, J.D.	✓	
HARDING, ETHEL		✓
TOEWS, DARYL		✓
CHRISTIAENS, B.F. "CHRIS"	✓	
WATERMAN, MIGNON		✓
KEATING, TOM - VICE CHAIRMAN		
BECK, TOM		✓
AKLESTAD, GARY - CHAIRMAN		✓

MONTANA SENATE  
1995 LEGISLATURE  
FINANCE AND CLAIMS COMMITTEE  
ROLL CALL VOTE

DATE 4/4/95 BILL NO. HB 17 NUMBER \_\_\_\_\_

MOTION: Senator Jacobson moved  
HB 17 Be Concurred In.  
Carried

NAME	AYE	NO
SWYSGOOD, CHUCK	✓	
BURNETT, JIM		✓
MOHL, ARNIE	✓	
JERGESON, GREG	✓	
FRANKLIN, EVE	✓	
TVEIT, LARRY	✓	
JENKINS, LOREN		✓
JACOBSON, JUDY	✓	
LYNCH, J.D.	✓	
HARDING, ETHEL	✓	
TOEWS, DARYL	✓	
CHRISTIAENS, B.F. "CHRIS"	✓	
WATERMAN, MIGNON	✓	
KEATING, TOM - VICE CHAIRMAN	<i>Opposed</i>	
BECK, TOM		
AKLESTAD, GARY - CHAIRMAN		✓



MONTANA SENATE  
1995 LEGISLATURE  
FINANCE AND CLAIMS COMMITTEE  
ROLL CALL VOTE

DATE 4/4/95 BILL NO. HB 584 NUMBER \_\_\_\_\_

MOTION: Senator Lynch amendment  
to HB 584 - Exhibit 13

*failed*

NAME	AYE	NO
SWYSGOOD, CHUCK		✓
BURNETT, JIM		✓
MOHL, ARNIE		✓
JERGESON, GREG		✓
FRANKLIN, EVE		✓
TVEIT, LARRY		✓
JENKINS, LOREN		✓
JACOBSON, JUDY	✓	
LYNCH, J.D.	✓	
HARDING, ETHEL		✓
TOEWS, DARYL		✓
CHRISTIAENS, B.F. "CHRIS"		✓
WATERMAN, MIGNON		✓
KEATING, TOM - VICE CHAIRMAN	<i>Excused</i>	
BECK, TOM	✓	
AKLESTAD, GARY - CHAIRMAN		✓

MONTANA SENATE  
1995 LEGISLATURE  
FINANCE AND CLAIMS COMMITTEE  
ROLL CALL VOTE

DATE 4/4/95 BILL NO. HB 528 NUMBER

MOTION: Senator Tveit motion to  
amend HB 528 - Exhibit 14

NAME	AYE	NO
SWYSGOOD, CHUCK	✓	
BURNETT, JIM	✓	
MOHL, ARNIE	✓	
JERGESON, GREG		✓
FRANKLIN, EVE		✓
TVEIT, LARRY	✓	
JENKINS, LOREN	✓	
JACOBSON, JUDY		✓
LYNCH, J.D.		✓
HARDING, ETHEL	✓	
TOEWS, DARYL	✓	
CHRISTIAENS, B.F. "CHRIS"	✓	
WATERMAN, MIGNON	✓	
KEATING, TOM - VICE CHAIRMAN		
BECK, TOM	✓	
AKLESTAD, GARY - CHAIRMAN	✓	

Amendments to House Bill No. 493  
Third Reading Copy

Requested by Senator Jenkins  
For the Committee on Senate Finance and Claims

Prepared by Shauna Ryan  
March 30, 1995

SENATE FINANCE AND CLAIMS

EXHIBIT NO. 1

DATE 4/4/95

BILL NO. HB 493

1. Page 15, lines 16 and 17.

Following: "(1)" on line 16

Strike: remainder of line 16 through "upon" on line 17

Insert: "Upon"

Following: "conservation" on line 17

Insert: "and upon certification by the department of natural resources and conservation that the state has entered into a capitalization grant agreement or other agreement with the United States government pursuant to [section 4] and that federal capitalization grants have been made to the state for the program"

Following: ","

Insert: "the board of examiners is authorized"

{Office of Legislative Fiscal Analyst

444-2986}

**Long-Range Building Program Account**  
**Fund Balance Projection, 1997 Biennium**  
**Including Passage of House Bill 19**  
**(in millions)**

**Estimated Beginning Fund Balance** **\$0.947**

Revenues

Cigarette Tax	\$4.281	
Investment Earnings	0.441	
Supervisory Fees	0.262	
DNRC Transfer—Energy Savings	<u>0.320</u>	
Funds Available		\$6.251
Coal Tax Revenue (HB 19)		10.465
Interest Earnings on Coal Tax Revenue:		<u>0.332</u>
<b>Total Funds Available</b>		<b>\$17.048</b>

Expenditures

** A&E Expenditures	\$1.640
Capital Projects (HB 5)	4.921
Transfer to General Fund—FY 96	5.2
Law Enforcement Academy (HB 584)	0.95
Debt Service (HB 15 & 585)	<u>2.195</u>
<b>Total Expenditures</b>	<b>(\$14.906)</b>

**Projected Ending Fund Balance** **\$2.142**

\*\* This amount includes an additional \$.262 in funding for additional FTE for the A/E Division for the purpose of implementing the Long-Range Building Program approved by the 1995 Legislature. This appropriation/additional FTE are NOT currently provided for in any legislation—including HB 2.

# Long-Range Building Program

1997 Biennium - As of 4/3/95

Total Cost - Capital Projects

House Bill 5	\$105.902
House Bill 15	30.515.
House Bill 584	1.450
House Bill 585	9.000
House Bill 594	<u>21.000</u>
Total:	<b>\$167.867</b>

## House Bill 5

Funding Breakdown  
(In Millions)

LRBP Account (Cig. Tax + HB 19 Coal Tax)	\$4.921
State Special Revenue	25.774
Federal Special Revenue	64.093
Other (Proprietary, Donations, Etc.)	<u>11.114</u>
Total:	<b><u>\$105.902</u></b>

Amendments to House Bill No. 5  
Third Reading Copy

Requested by Senator Jenkins  
For the Committee on Senate Finance and Claims

Prepared by Nan LeFebvre  
April 3, 1995

*Carried*

1. Page 7, following line 9.

Insert: "Bearpaw Dam Upgrade

\$210,000 State Special Revenue"

The 1993 Legislature appropriated \$275,000 (\$68,750 State Special and \$206,250 Federal Special Revenue) to the Department of Fish, Wildlife and Parks to upgrade the Bearpaw Dam. Due to an increase in engineering costs, however, an additional \$210,000 is need to complete the project.

Amendments to House Bill No. 5  
Third Reading CopyRequested by Senator Jenkins  
For the Committee on Senate Finance and Claims*failed*Prepared by Nan LeFebvre  
April 4, 1995

1. Page 11, following line 2.

Insert: "NEW SECTION. **Section 13. Appropriation for Art.** An appropriation from the cultural trust is authorized to the Montana arts council for up to \$250,000 for the purpose of issuing a loan to the C M Russell museum, Great Falls, MT, to purchase the Exalted Ruler painting. The Montana arts council will enter into an agreement with the museum for repayment of the loan by the end of the 1997 biennium."

The purpose of the amendment is to provide a loan from the cultural trust (15-35-108) to assist with the purchase of the Exalted Ruler.

Renumber: subsequent sections.

SENATE FINANCE AND CLAIMS  
EXHIBIT NO. 5  
DATE 4/4/95  
BILL NO. NB 5

Amendments to House Bill No. 5  
Third Reading Copy

Requested by Senator Waterman  
For the Committee on Senate Finance and Claims

Prepared by Nan LeFebvre  
April 3, 1995

*failed*

1. Page 10, line 28 through Page 11, line 1.  
Strike: Section 12 in its entirety.

Renumber: subsequent sections.

The purpose of this amendment is remove the directive to the Architecture & Engineering Division to "*minimize* the allocation of funds for the acquisition of works of art."



Amendments to House Bill No. 5  
Third Reading Copy

Requested by Senator Harding  
For the Committee on Senate Finance and Claims

*Carried*

Prepared by Shauna Ryan  
April 3, 1995

1. Page 5, following line 20.

Insert: "Pharmacy/Psychology Building Addition  
10,400,000 Federal and Donations"

{Office of Legislative Fiscal Analyst

444-2986}

Amendments to House Bill No. 594  
Third Reading Copy

For the Committee on Human Services and Aging

Prepared by David S. Niss  
March 28, 1995*failed*

1. Title, line 10.

Following: "FINANCING;"

Insert: "REQUIRING THE MENTAL HEALTH PLANNING ADVISORY COUNCIL TO UNDERTAKE A STUDY OF PUBLIC AND PRIVATE FACILITIES AND PROGRAMS FOR TREATMENT OF MENTALLY ILL PERSONS; REQUIRING THE DEPARTMENT TO CONSIDER THE RESULTS OF THE STUDY BY THE MENTAL HEALTH PLANNING ADVISORY COUNCIL BEFORE USING LOAN PROCEEDS FOR CONSTRUCTION OF FACILITIES;"

2. Title, line 15.

Following: "53-1-413,"

Insert: "53-21-202,"

3. Page 2.

Following: line 23

Insert: "(4) The department may not use the proceeds of the loan authorized by this section until the department has received and considered the recommendations from the mental health planning advisory council provided for in [section 2].

NEW SECTION. Section 2. Council to hold hearings and make recommendations for plan. (1) The mental health planning advisory council required by Public Law 102-321 and created by executive order shall evaluate existing and potential public and private facilities and programs for the treatment of persons who are mentally ill.

(2) The advisory council shall hold at least one public hearing in each of the mental health regions, established pursuant to 53-21-204, for the purpose of gathering public testimony and other information concerning the views of the public as to the needs of Montanans who are mentally ill, the capacities of public and private institutions and programs for the treatment of those persons, access to treatment services by those persons, and other matters related to the treatment of persons who are mentally ill.

(3) Based upon its evaluation and hearings conducted pursuant to subsection (2), the council shall make recommendations to the department for subjects or information to be included in the plan required by 53-21-202. The recommendations must include the size and location of a facility financed pursuant to [section 1]."

Renumber: subsequent sections

4. Page 5.

Following: line 6

Insert: "Section 6. Section 53-21-202, MCA, is amended to read:

"53-21-202. Duties of department. The department shall:

(1) take cognizance of matters affecting the mental health of the citizens of the state;

(2) initiate mental health care and treatment, prevention, and research as can best be accomplished by community-centered services. The means must be utilized to initiate and operate these services in cooperation with local agencies as established under this part.

(3) collect and disseminate information relating to mental health;

(4) prepare and maintain a comprehensive plan for the development of public mental health services in the state that must include a consideration of:

(a) the treatment needs of persons who are seriously mentally ill;

(b) public and private community treatment programs and the capacities of those programs;

(c) the needs of patients at state facilities;

(d) the goals for care and treatment of mentally ill persons that can best be accomplished in community treatment programs; and

(e) the recommendations of the mental health planning advisory council provided for in [section 2];

(5) receive from agencies of the United States and other state agencies, persons or groups of persons, associations, firms, or corporations grants of money, receipts from fees, gifts, supplies, materials, and contributions for the development of mental health services within the state;

(6) establish standards for mental health programs that receive funds from the department;

(7) evaluate performance of programs that receive funds from the department in compliance with federal and state standards;

(8) coordinate state and community resources to ensure comprehensive delivery of services to children with emotional disturbances and submit at least a biennial report to the governor and the legislature concerning the activities and recommendations of the department and service providers; and

(9) appoint an advisory council to make recommendations to the department regarding services for emotionally disturbed children. The members of the advisory council shall serve without compensation and must include but not be limited to a representative of:

(a) the department;

(b) the department of family services;

(c) the office of public instruction;

(d) a youth court;

(e) parents of emotionally disturbed children; and

(f) service provider groups."

{Internal References to 53-21-202: None.}

Renumber: subsequent sections

5. Page 6, line 15.

Following: "instruction."  
Insert: "(1)"

6. Page 6.

Following: line 17

Insert: "(2) [Section 2] is intended to be codified as an  
integral part of Title 53, chapter 21, and the provisions of  
Title 53, chapter 21, apply to [section 2]."

7. Page 6, line 19.

Following: "1"

Strike: ", 2, 4"

Insert: "through 3, 5"

Strike: "10"

Insert: "11"

8. Page 6, line 21.

Strike: "3"

Insert: "4"

Amendments to House Bill No. 297  
Third Reading Copy

For the Committee on Finance and Claims

Prepared by Greg Petesch  
April 4, 1995*carried*

1. Page 3, line 23.

Insert: "NEW SECTION. Section 3. {standard} 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

Amendments to House Bill No. 297  
Third Reading Copy

DATE 4/4/95BILL NO. HB 297

Requested by Senator Mohl  
For the Senate Finance & Claims Committee

Prepared by Skip Culver  
March 28, 1995

1. Title, lines 8 and 9.  
Strike: "INCREASING" on line 8 through "\$7,500,000;" on line 9.
2. Title, lines 9 and 10.  
Strike: "AMENDING" on line 9 through "MCA;" on line 10.
3. Title, line 11.  
Strike: "AND A TERMINATION DATE"
4. Page 1, line 15 through page 3, line 19.  
Strike: Section 1 in its entirety.  
  
Renumber: subsequent sections.
5. Page 3, lines 24 and 25.  
Strike: "-- termination"  
Following: "1995" on line 24  
Strike: remainder of line 24 through "1997" on line 25.

EXPLANATION: This amendment strikes all references to the statutes appropriating the fuel tax to counties and cities and restores the present law amount of \$16,766,000. If this amendment is approved the only impact of HB297 will be to repeal the local option fuel tax statutes.

Amendments to House Bill No. 268  
Third Reading Copy

Requested by Rep. Chris Ahner  
For the Committee on Senate Finance and Claims

Prepared by Sheri S. Heffelfinger  
March 28, 1995

1. Title, line 25.

Following: "SYSTEM"

Insert: "AND ALLOWING AN EXCEPTION FOR UNIVERSITY SYSTEM  
EMPLOYEES"

2. Title, line 29.

Following: "PROVIDING"

Strike: "AN"

3. Title, line 30.

Strike: "DATE"

Insert: "DATES"

4. Page 3, line 2.

Following: "EMPLOYMENT"

Insert: "and other extra-duty service"

5. Page 3, line 4.

Following: "VESTED"

Insert: ", nonuniversity system"

6. Page 3, line 6.

Following: line 5

Insert: "and extra duty"

7. Page 3.

Following: line 8

Insert: "Because of the unique characteristics of summer employment under the university system, it is the intent of the legislature that the university system continue to report compensation received for the summer session and that summer earnings included in the calculation of the member's average final compensation be limited to the average percentage of base compensation reported over the member's career and that the teachers' retirement board adopt rules governing summer compensation reported."

8. Page 6, line 2.

Strike: "0.3%"

Insert: "0.28%"

9. Page 6, line 4.

Strike: "0.25%"

Insert: "0.23%"

10. Page 6, line 10.

Strike: "0.1%"

Insert: "0.07%"

11. Page 6, line 12.

Strike: "0.05%"

Insert: "0.025%"

12. Page 6, line 19.

Strike: "0.015%"

Insert: "0.025%"

13. Page 6, line 20.

Strike: "0.325%"

Insert: "0.365%"

14. Page 6, line 21.

Strike: "0.6%"

Insert: "0.676%"

15. Page 6, line 22.

Strike: "0.9%"

Insert: "1.0%"

16. Page 6, line 26.

Following: "SUMMER"

Insert: " and extra-duty"

17. Page 6, line 27.

Following: "1995,"

Insert: "whose primary employer is not the university system,"

18. Page 6, line 28.

Following: "SESSION"

Insert: "and extra-duty"

19. Page 6, line 29.

Following: "FOR"

Insert: "all or a portion of"

Following: "1995"

Insert: ", "

20. Page 7, lines 1 and 2.

Following: "SUMMER" in two places

Insert: "and extra-duty"

21. Page 7, line 5.

Following: "YEAR"

Insert: "and that extra-duty compensation does not exceed the amounts allowed under 19-20-101(5)(b) had the member retired on July 1, 1995"

22. Page 7, lines 8, 12, 14, 19, 21, and 29.

Following: "SUMMER"

Insert: "and extra-duty"



23. Page 7.

Following: line 30.

Insert: **"NEW SECTION. Section 8. Summer compensation benefit for university system employees. (1) Members employed by the university system under both an academic year and a summer session contract shall contribute, as required by 19-20-602, to the retirement system on the compensation received under both contracts. Summer session compensation reported each month during the summer session may not exceed one-ninth of the member's academic year contract. Summer session compensation must be identified or reported separately on the employer's regular monthly report.**

(2) If a member has summer compensation reported during the period determined to be the member's highest 3 consecutive years, the board shall determine the amount of summer compensation that may be used in the calculation of average final compensation by:

(a) calculating the percentage of the member's base contract amount reported as summer compensation each fiscal year and determining the average percentage reported as summer compensation since July 1, 1990; and

(b) multiplying the average percentage since July 1, 1990, by the base contract amount that is included in the calculation of average final compensation."

Renumber: subsequent sections

24. Page 8, line 6.

Page 8, line 29.

Strike: "7%"

Insert: "6.98%"

25. Page 11, line 29.

Page 12, line 9.

Strike: "31.68%"

Insert: "29.39%"

26. Page 15, line 24.

Strike: "7.77%"

Insert: "7.74%"

27. Page 17, line 29.

Strike: "16.21%"

Insert: "15.76%"

28. Page 17, line 30.

Strike: "16.06%"

Insert: "15.71%"

29. Page 18, line 7.

Strike: "14.51%"

Insert: "14.41%"

30. Page 18, line 20 and line 26.

Strike: "12.25%"

Insert: "11.5%"

31. Page 18, line 23.

Strike: "9.55%"

Insert: "8.8%"

32. Page 18, line 24.

Strike: "10.75%"

Insert: "10%"

33. Page 20, line 20.

Strike: "24.01%"

Insert: "23.84%"

34. Page 20, line 21.

Strike: "23.935%"

Insert: "23.715%"

35. Page 25, line 5.

Strike: "SECTION"

Insert: "sections"

Following: "7"

Insert: "and 8"

36. Page 26, line 16.

Strike: "COMPENSATION"

Insert: "duty"

37. Page 27, line 2.

Following: "(10)"

Insert: ""Extra-duty compensation" means any compensation in addition to amounts paid based on placement for experience and education level on the applicable salary matrix and in addition to the amount paid for the member's primary position.

(11)"

Renumber: subsequent subsections

38. Page 27, line 17.

Strike: "(20)"

Insert: "(21)"

39. Page 28, line 3.

Strike: "7.354%"

Insert: "7.374%"

40. Page 28, line 4.

Strike: "7.664%"

Insert: "7.704%"

41. Page 28, line 5.

Strike: "7.974%"

Insert: "8.034%"

42. Page 28, line 6.  
Strike: "8.284%"  
Insert: "8.374%"

43. Page 29, line 15.  
Strike: "7.78%"  
Insert: "7.80%"

44. Page 29, line 16.  
Strike: "8.09%"  
Insert: "8.13%"

45. Page 29, line 17.  
Strike: "8.4%"  
Insert: "8.46%"

46. Page 29, line 18.  
Strike: "8.71%"  
Insert: "8.8%"

47. Page 32, lines 22 and 23.  
Strike: "AND 7"  
Insert: "through 8"

48. Page 32, line 27.  
Strike: "36(8)"  
Insert: "37(8)"

49. Page 33, line 23.  
Following: "BE"  
Strike: "8.755%"  
Insert: "8.752% "

50. Page 33, line 25.  
Strike: "23"  
Insert: "24"

51. Page 34, line 10.  
Strike: "25"  
Insert: "26"

52. Page 34, line 23.  
Strike: "27"  
Insert: "28"

53. Page 35, line 4.  
Strike: "30"  
Insert: "31"

54. Page 35, line 14.  
Strike: "31"  
Insert: "32"

55. Page 35, line 25.

Strike: "25.01%"

Insert: "24.84%"

56. Page 35, line 26.

Strike: "24.935%"

Insert: "24.715%"

57. Page 35, line 30.

Strike: "32"

Insert: "33"

58. Page 36, line 11.

Strike: "33"

Insert: "34"

59. Page 37, line 18.

Strike: "34"

Insert: "35"

60. Page 38, line 19.

Strike: "35"

Insert: "36"

61. Page 39, line 21.

Strike: "date"

Insert: "dates"

Strike: "[This act]"

Insert: "(1) Except as provided in subsection (2), [this act]"

Following: line 21

Insert: "(2) [Sections 11 through 13] are effective July 1, 1996."

Amendments to House Bill No. 5  
Third Reading Copy

Requested by Senator Keating  
For the Committee on Senate Finance and Claims

Prepared by Shauna Ryan  
April 3, 1995

*Failed*

1. Page 5, line 1.

Insert: "Replacement of Primary Electrical Distribution System

MSU-Billings

LFBP

Auxiliary

\$1,487,500

\$262,500"

The purpose of this amendment is to provide funding and authorization for the replacement of an electrical distribution system that is currently in violation of national electrical codes. As it exists, the system poses an imminent safety hazard to MSU employees. The current distribution system is unreliable and on the verge of complete failure, which would result in loss of electrical power and heating for the entire campus. This project represents the next maintenance project on the Board of Regent's priority list.

{Office of Legislative Fiscal Analyst

444-2986}

Amendment to House Bill 584  
Third Reading Copy As Amended (Blue)

Prepared by  
Beth Baker, Department of Justice  
March 30, 1995

*carried*

1. Page 1, line 21.  
Strike: "FERGUS"  
Insert: "Lewis and Clark"
2. Page 1, lines 23-24.  
Strike: "MAIDEN VALLEY MILITARY INSTITUTE IN LEWISTOWN"  
Insert: "Mountain View school in Helena"
3. Page 2, line 11.  
Strike: "FERGUS"  
Insert: "Lewis and Clark"

Amendments to House Bill No. 584  
Third Reading Copy

Requested by Senator Lynch  
For the Committee on Senate Finance and Claims

Prepared by Nan LeFebvre  
April 3, 1995

SENATE FINANCE AND CLAIMS  
EXHIBIT NO. 13  
DATE 4/4/95  
BILL NO. HB 584

*Filed*

1. Page 1, line 20.

Strike: "\$1,450,000, OF WHICH \$950,000"

Insert: "\$1,680,000, OF WHICH \$1,180,000"

2. Page 1, line 21.

Strike: "FERGUS COUNTY"

Insert: "ANACONDA-DEER LODGE COUNTY"

3. Page 1, lines 23 and 24.

Strike: "MAIDEN VALLEY MILITARY INSTITUTE IN LEWISTOWN"

Insert: "GALEN CAMPUS, GALEN"

4. Page 2, line 11.

Strike: "FERGUS COUNTY"

Insert: "ANACONDA-DEER LODGE COUNTY"

The purpose of this amendment is to move the Montana Law Enforcement Academy to Galen, Montana.

{Office of Legislative Fiscal Analyst

444-2986}

Amendments to House Bill No. 52  
Third Reading Copy

DATE 4/4/95  
BILL NO. HB 528

Requested by Senator xx  
For the Senate Finance & Claims Committee

Prepared by Skip Culver  
April 3, 1995

1. Title, line 9.

Following: "~~MCA~~;"

Insert: "APPROPRIATING FUNDS FROM THE COAL AREA HIGHWAY  
IMPROVEMENT ACCOUNT; AMENDING SECTION 15-35-108, MCA;"

2. Page 1.

Following: line 26

Insert: "(3) Funds deposited into the coal area highway  
improvement account provided for in 90-6-202 are  
appropriated to the department of transportation to  
reconstruct 13 miles of Montana highway 314 between  
Decker and Busby, Montana."

3. Page 5.

Following: line 18

Insert: "**Section 2.** Section 15-35-108, MCA, is amended to  
read:

**"15-35-108. (Temporary) Disposal of severance taxes.**  
Severance taxes collected under this chapter must, in  
accordance with the provisions of 15-1-501(6), be allocated  
as follows:

(1) To the trust fund created by Article IX,  
section 5, of the Montana constitution, 50% of total coal  
severance tax collections. The trust fund money must be  
deposited in the fund established under 17-6-203(6) and  
invested by the board of investments as provided by law.

(2) Starting July 1, 1987, and ending June 30,  
2003, 12% of coal severance tax collections are allocated  
to the highway reconstruction trust fund account in the  
state special revenue fund.

(3) Coal severance tax collections remaining after  
allocation to the trust fund under subsection (1) are  
allocated in the following percentages of the remaining  
balance:

(a) 17 1/2% to the credit of the local impact  
account. Unencumbered funds remaining in the local impact  
account at the end of each biennium are allocated to the  
state special revenue fund for state equalization aid to  
public schools of the state.

(b) 30% to the state special revenue fund for state  
equalization aid to public schools of the state;

(c) 1% to the state special revenue fund to the  
credit of the county land planning account;



(d) 1 1/4% to the credit of the renewable resource development bond fund;

(e) 0% to a nonexpendable trust fund for the purpose of parks acquisition or management. Income from this trust fund must be appropriated for the acquisition, development, operation, and maintenance of any sites and areas described in 23-1-102.

(f) 1% to the state special revenue fund to the credit of the state library commission for the purposes of providing basic library services for the residents of all counties through library federations and for payment of the costs of participating in regional and national networking;

(g) 1/2 of 1% to the state special revenue fund for conservation districts;

(h) 1 1/4% to the debt service fund type to the credit of the renewable resource loan debt service fund;

(i) 2% to the state special revenue fund for the Montana Growth Through Agriculture Act;

(j) 1 2/3% to a nonexpendable trust fund for the purpose of protection of works of art in the state capitol and for other cultural and aesthetic projects. Income from this trust fund shall be appropriated for protection of works of art in the state capitol and other cultural and aesthetic projects.

(k) beginning July 1, 1993, and ending June 30, 1995, 3 1/3% to a special revenue account to be used by the department of fish, wildlife, and parks for the stabilization and preservation of historic and cultural sites within the state park system;

(l) all other revenues from severance taxes collected under the provisions of this chapter to the credit of the general fund of the state. (Terminates June 30, 1995--sec. 4, Ch. 536, L. 1993.)

**15-35-108. (Effective July 1, 1995) Disposal of severance taxes.** Severance taxes collected under this chapter must, in accordance with the provisions of 15-1-501(6), be allocated as follows:

(1) To the trust fund created by Article IX, section 5, of the Montana constitution, 50% of total coal severance tax collections. The trust fund money must be deposited in the fund established under 17-6-203(6) and invested by the board of investments as provided by law.

(2) Starting July 1, 1987, and ending June 30, 2003, 12% of coal severance tax collections are allocated to the highway reconstruction trust fund account in the state special revenue fund.

(3) Coal severance tax collections remaining after allocation to the trust fund under subsection (1) are allocated in the following percentages of the remaining balance:

(a) 17 1/2% to the credit of the local impact account. Unencumbered funds remaining in the local impact account at the end of each biennium are allocated to the state special revenue fund for state equalization aid to public schools of the state.

(b) 30% to the state special revenue fund for state equalization aid to public schools of the state;

(c) 1% to the state special revenue fund to the credit of the county land planning account;

(d) 1 1/4% to the credit of the renewable resource development bond fund;

(e) 3 1/3% to a nonexpendable trust fund for the purpose of parks acquisition or management. Income from this trust fund must be appropriated for the acquisition, development, operation, and maintenance of any sites and areas described in 23-1-102.

(f) 1% to the state special revenue fund to the credit of the state library commission for the purposes of providing basic library services for the residents of all counties through library federations and for payment of the costs of participating in regional and national networking;

(g) 1/2 of 1% to the state special revenue fund for conservation districts;

(h) 1 1/4% to the debt service fund type to the credit of the renewable resource loan debt service fund;

(i) 2% to the state special revenue fund for the Montana Growth Through Agriculture Act;

(j) 1 2/3% to a nonexpendable trust fund for the purpose of protection of works of art in the state capitol and for other cultural and aesthetic projects. Income from this trust fund shall be appropriated for protection of works of art in the state capitol and other cultural and aesthetic projects.

(k) all other revenues from severance taxes collected under the provisions of this chapter to the credit of the general fund of the state.

(4) From the amount allocated in subsection (3)(a) to the local impact account, \$1 million is transferred annually to the coal area highway improvement account provided for in 90-6-202. (Terminates July 1, 2003--sec. 4, Ch. 191, L. 1991.)

**15-35-108. (Effective July 1, 2003) Disposal of severance taxes.** Severance taxes collected under this chapter must, in accordance with the provisions of 15-1-501(6), be allocated as follows:

(1) To the trust fund created by Article IX, section 5, of the Montana constitution, 50% of total coal severance tax collections. The trust fund money must be deposited in the fund established under 17-6-203(6) and invested by the board of investments as provided by law.

(2) Coal severance tax collections remaining after allocation to the trust fund under subsection (1) are allocated in the following percentages of the remaining balance:

(a) 17 1/2% to the credit of the local impact account. Unencumbered funds remaining in the local impact account at the end of each biennium are allocated to the state special revenue fund for state equalization aid to public schools of the state.

(b) 30% to the state special revenue fund for state equalization aid to public schools of the state;

(c) 1% to the state special revenue fund to the credit of the county land planning account;

(d) 1 1/4% to the credit of the renewable resource development bond fund;

(e) 3 1/3% to a nonexpendable trust fund for the purpose of parks acquisition or management. Income from this trust fund must be appropriated for the acquisition, development, operation, and maintenance of any sites and areas described in 23-1-102.

(f) 1% to the state special revenue fund to the credit of the state library commission for the purposes of providing basic library services for the residents of all counties through library federations and for payment of the costs of participating in regional and national networking;

(g) 1/2 of 1% to the state special revenue fund for conservation districts;

(h) 1 1/4% to the debt service fund type to the credit of the renewable resource loan debt service fund;

(i) 2% to the state special revenue fund for the Montana Growth Through Agriculture Act;

(j) 1 2/3% to a nonexpendable trust fund for the purpose of protection of works of art in the state capitol and for other cultural and aesthetic projects. Income from this trust fund shall be appropriated for protection of works of art in the state capitol and other cultural and aesthetic projects.

(k) all other revenues from severance taxes collected under the provisions of this chapter to the credit of the general fund of the state.

(4) From the amount allocated in subsection (2)(a) to the local impact account, \$1 million is transferred annually to the coal area highway improvement account provided for in 90-6-202."

Renumber: subsequent section.

DATE April 4, 1995

SENATE COMMITTEE ON Finance & Claims

BILLS BEING HEARD TODAY: HB 577 Rep Kadas  
HB 578 Rep R. Johnson

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PLEASE PRINT

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Check One

Name	Representing	Bill No.	Support	Oppose
Steve Yeakel	MT Council for Maternal & Child Health	HB 578	✓	
SHARON HOFF	MT CATH CONF	HB 578	✓	
Dorel Henrich	MT Assoc. of Churches	HB 578		

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