

MINUTES

**MONTANA SENATE
52nd LEGISLATURE - REGULAR SESSION**

COMMITTEE ON FINANCE & CLAIMS

Call to Order: By Senator Judy Jacobson, Chairman, on April 8, 1991, at 8:00 a.m., Room 325.

ROLL CALL

Members Present:

Judy Jacobson, Chairman (D)
Greg Jergeson, Vice Chairman (D)
Gary Aklestad (R)
Thomas Beck (R)
Esther Bengtson (D)
Don Bianchi (D)
Gerry Devlin (R)
Eve Franklin (D)
Harry Fritz (D)
H.W. Hammond (R)
Ethel Harding (R)
Bob Hockett (D)
Thomas Keating (R)
Dennis Nathe (R)
Larry Tveit (R)
Eleanor Vaughn (D)
Mignon Waterman (D)
Cecil Weeding (D)

Members Excused: Senators Manning, Stimatz

Staff Present: Teresa Olcott Cohea(LFA).

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

Announcements/Discussion: None

HEARING ON HOUSE BILL 20

Presentation and Opening Statement by Sponsor:

Representative Pavlovich, District 70, Butte, sponsor, said HB 20 is a one time appropriation of \$25,000 to send to the Veterans Affairs Division to help build a women's memorial to be

constructed in Arlington Park.

Proponents' Testimony:

Hal Manson, American Legion, stated his support of HB 20 and noted that women have served well and should be honored for their duties.

George Poston, a retired military officer, United Veterans Committee of Montana, said this memorial to the women is long overdue and stated his desire for the money to be appropriated for it.

Genevieve Adair, Women in Military Service, Women's Auxiliary Army Corps, stated her support of HB 20 as being an acceptable bonus.

Tom Pouliot, State coordinator of Veterans of Foreign Wars, stated their strong support of HB 20.

Rich Brown, Administrator, Montana Veterans Affairs, stated their support of the legislation.

Opponents' Testimony:

None

Questions From Committee Members:

None

Closing by Sponsor:

Representative Pavlovich closed.

HEARING ON HOUSE BILL 234

Presentation and Opening Statement by Sponsor:

Representative Bob Pavlovich, District 70, Butte, sponsor said HB 234 is an appropriation for the Veterans' Nursing Home in Glendive, Montana. He stated HB 202 was passed in 1989 for a two cent cigarette tax to appropriate the money to build the 100 bed unit for eastern Montana and the site selected was Glendive. He noted in their attempt to get matching funds, they were sixteenth on the list, and they did not make the requirements for the first biennium. He said they are now second on the list and will probably make it this time. He noted they are appropriating the money and holding onto the money to build, construct and maintain a 100 bed unit in Glendive and also maintain Columbia Falls and Miles City. He noted with this bill they are preserving the money so nobody else would get it and build a building someplace

else.

Proponents' Testimony:

Representative John Johnson, Glendive, said the Veterans Home was ranked fifteenth in priority but they are now moving up on the list. He noted funding could be received by October or earlier. He said for that reason he wanted to continue moving forward with the appropriation for the nursing home in Glendive so that it is not used for other purposes. He concluded that as of right now that amount of funding would be in the special fund by the end of this biennium.

Robert VanDerVere, a concerned citizen lobbyist, stated his support of HB 234.

Rich Brown, Administrator, Montana Veterans Affairs Division, said Montana was ranked fifteenth and the first thirteen were funded and now number fourteen has been funded so Montana is now first on the list with the DVA next to be funded for a state veterans nursing home. He concluded he would like to see this legislation passed.

Hal Manson, American Legion, stated their support of HB 234 in building a nursing home in Glendive.

Tom Pouliot, State commander of Veterans of Foreign Wars, stated the necessity of the nursing home and their support of HB 234.

George Poston, United Veterans Committee of Montana, stated their support and indicated his desire that no further delays be encountered when the federal money is available.

Opponents' Testimony:

None

Questions From Committee Members:

Senator Bengtson asked regarding Columbia Falls and Miles City if there are intentions to use part of this money for their maintenance if they are not ready to start construction on the Glendive nursing home. Rep. Pavlovich said there is a House bill that will be coming to Finance and Claims Committee that keeps this money in a special account for maintenance and construction of the three veterans homes in Montana so there will be no need to come back to the general fund at any other time to maintain these places.

When questioned by Senator Keating as to the source of the 1.9 million dollars, Rep. Pavlovich said it is from the two cent cigarette tax in the last biennium. Right now there is approximately two million dollars set aside and by the time

construction is started, there should be close to four million dollars.

In a question from Senator Keating as to the administration of the account, Rep. Pavlovich said the money is in the Department of Administration right now and is set in a special account for this.

Closing by Sponsor:

Representative Pavlovich closed.

HEARING ON HOUSE BILL 30

Presentation and Opening Statement by Sponsor:

Representative Ray Peck, District 15, Havre, sponsor, said HB 30 is commonly called the telecommunications bill. He noted the purpose of the bill is to establish the Montana Educational Telecommunications Network throughout the state. It is an outgrowth from the implementation study committee for HB 28, which appropriated funds to do an assessment and network design study. He added that work has been completed. He said HB 30 has a total appropriation of approximately \$497,000 annually, which is a \$300,000 general fund appropriation and \$150,000 of state special revenue money which is from the equalization account, and about \$48,000 in proprietary funds from an assessment of the university system. He concluded it was his understanding HB 30 had the support of the Governor.

Proponents' Testimony:

Nancy Keenan, Superintendent of Public Instruction, stated the bill is an effort to address educational equity and opportunity for Montana schools. It will provide an access for all Montana school districts, vocational technical centers and institutions of higher education to communicate with each other and the world. She added it is an effort by her office, the Department of Administration and the university to bridge Montana and provide educational opportunities for all students at an affordable cost. She added there is a videotape on telecommunications that can be used to explain where they would like to go with telecommunications.

Bob Marks, Director, Department of Administration, stated the importance of HB 30 and said he is also representing the Governor's office. He added they have been able to sell this plan to potential contributors of the match, and TCI Cablevision has donated \$150,000. He said services would be provided on a well structured plan and would bring to Montana an opportunity to pass onto other areas the education schemes that are coming up.

John Hutchinson, Commissioner of Higher Education, stated

his support of HB 30 and said the creation of the network will provide an infrastructure to allow higher education to offer traditional college courses in distant sites. It will permit campus based courses to enrich high school courses in distant areas. It will also provide a network for delivery of continuing professional education, as well as increasing the effectiveness of extension courses and services. It would also provide for support and connection of isolated professionals and will allow campuses and centers to assist communities in becoming more attractive and competitive for business and industries that might be available.

Gloria Hermanson, representing Montana Cultural Advocacy, said the public libraries in Montana have been supportive of this bill all the way through and the process of evaluation statewide. She added she had an amendment she would like to add to HB 30 because there are differing opinions about whether or not public libraries are a subdivision of state government. (See Exhibit 2)

Representative John Cobb, District 42, said he had an amendment to offer so that it would be made clear that OPI has general supervision and approves the kind of network system going to the school districts that are under the system. He said he would give his proposed amendment to Terry Cohea, LFA. He concluded the amendment would make it clear if there was any disagreement in the future over how the schools are supposed to have their technology developed that the Office of Public Instruction would make the final determination if there is any dispute.

Representative John Johnson stated his support of HB 30 and added his district would like to be attached to the rest of Montana so that the programs that are envisioned with the telecommunications system could go to his area as well. He urged support of the bill.

Opponents' Testimony:

None

Questions From Committee Members:

Senator Nathe asked Rep. Peck if he would have any problem with appropriating an extra \$150,000 out of the general fund rather than out of the ANB and going into the foundation schedules. Rep. Peck said indirectly it is the same thing and that he did not have any problem with that.

Senator Nathe noted his concern to Rep. Cobb about imposing uniformity across the system. He questioned if it would be up to OPI to make the decision as to flexibility and not a total uniformity across the board in a system. Rep. Cobb agreed and said his amendment would not stop development but would allow OPI to make the decision when there is a dispute on how it affects

the schools.

Senator Nathe noted to Rep. Peck that on HB 913 he inserted coordination clauses and asked if there was a problem if they didn't go into the general fund to putting on a similar coordination amendment. Rep. Peck said he had no problem with a coordination clause.

Senator Aklestad questioned Rep. Cobb whether it was his intention that OPI would have the final say as far as hardware. Rep. Cobb said yes, as it applies to the schools. Senator Aklestad said he is supportive of the project but concerned about some companies giving hardware that will be obsolete quick, and he indicated that the Department of Administration has more working knowledge in that area as far as not getting obsolete hardware. Rep. Cobb said that was his concern and that was the reason for his amendment. Senator Aklestad asked if there was any problem in making it clear that the Department of Administration had that authority. Rep. Cobb said that was up to the committee, but it was his feeling as it affects the schools, the OPI is supposed to have general supervision of the schools and should have control over how the network affects the schools.

Senator Hammond questioned if this might be a good motivation to get the Board of Education to meet. Rep. Cobb stated he had no problem with that but added that the OPI has been much more active than the Board of Education.

Senator Devlin questioned Rep. Peck if there has been any kind of a pilot program on this. Rep. Peck said there has been some activity on this under House Bill 28. Tony Herbert, Department of Administration, said there has been much activity in Montana in distance learning initiatives.

Closing by Sponsor:

Representative Peck closed and described an amendment prepared for HB 30 (See exhibit 1). He noted that the amendment presented by Rep. Cobb is a reasonable amendment. He concluded by noting his opinion that he did not feel the Board of Education has been active enough or has the experience to be the supervising authority.

HEARING ON HOUSE BILL 704

Presentation and Opening Statement by Sponsor:

Representative Wanzenried, Kalispell, sponsor, said HB 704 deals with penalty and interest money from instruction programs and appropriates funds for the instruction programs to the Department of Labor. He said his intent was to deal specifically

with the apprenticeship program, and that program was currently administered by the Office of Public Instruction but money was needed to continue that program. He noted that the apprenticeship program is an important feature in Montana to provide an opportunity for workers to upgrade their skills. He noted there would be an amendment offered to change the priority funding but asked the committee to leave HB 704 in its current form.

Proponents' Testimony:

Bruce Morris, Montana Carpenters Joint Apprenticeship and Training Trust Fund, noted his support for the bill and said they have competed for Carl Perkins dollars to help pay instructor's salaries. He said the basic funding comes from an employer cents per hour contribution which is negotiated through the collective bargaining process. He noted that currently there are 600 people enrolled in apprenticeship programs and many skilled workers engaged in retraining programs. He concluded it is beneficial to Montana to maintain skilled workers and urged the committee to reject the amendments that would be offered.

Don Judge, representing Montana State AFL-CIO, stated their support of HB 704 (See exhibit 3) He urged concurrence of the bill in its present form.

John Monahan, Director of Montana Ironworkers Apprenticeship and Journeyman Training Programs, stated their support of HB 704 in that it would have a positive effect on Montana workers by providing necessary skills upgrade. He noted the money appropriated is a small price to pay for proven training for Montana workers. He recommended passage of HB 704 and stated his opposition for the amendment offered.

Mike Micone, Commissioner of Department of Labor and Industry, noted he had an amendment to offer (See exhibit 4). He noted that the bill as written, from a section of law that is on the books that sunsets on June 30, 1991, that statute allows the Department to collect penalty and interest. He said he came to the legislature with HB 385 to remove the sunset and make it pertinent for the Department to collect the penalty and interest money and use it for administrative purposes. Those amounts not needed for collection purposes would be deposited in the unemployment insurance trust. He said it was not until after the legislature started that it was determined that the classroom training funds would not be available and that is when HB 704 was introduced. Representative Driscoll, when carrying HB 385, made the determination that it was best to transfer the funds to the apprenticeship program rather than to the Department for collections. A compromise was reached in the House but the Department was put in a secondary position for the funds. He said they have been collecting the funds for the past two years. They believe the funds should be allocated and that a better compromise is the 50/50 allocation up to the maximum of \$110,000

for the apprenticeship program. He concluded that is the reason for the amendment (See exhibit 4).

Opponents' Testimony:

None

Questions From Committee Members:

Senator Nathe questioned what the money in the bill is currently being used for. Rep. Wanzenried said that money stays in the trust fund at the present time; it becomes part of the trust fund itself.

Senator Hammond questioned if they were trying to compete with the high schools and vocational technical schools for the Carl Perkins funds. Rep. Wanzenried said the bill does not attempt to compete in any way with those monies. He added Congress amended the Carl Perkins Act and no longer authorizes the use of those monies for state apprenticeship programs.

When questioned by Senator Nathe as to the money administering this program going to the Office of Public Instruction, Rep. Wanzenried said the money comes from the federal government to the Office of Public Instruction. Carl Perkins money currently goes to the Office of Public Instruction. Those monies have been amended and can't be used for apprenticeship programs so those monies won't be available to fund this program. He said they are asking to use a portion of the penalty and interest funds to fund the program and transfer the administrative responsibility to the Department of Labor and Industry.

Senator Aklestad asked Rep. Wanzenried in the title of the bill what percentage of monies in the federal special revenue contributes to the \$110,000 each year. Rep. Wanzenried there is a projection of \$240,000 coming from the penalty and interest fund in the next fiscal year. Senator Aklestad questioned within the apprenticeship program, what percentage of trade union people utilize that program in comparison to the non-trade.

Dan Miles, supervisor for Apprenticeship and Training, Department of Labor, said of the 601 registered apprentices in the state right now, 283 or approximately 45 percent of those are with trade union employers and that 318 or 55 percent are with non-union employers. When asked by Senator Aklestad if the trade unions contribute anything to the apprenticeship program directly into this fund, Mr. Miles said not to his knowledge. In a question from Senator Aklestad as to whether they indirectly contribute anything to the apprenticeship program, Mr. Miles said yes, that many of the trade union apprenticeship programs have contributions that come through their collective bargaining that go into a training trust fund to help offset the cost of related training to their apprentices; but in a question from Senator

Aklestad as to whether it goes into this fund, Mr. Miles said no, it does not go into this fund.

Closing by Sponsor:

Representative Wanzenried closed and asked the committee to pass the bill with the technical amendments submitted by the Budget Office, but to resist the Department of Labor's amendment.

HEARING ON HOUSE BILL 298

Presentation and Opening Statement by Sponsor:

Representative John Cobb, District 42, sponsor, said HB 298 removes the requirement of the Department of Administration to request funds for maintenance of all buildings in the capitol complex. He added it merely takes it out of law.

Proponents' Testimony:

Debra Kehr, Administrator, Department of Administration, General Services, said this would maintain current budgeting practices. The Department will continue to budget for the repair, maintenance and upkeep of all buildings they provide services for. The way the technical language is now would seem to imply they would also have to budget for services in leased buildings in Helena and currently agencies provide for those services in their budget.

Opponents' Testimony:

None

Questions From Committee Members:

None

Closing by Sponsor:

Representative Cobb closed.

HEARING ON HOUSE BILL 393

Presentation and Opening Statement by Sponsor:

Representative John Cobb, District 42, sponsor, said HB 393 would allow the Department of Administration to approve long term loans to accounting entities. It would allow the Department of Administration to grant long term loans longer than one or two years.

Proponents' Testimony:

Chuck Virag, Administrator, Accounting and Management Support Division, Department of Administration, stated his support of the bill as a solution to the problems encountered by many agencies participating in reimbursable programs. (See testimony, exhibit 20)

Dave Mott, Department of Fish, Wildlife and Parks, stated his support of HB 393 and stated his department would benefit from the bill as would any program that has long-standing federal money that is on a reimbursement basis.

Opponents' Testimony:

None

Questions From Committee Members:

Senator Nathe questioned that at the present time the maximum amount of the loan can be one year, with a one year extension after that, and asked the interest rate paid on the loans. Mr. Virag said there is no interest assessed on the loans. Regarding a question from Senator Nathe regarding inter-entity loans being loans between departments, he asked if the money went to the short term investment pool when it is not being used. Mr. Virag said these loans are made between accounts within an agency, and there is no interest assessed on the funds that are loaned. Any funds not in a particular investment pool are invested in short term investment pool itself.

Senator Aklestad asked Rep. Cobb regarding the language, longer term, that is mentioned in the title of HB 393. Rep. Cobb said there is no time frame. Senator Aklestad asked statutorily how long a guarantee do they have from the federal government. Rep. Cobb said the way HB 393 is written, they can't borrow more than they actually know is coming in. He also noted billing is done on a regular basis. Senator Aklestad said there has been legislation where we are trying to maximize interest earnings and he mentioned if they are put in this type of account, wouldn't we be losing interest.

Mr. Virag said unless an agency discontinues participation in one of the reimbursement programs, it will never be to the point where there is cash on hand for investment purposes.

Senator Nathe asked how this affects the university system once this is done. Rep. Cobb said the universities have agreed to clean up their negative fund balances. He said there can't be a negative fund balance that there is no intention of paying off. There has to be some mechanism to pay this off, and he didn't think it would affect negative fund balances.

Senator Nathe asked if the Department of Administration would have control over these loans made within the university system, and Rep. Cobb said he did not know that. Mr. Virag said

the Commissioner of Higher Educations' office is the authority for approving loans within the university system. When questioned by Senator Jacobson if this bill would affect them at all, Mr. Virag said no.

Closing by Sponsor:

Representative Cobb closed.

HEARING ON HOUSE BILL 454

Presentation and Opening Statement by Sponsor:

Representative John Cobb, District 42, sponsor, said HB 454 is a boilerplate bill which was at the request of the legislative finance committee, the Office of Budget and Program Planning, and the legislative audit committee. He distributed to the committee an explanation of HB 454. (See exhibit 5) He added it puts into law what is boilerplated every year.

Proponents' Testimony:

None

Opponents' Testimony:

None

Questions From Committee Members:

None

Closing by Sponsor:

Representative Cobb closed.

HEARING ON HOUSE BILL, 4

Presentation and Opening Statement by Sponsor:

Representative Bardanouve, District 16, Harlem, sponsor, said HB 4 is appropriating money to various state agencies for the fiscal year ending June 30, 1991. At that point, he discussed Exhibit 6 with the committee and went through it section by section.

Senator Nathe questioned regarding page 6, line 9 regarding Indian health care if that is money flowing through the Department of Social and Rehabilitation Services. Rep. Bardanouve said that is Indian health care on medicaid programs for eligible recipients.

Senator Nathe asked where the \$611,000 of state money is coming from in the section of Department of Commerce. Rep. Bardanouve said under Federal law they are given money to maintain the branch lines that will be abandoned and most of the money will go to the Central Montana Railroad in Lewistown/Denton area, and he said that is federal dollars to maintain and keep up the branch lines that were abandoned by the main railroads. Senator Nathe asked if any short line operator would be eligible for this money in the future. Rep. Bardanouve said yes.

When questioned by Senator Nathe regarding the Montana Advocacy Program not showing up in our budgets, and if they are out of the realm of our scrutiny. Rep. Bardanouve said he had not seen any budget amendments on this.

Senator Aklestad asked with regard to higher education, item 2, other funds, he questioned what that figure of \$251,000 was for. Rep. Bardanouve said there are several programs within that item and most of it is in the loan program they administer for education of people in the university system.

Under the agriculture experiment station, Senator Nathe asked where the Veterinary Research Lab Isolation Building is located. Rep. Bardanouve said it will be located at the range station by the Montana State University campus. Senator Nathe said the federal government maintains the buildings at Miles City and he questioned where the other money is coming from. Rep. Bardanouve said it will be unrestricted federal funds that provide dollars for various programs. He noted he did not have a breakdown where they come from.

Regarding the university system, Rep. Bardanouve said there are increased amounts due to increased tuition and fees collected as a result of increased enrollment.

Rep. Bardanouve concluded that is the budget amendment as received and that they have been reviewed by the budget office. He noted the LFA went over them carefully and some were removed in the House. He concluded there may be more amendments submitted to this bill.

Proponents' Testimony:

None

Opponents' Testimony:

None

Questions From Committee Members:

Senator Nathe asked Rep. Bardanouve if he would rather the committee held this bill for awhile or acted on it. Rep. Bardanouve noted he would like it moved as soon as possible.

Senator Nathe moved that HB 4 BE CONCURRED IN. When advised by Senator Jergeson that there were amendments for the bill, Senator Nathe withdrew his motion.

Closing by Sponsor:

Representative Bardanoue closed.

HEARING ON HOUSE BILL 1008

Presentation and Opening Statement by Sponsor:

Representative Bardanoue, sponsor, said HB 1008 allocated 1.9 percent of coal severance tax to a non-expendable trust for protection of works of art in the state capitol and other cultural and aesthetic projects. It also temporarily allocates for two years a portion of coal severance tax to a special revenue account to be used by the Department of Fish, Wildlife and Parks for state parks. He said if we don't maintain the parks, they won't be there. He added that the Parks Division has not been given a lot of money this session, and noted they are in an emergency. At the end of the 1993 biennium, the allocations for parks will go to a non-expendable trust, the income from which is to be used for parks acquisition or management. He concluded some money would be lost on interest but it will give an infusion of high priority items for repairs and it would give the Parks Division less than one million dollars for this biennium to make emergency high priority repairs.

Proponents' Testimony:

K. L. Cool, Director, Montana Department of Fish, Wildlife and Parks, stated his support of HB 1008. He handed out to the committee a document designed to provide an overview of the distribution of coal tax and how it fits into the Department and Arts and Cultural. (See exhibit 7) He added that we would have an important and significant gain and small long term loss from the dollars in the trust. He added the bill is not precedent setting; it has been done before. He concluded HB 1008 is extremely important and timely.

Representative Grady, District 47, added his support of HB 1008. He noted that very little money was spent for maintenance and that parks are in a deteriorating condition.

Representative Swysgood, stated his support of the bill. He noted that Bannack State Park has deteriorated to the point where the buildings are falling apart and added this bill would help with the vital restoration of Montana's history. He concluded we are diverting for two years money that will flow into the trust and indicated the trust will be of no benefit to anybody if the facilities we are trying to maintain for Montana's future are not kept in good shape.

Bill Leary, a Helena resident, stated his concern at Canyon Ferry Lake and the deteriorating conditions of the campgrounds. He urged support of HB 1008.

Mitzi Rossillon, a professional archaeologist, stated her support of HB 1008 and stated she is familiar with many organizations of archaeologists that support a bill of this type, although she was speaking for herself today. She noted her concern about the preservation of resources in the state parks system and said she is interested in the stabilization of these which are in danger today of erosion. She concluded we have an obligation to protect the resources that have been neglected in Montana.

Susie Bramlette, Beaverhead County Chamber of Commerce, encouraged adoption of HB 1008.

Don Johnson, Canyon Ferry Recreation Association, stated his support of HB 1008 and said Montana is a destination state for tourists but there is much competition now and how we compete years from now depends on the decisions we make now.

Stuart Doggett, representing Montana Innkeepers Association and Montana Manufactured Housing and RV Association, stated the organizations interest in state parks and wanted to go on record in support of HB 1008.

Arnie Olsen, Administrator of State Parks Division, Department of Fish, Wildlife and Parks, indicated their support of HB 1008. He noted the Governor has indicated his support of the proposal and also indicated the State parks futures committee consisting of eight members, seven of those members have supported the measure.

Marcella Sherify, Montana's State Historic Preservation Officer, indicated their support of HB 1008. (See testimony, Exhibit 8)

David Nelson, Montana Arts Council executive director, stated their support of HB 1008 and said they are agency administering the other one-third of the trust which is referred to as the cultural trust. He concluded the split-up is fair and equitable.

Ruth Baker, Stevensville Historical Society, noted their Society has been in contact with Department of Fish, Wildlife and Parks over Fort Owen which is outside of Stevensville and feels HB 1008 will help preserve historic and cultural sites.

Opponents' Testimony:

Janet Ellis, Montana Audubon Legislative Fund, stated she is

a reluctant opponent but said she must state her reasons why this is a dangerous thing to do. She said it is a non-expendable trust and her organization is the only organization defending that trust. She noted her organization would like an amendment added to the bill (See exhibit 9) She added with the amendment, she felt the money would be used on an emergency basis as needed. She said HB 1008 splits the two trusts of the Arts Council and the Parks trust and noted the alliance has been helpful in defending the trust and she would like to see language that would put that back together.

Questions From Committee Members:

Senator Fritz asked Rep. Bardanouve if HB 1008 splits the existing trust in two parts and if it maintains the two parts so for two years there is the existing trust for parks and will the trust be existing and producing interest. Rep. Bardanouve said yes.

Closing by Sponsor:

Representative Bardanouve closed by saying it is important to preserve what we have.

HEARING ON HOUSE BILL 876

Presentation and Opening Statement by Sponsor:

Representative Wyatt, sponsor, said HB 876 is an important piece of legislation because it removes the MIAMI project sunset and increases the advisory council to the appointment of tribal Indian representatives. It appropriates \$14,000 general fund.

Proponents' Testimony:

Paulette Kohlman, Montana Council for Maternal and Child Health, stated her support of HB 876. (See exhibit 10) She noted that none of the budgets in HB 876 could have been included in HB 2 because the entire appropriation in HB 2 for MIAMI is for contracted services out to the clinic sites.

Jim Ahrens, president of Montana Hospital Association, stated their support of HB 876.

Jerry Loendorf, Montana Medical Association, encouraged continuation of the MIAMI project and encouraged support of HB 876.

Gene Huntington, Montana Dietetic Association, expressed their support of the continuation and expansion of the program.

Opponents' Testimony:

None

Questions From Committee Members:

Senator Bengtson asked how much money in HB 2 was allocated for the MIAMI project. Rep. Wyatt said \$371,000 for the biennium and said it was for contracted services. Ms. Kohlman said it is a line item in HB 2 and it is general fund money and said she could make more information available. Senator Bengtson said she would like that information before executive action is taken.

Closing by Sponsor:

Representative Wyatt closed and indicated Senator Eck has agreed to carry HB 876 if it is passed out of committee.

HEARING ON HOUSE BILL 728

Presentation and Opening Statement by Sponsor:

Representative Ream, District 54, Missoula County, said HB 728 appropriates funds to the Department of Health to fund a public health nutritionist position and to fund the state advisory council on food and nutrition. He said the program and the state nutritionist would be funded entirely with federal funds. He indicated Senator Waterman would do the closing on HB 728.

Proponents' Testimony:

Paul Miller, University of Montana, stated he worked on the study of hunger in Montana which became the basis of HB 728. He noted the information was received from many households participating across the state in a temporary food emergency system in Montana. Information was obtained on households participating in food banks in the state, as well as information from people working in food and nutrition programs in Montana. At this point, Mr. Miller presented a graph to the committee and illustrated it. He indicated families with children are the most represented kinds of households in hunger related activities. He noted it was seen that many families not only suffer from the problems of unemployment, but they suffer from the problem of under-employment, where they are not making wages sufficient to support their families. He said families with children in their study, about 48 percent of them had no employment whatsoever, but about 52 percent had employment and 9 percent had only part-time employment. He said 43 percent had someone in the household employed full time. He indicated the full time employment in many instances was not enough to supply food stuffs for these families. He demonstrated to the committee a graph showing poverty in the United States. He noted his thought that HB 728 would address the stigma problem. He added the needy are not aware of available services and hoped this could be addressed in

Montana. He said the problem of transportation is a hardship in that many poor people are unable to get to the distribution points for food and nutritional services. He also indicated the eligibility requirements for participation are too stringent. He concluded by urging support of HB 728.

Mickey Medora, a nutritionist at Community Medical facility in Missoula, said this legislation is one of the things the hunger coalition has been trying to do. She noted there isn't enough communication between the program and that the state council would bring this together along with the expertise of bringing it together. She stated the state council would serve to do ongoing monitoring in the state and added that is the first place to start coordinating services. She indicated there is a need for a state public health nutritionist as there is a need to inform people about better food buying. Also the indigent and native American population is in great need for proper nutrition. She concluded that a bill such as HB 728 would allow us to make better use of existing federal dollars.

Joan Duncan, board of directors of Montana Food Bank Network, stated her support of HB 728. (See exhibit 11)

Jerry Loendorf, representing Montana Medical Association, said HB 728 has the potential to improve public health through better nutrition and eating habits. He noted we should go one final step and make sure people also receive the right foods.

Diane Sands, Montana Womens Lobby, stated their support of HB 728.

Paulette Kohlman, Executive Director, Montana Council for maternal and child health, urged support of HB 728.

Opponents' Testimony:

None

Questions From Committee Members:

Senator Nathe asked Paul Miller if the native American population was included in the statistics. Mr. Miller said a study indicated 23 percent of the households were American Indian households. When questioned by Senator Nathe regarding the stigma problem, Mr. Miller said much of the hunger problem is due to the cost of housing and added his belief that some form of negative income tax would alleviate much of the problem. When asked by Senator Nathe regarding a breakfast program in the schools for children, Mr. Miller said that would be a good program.

Senator Nathe questioned if there is any objection to an amendment saying if the federal government withdrew their money, the counties would not be stuck with funding the program. Gene

Huntington said the WIC program is a federal program to the state. The state finds a local site and contracts. He said the program has been available since 1975 and added it is not a brand new program.

Closing by Sponsor:

Senator Waterman closed on behalf of Representative Ream, saying HB 728 brings about a coordination of programs.

HEARING ON HOUSE BILL 179

Presentation and Opening Statement by Sponsor:

Representative Phillips, District 33, Great Falls, sponsor, said HB 179 would appropriate \$46,650 of general fund to the Department of Military Affairs for upgrading and maintaining the veterans' cemetery at Fort Harrison.

Proponents' Testimony:

Robert VanDerVere, a World War II veteran, urged support of HB 179.

Rich Brown, Administrator, Montana Veterans Affairs Division, stated his support of 179, adding it is the key bill to operation of the State veterans cemetery.

Dick Baumberger, Disabled American Veterans of Montana, said this money would represent about 20 percent of the funding and he hoped 80 percent would come from veterans themselves through the license plate bill that is currently going through the legislature and urged support.

Hal Manson, American Legion, said the cemetery is currently in bad shape and urged support of HB 179 to generate needed money to bring the cemetery up to par.

George Poston, United Veterans Committee of Montana, stated their support of this legislation and said a person is needed to take care of the cemetery.

Larry Longfellow, Veterans of Foreign Wars, urged support of HB 179.

Opponents' Testimony:

None

Questions From Committee Members:

None

Closing by Sponsor:

Representative Phillips closed.

HEARING ON HOUSE BILL 696Presentation and Opening Statement by Sponsor:

Representative Jim Rice, District 43, sponsor, said HB 696 continues the statewide genetics program within the Department of Health. He added the program is a tremendous cost saving program and saves a tremendous amount of dollars for Montana. He said in one case alone addressed by the statewide genetics clinic, 1.2 million dollars was saved which is the entire cost of the program. He noted all 50 states have a genetics program but most are funded through a medical school which we do not have. The only controversy surrounding this program is the source of funding. It has been funded by assessment of health insurance policy, which is 45 cents per year per policy and that assessment will expire July 1 of this year. The money is collected from policies, placed in general fund and appropriated to the Department of Health and Environmental Sciences who contracts with a provider which right now is Shodair. Shodair provides facilities to people from the state. He said it needs to be in the executive budget so we will not have to come back for an assessment all the time, although that is not the case yet. He said there are three sources of funding for the program. About 50 percent of the costs for the program is collected from third party private payers; about 30 percent is paid for by fee assessment on health insurance policies, and the remaining 20 percent of funding has been given to the program by Shodair in the form of subsidies by the Shodair foundation. Money has been raised from private sources to put in the program. He noted Shodair is not able to continue doing this, and if the assessment is not increased they will have to cut back the services currently provided under the statewide program. He concluded they are not asking for an increase but want to keep the program at the level where they are now. He said the insurance companies hate the funding mechanism. Rep. Rice distributed an amendment that he felt would make the bill consistent. (See exhibit 12)

Proponents' Testimony:

Dr. John Opitz, M.D., Director of Montana Genetics Program and chairman of the Department of Medical Genetics at Shodair Hospital, stated his support of HB 696. (See testimony, exhibit 13) He added we cannot afford not to have this program in Montana and that the people need this service and cannot be replaced by out of state people. He concluded this is not a research program. It is a service program to try to alleviate suffering of families that have genetic diseases.

Joan Fitzgerald, genetic counselor at Shodair Hospital and

currently administrative director, stated her support of HB 696. (See witness statement attached)

Linda Weatherby, representing herself and her husband, Dr. John Weatherby, stated her support of HB 696, adding they have received genetic counseling services through Shodair and added the professionalism there was very helpful. She urged increased funding of the program.

Jill Hoy, representing herself presented her son, Jasmin, who was born with a rare form of dwarfism. She said they have been receiving medical assistance through Shodair as well as emotional support. She said if Dr. Opitz and Shodair Hospital were not in Helena, they would have to travel great distances to get these services. She concluded HB 696 is very necessary and urged support.

Denise Gleason stated she was a consumer of the genetic services at Shodair Hospital and urged support of the program. (See testimony, exhibit 17)

Other proponents standing in support of HB 696 included:

Ray Hoffman, Montana Department of Health. Jack Casey, Administrator of Shodair Hospital. Mr. Casey said he would be available to answer any questions with regard to funding mechanisms. Paulette Kohlman, Montana Council for maternal and child health. Jerry Loendorf, Montana Medical Association. Mike Steven, Montana Nurses Association. Jim Ahrens, President of Montana Hospital Association.

Opponents' Testimony:

Tanya Ask, Blue Cross-Blue Shield of Montana, stated they don't oppose the genetics program at Shodair Hospital but do have strong opposition to the funding mechanism of the program. She noted they were previously a proponent of this funding mechanism with the understanding this would be a temporary means of raising revenue to fund the program. She said the program has been in the state for many years but the funding mechanism has only been in place for six years as a temporary measure. She said she would like to clear up the fact that this tax which benefits a program for the state is paid for by everyone; this particular tax applies to each person who is insured under an insurance policy. She said it is important to realize this only applies to insured individuals, those plans which are self-insured do not pay this tax, with one exception, and that is the State of Montana. She distributed to the committee a list of groups in Montana that they have compiled that are self-insured groups. (See exhibit 18) She concluded Tom Hopgood, representing the Health Insurance Association of America, was unable to be present at the meeting but wanted to go on record in opposition to the

funding mechanism only. Also Larry Akey, representing the Montana Association of Life Underwriters, could not be present today but wanted to go on record in opposition to the funding mechanism only.

Jacqueline Terrell, American Insurance Association, also speaking on behalf of State Farm Insurance, stated their opposition to the funding mechanism in HB 696 and any other bill seeking to fund the program through this kind of mechanism. She added the effect of this type of bill would increase the cost of a specific kind of insurance policy and that increase in cost has nothing to do with the risk that is being insured. It distorts the policy cost and means the person buying the policy is disproportionately sharing the burden of supporting the program. She noted if this program is a benefit to all Montanans, then all Montanans should bear the cost burden, and the cost should be spread across all insurance companies, all individuals and all corporations that do business in Montana. She concluded it is a selective sales tax imposed on a very small portion of Montana, and added if we believe this is a worthy program, the funding mechanism should be amended to make it funded through the appropriations process.

Laurie Ekanger, Department of Administration, Personnel Division, speaking on behalf of the group trust fund stated she is speaking to page 2, lines 14 and 15 of the bill. She stated her opposition to the feed on this bill to fund this program. (See exhibit 19) She concluded if we chose to fund the program, she urged it be funded directly and noted if we chose to fund it in this way, she encouraged that the lines referring to the self insured group employee trust fund be stricken.

Questions From Committee Members:

Senator Hockett asked Rep. Rice regarding Exhibit 18 and the people not participating in the program, if the state people were being included, why weren't other groups included. Rep. Rice said Exhibit 18 is a list of self-insured groups and they have never been included. He stated he did not know if there was any legal restriction to including these people.

Senator Jergeson said the Department of Health appears in favor of HB 696 and the Department of Administration is opposed to the bill as to the funding, and he questioned the position of the Office of Budget and Program Planning and the Governor. Curt Nichols stated this item is not in the executive budget, the funding or the program. Senator Jergeson questioned if we were to amend this to take it out of general fund, this would be a violation of the executive budget and in order to stay in line with the executive budget, the funding in the bill would have to be used. Mr. Nichols agreed.

Senator Nathe asked if Shodair is bound when they receive money from us by the freedom of information act. He noted that

sooner or later insurance companies will have access to this information. He wondered if later on we would see a discrimination on the part of people who have some genetic defect from getting insurance. Dr. Opitz said the information is not available. He added that Congress has introduced a federal bill protecting all information that will be gathered for genetic testing.

Senator Harding asked if was illegal to assess all insurance companies for genetic funding. Tanya Ask said there would be much difficulty in getting some of the self-insured groups assessed because they do not always have their administrative services provided through an insurer. It would be difficult to assess somebody not subject to the regulations.

Senator Harding said she would like to have the figures available.

Closing by Sponsor:

Representative Rice closed and added he understood that the opposition was to the funding of the bill. He noted it was not in the executive budget but never has been. He concluded it is still technically temporary because it does not take off the sunset. It puts it on for two years and gives an opportunity for them to come in and get it in the budget next time.

ADJOURNMENT

Adjournment At: 12:05 p.m.



JUDY JACOBSON, Chairman



LYNN STALEY, Secretary

JJ/ls

ROLL CALL

FINANCE & CLAIMS COMMITTEE

DATE 4-8-91

LEGISLATIVE SESSION

NAME	PRESENT	ABSENT	EXCUSED
SENATOR JACOBSON CHAIRMAN	✓		
SENATOR JERGESON, VICE CHAIRMAN	✓		
SENATOR AKLESTAD	✓		
SENATOR BECK	✓		
SENATOR BENGTON	✓		
SENATOR BIANCHI	✓		
SENATOR DEVLIN	✓		
SENATOR FRITZ	✓		
SENATOR HAMMOND	✓		
SENATOR HARDING	✓		
SENATOR HOCKETT	✓		
SENATOR KEATING	✓		
SENATOR MANNING			✓
SENATOR NATHE	✓		
SENATOR STIMATZ		✓	

Each day attach to minutes.

Amendments to House Bill No. 30
Third Reading Copy (Blue)

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

Prepared by Eddy McClure
April 6, 1991

1. Page 12, line 24.
Following: "(1)"
Insert: "(a)"

2. Page 12, line 25.
Following: "appropriated"
Insert: "\$450,000,"
Following: "\$300,000"
Insert: "of which is"
Following: "fund"
Insert: ", "

3. Page 13, line 3.
Following: "if"
Strike: "at least half"
Insert: "\$150,000 of"

4. Page 13, line 5.
Following: "than"
Strike: "half"
Insert: "\$150,000 of"

5. Page 13, line 6.
Following: "available"
Insert: "from federal or other sources"

6. Page 13.
Following: line 8
Insert: "(b) Districts shall provide 50% of the amount in matching funds. At the discretion of the superintendent of public instruction, the match may be reduced to 20% to encourage telecommunications in districts that have special criteria that includes but is not limited to:
(i) remoteness;
(ii) size of school population;
(iii) restricted faculty size; or
(iv) school board and community support,
(c) If training is necessary for effective use of the equipment, the superintendent of public instruction may use up to \$100,000 of the appropriation for training in any year."

SENATE FINANCE AND CLAIMS

EXHIBIT NO. 1

DATE 4-8-91

BILL NO. HB 30 HB003001.AEM

Amendments to House Bill No. 30
Third Reading Copy

Requested by Senator Waterman
For the Committee on Finance and Claims

Prepared by John Ilgenfritz
April 8, 1991

1. Page 3, line 22.
Following: "agencies"
Strike: "and"
Insert: ", "

2. Page 3, line 23.
Following: "government"
Insert: "and public libraries"

3. Page 6, line 11.
Strike: "and"
Insert: ", "
Following: "state"
Insert: "and public libraries"

SENATE FINANCE AND CLAIMS

EXHIBIT NO. 2

DATE 4-8-91

BILL NO. NB30



DONALD R. JUDGE
EXECUTIVE SECRETARY

110 WEST 13TH STREET
P.O. BOX 1176
HELENA, MONTANA 59624

(406) 442-1708

TESTIMONY OF DON JUDGE ON HB 704, SENATE FINANCE AND CLAIMS COMMITTEE, APRIL 8, 1991

Madam Chair and members of the Committee, for the record my name is Don Judge and I'm here today representing the Montana State AFL-CIO. We rise in support of House Bill 704 and the jointly administered apprenticeship programs operated in Montana.

As has been stated, this bill is designed to partially replace federal apprenticeship funds that Montana will no longer receive after this fiscal year ends.

The federal Carl Perkins funds we have received for many years have supported successful and valuable apprenticeship programs that are primarily funded by contributions from employers and the unions representing their employees.

The U.S. Department of Education provided these funds to Montana programs via the Office of Public Instruction, but they will not provide them any longer after June 30, 1991. We believe those funds should be replaced by state funds.

Apprenticeship programs in Montana provide valuable assistance to workers to upgrade their skills, both for their own benefit and for the benefit of their employers. Apprenticeship programs in Montana cover such occupations as painters, plumbers, carpenters, electricians, operating engineers, sheet metal workers, ironworkers and others.

We support the addition of jointly operated training programs to this category of funding, as well. As an example, the Associated General Contractors and the Laborers International Union run jointly funded apprenticeship programs and separate training programs. Both are valuable and provide solid training that makes workers and companies stronger and more competitive, and we think both should be included in this program.

We support taking some funds from the U.I. program's penalty and interest fund in order to replace at least part of the lost federal funding. We also support moving the administration of the programs to the Department of Labor and Industry as the result of the funding changes, and we agree with Rep. Wanzenried that such changes should have no resulting impact on the programs.

SENATE FINANCE AND CLAIMS

EXHIBIT NO. 3

DATE 4-8-91

BILL NO. HB 704

Testimony of Don Judge, HB 704
Page Two
April 8, 1991

Madam Chair, we know that the loss of federal funding places an additional burden on Montanans, but we believe the high-quality training provided by these programs justifies this partial replacement of the funds.

This bill essentially will allow Montana companies to remain competitive in terms of their employees' skills and proficiency in the fast-changing marketplace. They also will help affected employers hold down job-related accidents and injuries, and will promote Montana's already highly regarded position as a leader in workforce quality. The continuation of Montana's apprenticeship programs will make a significant contribution to our state's overall economic development efforts, and we urge you to give it a "do pass" recommendation.

Thank you.

Amendment to HB 704

Senate Finance and Claims

Third Reading Copy

Page 1

Strike lines 13-19 in their entirety

Page 1, following line 19

Insert: "Section 1. Appropriation. (1) 50 percent of revenues in the federal special revenue fund established in 39-51-1301, up to a maximum of \$110,000 in each fiscal year 1992 and 1993, is appropriated to the department of labor and industry to fund apprenticeship instruction programs pursuant to 39-6-103."

Purpose of this amendment:

UI Penalty and Interest collections will be split 50/50 between the apprenticeship program and the Department of Labor and Industry. After \$220,000 has been collected within a fiscal year, no additional revenues would be provided to the apprenticeship program.

SENATE FINANCE AND CLAIMS

EXHIBIT NO. 4

DATE 4-8-91

BILL NO. HB704

AMENDMENTS TO HOUSE BILL 704

Third Reading Copy

For Senate Finance and Claims

April 8, 1991

TECHNICAL AMENDMENTS:

1. Page 1, lines 20-25
Strike in entirety.

JUSTIFICATION: HB704 was amended to incorporate HB385 which was introduced by request of the department. The intent of HB385 was to permit the department to access UI penalty and interest funds to the extent that federal grants were insufficient to support program integrity activities within current level appropriations. No additional appropriations authority was contemplated.

2. Page 2, line 22, following "department"
Strike: "must"
Insert: "may only"

JUSTIFICATION: HB704 would retain existing language which mandates purposes for which appropriations of UI penalty and interest funds must be expended. Amendment would clarify that the authorization to use penalty and interest funds is restricted to certain purposes, rather than being mandated for such purposes.

3. Page 3, line 2, following "benefits"
Insert: "to the extent that federal grant revenues are less than amounts appropriated for this purpose"

JUSTIFICATION: Clarifies the conditions, in statute, under which penalty and interest funds may be used for program integrity activities.

4. Page 3, line 5, following "each"
Strike: "fiscal year"
Insert: "biennium"

JUSTIFICATION: Provides sufficient flexibility to respond to unanticipated shortfalls in federal funding and to adequately fund the appropriation for apprenticeship programs in the second year of the biennium.

HB 704

Senate Finance and Claims

4/8/91

Technical Amendment

The primary purpose of this amendment is to clarify the language in regards to appropriation authority of the Department of Labor and Industry. With this language the Department of Labor and Industry will be able to use this revenue but will not be able to increase their appropriation level.

This amendment is being requested by the Office of Budget and Program Planning.

March 6, 1991

HB454.EX

EXPLANATION OF HOUSE BILL NO. 454

(Placing "boilerplate" from HB 100 in substantive law)

Section 1. Adds language to LFA laws, 5-12-303, to clarify that information exchanged with OBPP is at the second level.

Section 2. Amends 17-1-102 relating to the establishment of SBAS to require that the state accounting system include three levels of expenditures. This relates to the exchange of information at the second level.

Section 3. Moves section 3 of the boilerplate relating to general fund offsets into substantive law in 17-2-108.

Section 4. Amends 17-5-704 to statutorily appropriate coal severance tax income fund to the general fund unless otherwise appropriated. Moves section 12 of the boilerplate into substantive law.

Section 5. Amends the definitions contained in the budget act (17-7-102) by adding the definitions from section 17-7-401 (which is repealed), and by adding the definitions from section 2 of the boilerplate. This removes inconsistencies in the current definitions and also provides an "approving authority" for the House and Senate.

Section 6. Amend 17-7-502 to include statutory appropriation of coal severance tax income fund (section 4) in the statutory appropriation law.

Section 7. Places section 7 of the boilerplate relating to operating budgets into substantive law.

Section 8. Places section 8 of the boilerplate relating to program transfers into substantive law.

Section 9. Places section 10 of the boilerplate relating to reduction of appropriations into substantive law.

Section 10. Places section 14 of the boilerplate relating to audit costs into substantive law.

Section 11. Places section 11 of the boilerplate relating to access to records of contracting entities into substantive law.

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 5
DATE 4-8-91
BILL NO. HB454

Section 12. New section to place language from LRBP bill into substantive law to require authorization for expansion of capital projects.

Section 13. New section to place language from LRBP bill into substantive law to provide for automatic reappropriation of capital project funds.

Section 14. New section to be added under the statutory appropriation laws to provide for administrative authorizations.

Section 15. Amends 75-10-621 to change definition reference to 17-7-102 as amended by section 2 of this bill.

Section 16. Amends 17-6-305 regarding investment of coal tax trust to be consistent with section 4 of this bill.

Section 17. Amends 17-6-306 regarding in-state investment fund to be consistent with section 4 of this bill.

Section 18. Amends 20-9-343 regarding state equalization aid from coal severance taxes to be consistent with section 4 of this bill.

Section 19. Repeals 17-7-401, definitions, which are incorporated into 17-7-102 by section 5 of this bill.

Section 20. Codification instructions for the new sections of law added by this bill.

Section 21. Provides an effective date to coincide with the beginning of the next appropriation cycle.

-END-

◆ 1991 LEGISLATIVE SESSION ◆
Summary of Budget Amendments
House Bill 4
Fiscal 1991 and 1992

	FTE	State	Federal	Other	FTE	State	Federal	Other
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GENERAL GOVERNMENT

Legislative Auditor

1. State special revenue derived from applications to perform sunrise reviews. \$5,000

Governor's Office

1. Federal funds to the Mental Disabilities Board of Visitors to contract with the Montana Advocacy Program to provide legal representation to patients at Montana State Hospital. \$2,500

Department of Justice

1. Federal funds from the Bureau of Justice Statistics to improve the quality and timeliness of criminal history data. Continuing authority is requested in fiscal 1992. 1.50 \$53,113 \$39,551

2. Board of Crime Control - Language to continue 1991 biennium federal pass-through grant authority in fiscal 1992 and fiscal 1993. **

Department of Administration

1. Proprietary funds due to increased costs resulting from access by students on five university campuses to the state's telecommunications network. The increased cost would be paid by all network users. \$285,000

2. Self-insurance fund proprietary appropriation authority to pay outside legal counsel for their defense of tort actions brought against the state. \$1,000,000

3. Proprietary fund authority in the Property and Supply Bureau due to higher than anticipated sale of supplies to state agencies. \$250,000

SENATE FINANCE AND CLAIMS
 EXHIBIT NO. 6
 DATE 4-8-91
 BILL NO. HB 4

----- Fiscal 1991 ----- Fiscal 1992 -----
FTE State Federal Other FTE State Federal Other

- 4. Proprietary fund authority in the Property and Supply Bureau to purchase federal surplus property for various agencies and organizations. \$100,000
- 5. Proprietary funds in the Mail and Distribution Program due to: 1) a deficit in personal services due to the provision of centralized mail services to the Departments of Health and Highways (\$17,604); and 2) provision of additional services by the program and an increase in postal rates (\$228,018). \$245,622

Teachers' Retirement Board

- 1. Trust interest income to pay costs of increased computer processing and program changes due to IRS mandates, to cover the increased cost of mailings due to the postal rate increases, and for increased equipment maintenance costs. \$21,404

Department of Highways

- 1. Authority in the Preconstruction program to allow the department to contract the Right-of-Way acquisition and project design on five federal participating projects. \$212,292 \$787,708

1.80 \$217,292 \$843,321 \$1,902,026 1.50 \$0 \$39,551 \$0

TOTAL GENERAL GOVERNMENT

HUMAN SERVICES

Department of Health and Environmental Sciences

- 1. Federal funds from the Department of Health and Human Services to plan for and develop primary health care services for underserved areas. Continuing authority is requested in fiscal 1992. \$95,694 *
- 2. Federal funds totaling \$12,000 from the Social Security Administration to provide them with Montana birth certificate information. \$12,000
- 3. Additional federal authority due to the availability of additional federal funds for administration and benefit payments in the Women, Infants, and Children (WIC) program. \$1,553,018

----- Fiscal 1991 ----- Fiscal 1992 -----
FIE State Federal Other FIE State Federal Other

4. Federal Department of Transportation funds to evaluate trauma and trauma care in Montana and to recommend improvements. Continuing authority is requested in fiscal 1992.	\$11,126	*
5. Federal funds from the Department of Health and Human Services for in-home care services to low-income individuals who require routine medical services. Continuing authority is requested in fiscal 1992.	\$30,000	*

Department of Labor and Industry

1. Federal funds from Housing and Urban Development (HUD) to provide housing discrimination training for landlords, real estate agents, and others in the real estate industry. Continuing authority is requested in fiscal 1992.	\$18,750	0.56	*
2. Federal funds from the U.S. Department of Labor for support of the Federal Safety Onsite Consultation project. Continuing authority is requested in fiscal 1992.	\$5,526		\$1,843
3. Continuation of provision of targeted jobs tax credit for employers for hiring individuals from nine targeted groups.	\$95,779		*
4. Language to continue federal fiscal 1991 Coal Mine funds in fiscal 1992.			
5. Federal funds to contract with the Billings school district to provide a three week World of Work program to improve and develop job hunting skills.	\$41,637		

Social and Rehabilitation Services

1. Federal U.S. Department of Agriculture funds available as a result of Montana's low food stamp error rate. The additional authority would be used to purchase equipment and furnishings, replace carpet, and fund department contract projects.	\$248,314		
2. Federal authority for the Low Income Energy Assistance Program (LIEAP) due to an increase in the state allocation to provide heating energy resources and weatherization assistance to low income residents.	\$1,894,033		

----- Fiscal 1991 ----- Fiscal 1992 -----
FIE State Federal Other FIE State Federal Other

----- Fiscal 1991 -----
FIE State Federal Other

\$1,942,792

3. Federal medicaid funds for the Indian Health Care component of the medicaid program due to an increase in the number of eligible recipients and units of service.

\$1,848,025

4. Additional federal medicaid for pass-through to the Department of Institutions to maximize federal reimbursement.

\$570,626

5. Additional federal medicaid for pass-through to the Department of Institutions due to a review of costs incurred by the Montana Developmental Center.

\$71,543

6. Authority for U.S. Department of Education Part H funds to refine and maintain an automated information and referral system and to purchase training and technical assistance to providers of child and family services to implement Part H.

\$69,868

7. Federal Title XIX funds to provide services to four developmentally disabled/emotionally disturbed youth who would normally be placed out-of-state. The funds require a state match, which would be met with funds currently in the Department of Family Services.

Department of Family Services

\$37,430

1. Federal funds from the Department of Health and Human Services for the Children's Justice Act to provide continued training and technical assistance to all persons responsible for investigation, administration, prosecution, or case management of child sexual abuse.

\$117,734

2. Federal funds for the Independent Living Program, to assist youth in the transition from foster care to independent living.

\$2,621

3. Federal Chapter I funds to provide funding for a certified school psychologist to interpret testing and to establish individual education plans for special education students at Mountain View School.

\$6,434

4. Federal Chapter I funds to provide in-service training to Chapter I teachers and to purchase additional Chapter I teaching supplies at the Mountain View School.

----- Fiscal 1991 -----
 FTE State Federal Other

----- Fiscal 1992 -----
 FTE State Federal Other

5. Federal Chapter II funds from the Office of Public Instruction to purchase instructional materials and equipment at Pine Hills School to enhance the quality of instruction to students at risk of failure.			\$1,072			
6. Federal Chapter I funds from the Office of Public Instruction to purchase supplies at Pine Hills School to target students who have been at the school at least one year who are behind their chronological grade level by two grade levels.			\$2,709			
7. Federal funds from the Montana State Developmental Disabilities Planning and Advisory Council to implement strategies to establish targeted case management for individuals with developmental disabilities. Continuing authority is requested in fiscal 1992. These funds require a 25 percent match, which would be met with current level training funds.			\$75,000	*		

TOTAL HUMAN SERVICES 0.56 \$0 \$8,751,731 \$0 0.00 \$0 \$1,843 \$0

NATURAL RESOURCES

Department of Fish, Wildlife, and Parks

1. Proprietary fund authority in Management Services due to increased gasoline and diesel fuel costs due to rising prices. The weighted average price anticipated is \$1.45 per gallon.						\$71,000
2. Bonneville Power Administration Habitat Protection Grant funds in the Wildlife Program to carry out habitat protection and/or enhancement in the Libby and Hungry Horse Dam areas.			\$500,000			
3. Bonneville Power Administration funds in the Wildlife Program to continue the Hungry Horse Elk Project, the Libby Bighorn Sheep/Mule Deer Project, and NW Montana Habitat Protection.	2.95		\$109,615			

Department of Livestock

1. Department of Livestock state special revenue for: 1) new and replacement law enforcement						\$75,600
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----- Fiscal 1991 ----- Fiscal 1992 -----
FTE State Federal Other FTE State Federal Other

equipment to upgrade and provide protection for district brand inspectors; 2) additional postage to complete the re-record process; 3) overtime for re-record personnel; and 4) program enhancements to the computerized brand record system.

Department of Natural Resources and Conservation

1. State special and federal revenue to plan, organize, and host a national conference for managers of state energy conservation programs. The federal funds are from the U.S. Department of Energy, while the state special revenue is conference registration fees. Continuing authority is requested in fiscal 1992.	\$70,000	\$151,000	*	*
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Department of Agriculture

1. Language to continue unexpended fiscal 1991 Need Environmental Impact Statement authority in fiscal 1992.	*			
2. Language to continue unexpended fiscal 1991 federal Target Export Assistance grant authority in fiscal 1992.	*			*
3. Federal Environmental Protection Agency pesticide funds to purchase laboratory equipment in the Environmental Management Division.		\$53,500		

Department of Commerce

1. State special revenue from the Federal Railroad Administration for construction and rehabilitative work related to improving Central Montana Railroad and Montana Rail Link rail facilities.	\$611,826			
2. Federal funds from the Urban Mass Transportation Administration to produce, market, and distribute 750 drug testing kits to assist small transportation providers implement federally mandated drug testing procedures.		\$75,000		
3. Beef Research and Marketing funds to support the International Affairs Coordinator position in the Business Development Division.				\$10,000

----- Fiscal 1991 ----- Fiscal 1992 -----
FIE State Federal Other FIE State Federal Other

4. Federal Community Development Block Grant funds in the Business Development Division to accelerate disbursement of the federal funds and reduce local project completion times.

5. Federal Community Development Block Grant funds in the Community Development Bureau to accelerate disbursement of the federal funds and reduce local project completion times.

6. Federal funds from Housing and Urban Development (HUD) in the Housing Assistance Bureau to provide rental subsidies to additional families.

7. Federal Highway Administration funds in Indian Affairs to develop an on-going economic development outreach program to increase the total number of Native American owned firms participating in the federal aid highway programs.

8. State special revenue program income to enhance the existing Small Business Development Center program established in the last biennium in the Business Development Division.

Department of State Lands

1. Additional proprietary fund authority in the Central Management Division (Air Operations Bureau) to: 1) purchase and install transponders (\$10,000), 2) replace an aircraft engine (\$26,000), and 3) pay increased aviation fuel costs (\$78,330).

TOTAL NATURAL RESOURCES 3.37 \$802,426 \$5,073,475 \$237,330 0.00 \$0 \$0 \$0

INSTITUTIONS

Department of Institutions

1. Federal funds from the National Institute of Mental Health to design and implement a pilot program to train mental health workers, consumers, and other community members. Continuing authority in fiscal 1992 and fiscal 1993 on a fiscal 1991 grant is requested.

	Fiscal 1991			Fiscal 1992			
	FTE	State	Federal	FTE	State	Federal	Other
2. Continuing authority in fiscal 1992 and 1993 for authority granted in a budget amendment in fiscal 1991 totaling .75 FTE and \$75,000 of federal funds to coordinate agency agreements concerning services to emotionally disturbed children.	**			**			**
3. Continuing authority in fiscal 1992 and fiscal 1993 for authority granted in a budget amendment in fiscal 1991 totaling \$106,590 in federal funds to fund a mental health consumer and family support project.	**			**			**
4. Continuing authority in fiscal 1992 for federal funds from the Department of Health and Human Services to develop and enhance computerized data systems for the collection and analysis of client and service data. The amount anticipated to be expended in fiscal 1991 is \$72,600.						\$24,198	
5. Authority in fiscal 1991 for fiscal 1990 unexpended federal block grant funds to purchase community mental health services for emotionally disturbed children and elderly adults with mental illness.			\$49,473				
6. Continuing authority in fiscal 1992 for federal Community Support Program funds appropriated in fiscal 1990 but not expended. The funds would be used to sponsor a statewide conference for mental health professionals, consumers of mental health services, families of consumers, and others.						\$28,175	
7. Continuing authority in fiscal 1992 and 1993 for federal funds from the Office of Substance Abuse Prevention begun via budget amendment in fiscal 1991. The funds would be used to fund up to eleven community organizations involved in drug prevention activities for youth, adults, and parents. The FTE would be used for evaluation.				0.25	**	\$124,420	**
8. Continuing authority in fiscal 1992 and 1993 for federal funds to develop a uniform alcohol and drug abuse data collection system begun via budget amendment in fiscal 1990.						\$39,126	**
9. Continuing authority in fiscal 1992 and 1993 for authority granted in a budget amendment in fiscal 1991 totaling \$327,540 of federal funds from the Office of Treatment							**

----- Fiscal 1991 -----
 FTE State Federal Other

----- Fiscal 1992 -----
 FTE State Federal Other

Improvement. The funds would be used to contract with the Boyd Andrew Service Center to provide a 14 bed halfway house for youth who have successfully completed inpatient treatment for chemical addiction.

\$5,617

10. Federal funds granted through the Office of Public Instruction to purchase computers and software to enhance student use in the Adult Basic Education program at the Women's Correctional Center.

\$7,000

11. To establish a proprietary account to charge for services provided by the Vocational Education Program at the Swan River Forest Camp to various state and federal agencies and nonprofit organizations. Revenue generated would be used to replenish consumable supplies, tools, and equipment in the Vocational Education Program.

\$3,562

\$1,638

12. Federal funds from the Montana Board of Crime Control to implement and administer a pilot intensive outpatient substance abuse program as an alternative to prison incarceration. Continuing authority is requested in fiscal 1992.

Montana Arts Council

\$10,000

1. Federal grants from the National Endowment for the Arts over the amount originally anticipated that are expected to be expended in fiscal 1992. The additional authority would be used to increase direct re grants, to pay increased annual dues to national/regional organizations, and to pay indirect costs to the Statewide Cost Allocation Plan.

\$5,000

2. Federal grants from the National Endowment for the Arts to enable two rural communities already operating locally owned low-power public TV stations to reflect on, present, and raise the general consciousness of their cultural life.

\$19,000

\$2,000

3. A continuing appropriation to expend federal funds from the National Endowment for the Arts Folk Arts Program to develop 10 traditional arts apprenticeships.

----- Fiscal 1991 ----- Fiscal 1992 -----
 FTE State Federal Other FTE State Federal Other

4. Federal grants from the National Endowment for the Arts over the amount originally anticipated that are expected to be expended in fiscal 1992. The additional authority would be used to develop plans for three model arts programs in schools and/or school districts, and sharing of existing arts education resources and materials.

State Library Commission

1. Authority for the Natural Resource Information System to expend federal Bonneville Power Administration funds to provide data management services on the Montana Rivers Information System database for the Department of Fish, Wildlife, and Parks. The library is requesting that the unexpended balance of the contract at the end of fiscal 1991 be reappropriated in fiscal 1992.

1.00 \$29,908

Montana Historical Society

1. Proprietary authority in the Magazine program to purchase additional inventory in the museum store in preparation for and during the tourist season.

2.50 \$0 \$230,322 \$37,000 \$30,000

TOTAL INSTITUTIONS

0.25 \$0 \$263,476 \$0

EDUCATION

Office of Public Instruction

1. Federal Education of the Handicapped (EHA) funds for distribution to school districts for EHA projects.

\$275,000

2. Federal Department of Education funds to grant to selected Montana communities to establish, operate, and improve English literacy programs to limited English proficient adults.

\$12,500

3. State special revenue collected by the OPI Cooperative Food Purchase program to pay administrative costs of the program. The program purchases food in bulk for participating school districts, and assesses a charge of 2% of purchases for administration.

\$13,000

	----- Fiscal 1991 -----			----- Fiscal 1992 -----			
	<u>FTE</u>	<u>State</u>	<u>Federal</u>	<u>FTE</u>	<u>State</u>	<u>Federal</u>	<u>Other</u>
4. Federal Department of Education migrant education funds to train staff to enhance interstate coordination and in use of the national migrant education data base.			\$12,970				
5. Federal funds from the Department of Education to increase data collection regarding limited English proficient students for needs assessment and evaluation of services.			\$24,800				
6. Federal funds from the Office of Vocational and Adult Education for state administration of adult basic education. The funds would be used to visit 24 adult education project sites.			\$6,000				
7. Federal special education funds to provide technical assistance to schools, in-service training, monitoring of compliance with state and federal regulations, complaint investigation, due process hearings, policy development, advisory panel meetings, publications, and child find.			\$125,322				
8. Federal funds from the Department of Highways to develop pre-driver education programs for use by elementary teachers.			\$15,453				
9. Federal funds from the Department of Education to fund three in-service projects for math teachers. The University of Montana would operate two programs and OPI the third.			\$25,392				
10. Federal funds from the Department of Education for National Cooperative Education Statistics data coordination and collection.			\$17,140				
11. The portion of a federal fiscal 1991 homeless adult grant totaling \$97,770 that is anticipated to be expended in fiscal 1992 for distribution to local programs to provide instructional services to homeless adults.						\$23,811	
12. The portion of a federal fiscal 1991 homeless adult grant totaling \$97,770 that is anticipated to be expended in fiscal 1992 for administration of the adult homeless grants.							\$1,719
13. Federal funds from the Department of Education for the Star Schools Program, which is designed to encourage improved instruction				0.38		\$30,763	

in math, science, foreign languages, and other subjects. The funds would be used to identify 40 school sites to participate in the program and provide equipment. The budget amendment represents the amount of the total grant of \$137,002 anticipated to be expended in fiscal 1992.

Commissioner of Higher Education

1. State special revenue authority to allow expenditure of all donations received for operation of the Education Commission for the 90's and Beyond. The budget amendment also deletes 4.0 FTE added in the original appropriation.	(4.00)	\$10,430	
2. Proprietary revenue within the group insurance program to: 1) replace authority transferred to fiscal 1990 for claims payments (\$115,727); 2) pay the Administrative Services Only (ASO) contract with the group's carrier (\$366,300); 3) pay the contract for utilization management (\$146,520); 4) add 1.0 FTE (\$19,254); and 5) add Wellness to campuses (\$36,457). These increases would be partially offset by a projected savings of \$433,000 from the ASO contract.	1.00		\$251,258
3. Federal funds in the Guaranteed Student Loan program to provide supplemental pre-claims assistance to lenders.	1.00		\$19,254

Fire Services Training School

1. Federal funds through the Disaster and Emergency Services Division to provide hazardous materials training to local emergency responders. Continuing authority is requested in fiscal 1992.			\$14,250
2. Federal funds from the Federal Emergency Management Agency to demonstrate residential sprinkler technology at 12 locations throughout Montana.			\$10,050

Great Falls Vocational Technical Center

1. A total of \$157,963 current unrestricted funds to expend tuition and fees collected in excess of the appropriation.			\$115,447
1. Instruction			

----- Fiscal 1991 ----- Fiscal 1992 -----
 FTE State Federal Other FTE State Federal Other

2. Academic Support \$8,375
 3. Institutional Support \$18,141
 4. Student Services \$12,000
 5. Physical Plant \$4,000

2. Current unrestricted funds to expend a fiscal 1989 reversion to purchase equipment in Academic Support. \$42,906

Missoula Vocational Technical Center

1. A total of \$71,100 current unrestricted funds to expend tuition and fees collected in excess of the appropriation to: 1) hire an additional 2.0 FTE instructional staff and to 2) defray the cost of processing additional enrollees and replace the spending authority for federal cost recoveries previously recorded in the restricted fund.

1. Instruction 2.00 \$54,700
 2. Student Services \$16,400

Agriculture Experiment Station

1. Current unrestricted funds (Federal Hatch Act) in the Organized Research program to complete roof repairs at the Vet Research Lab Isolation Building. \$37,525

2. Current unrestricted funds (Federal Hatch Act) in the Organized Research program for retirement pay-out costs for four research faculty and for roof repairs. \$98,584

Montana Extension Service

1. Current unrestricted funds (Federal Smith-Lever) in the Public Service program to pay retirement costs of the Administrative Area Supervisor. \$25,500

University of Montana

1. A total of \$777,912 current unrestricted funds to provide additional instructional sections and other services due to increased tuition and fees collected as a result of increased enrollment.

1. Instruction \$439,107
 2. Academic Support \$71,775
 3. Student Services \$97,863

----- Fiscal 1991 ----- Fiscal 1992 -----
 FIE State Federal Other FIE State Federal Other

4. Institutional Support \$153,044
 5. Scholarships and Fellowships \$16,123

Montana State University

1. A total of \$657,000 current unrestricted funds to provide additional instructional sections and other services due to increased tuition and fees collected as a result of increased enrollment.
 1. Instruction \$393,000
 2. Student Services \$25,000
 3. Institutional Support \$57,000
 4. Scholarships and Fellowships \$182,000

Montana College of Mineral Science and Technology

1. Current unrestricted funds due to increased tuition and fees collected as a result of increased enrollment. The additional authority would be used for academic department operations, instructional supplies and materials, and laboratory equipment. \$60,000

Eastern Montana College

1. Current unrestricted funds due to increased tuition and fees collected as a result of increased enrollment. The additional authority would be used for part-time faculty, supervision of student teaching, operations relating to the increase in students, expenses related to accreditation, and semester conversion. \$158,000

Western Montana College of the UM

1. A total of \$54,366 current unrestricted funds due to increased tuition and fees collected as a result of increased enrollment.
 1. Instruction \$46,922
 2. Scholarships and Fellowships \$7,444

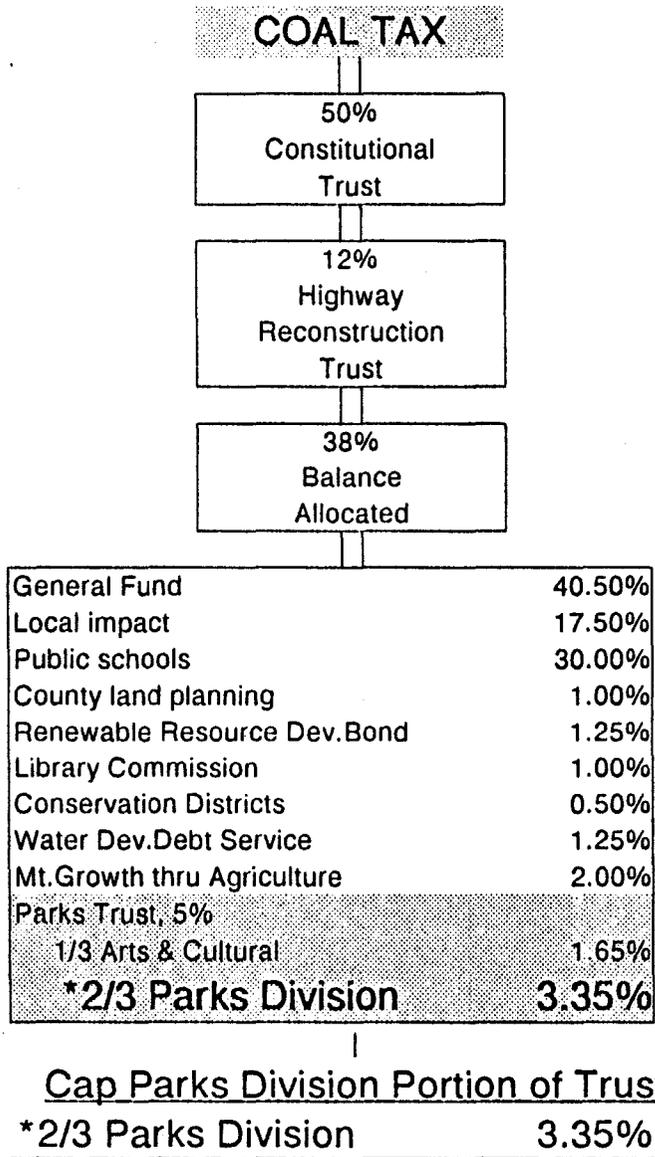
TOTAL EDUCATION	0.00	\$23,430	\$558,131	\$2,392,114	0.38	\$0	\$70,543	\$0
GRAND TOTAL	8.23	\$1,019,718	\$14,898,849	\$2,176,356	1.75	\$0	\$304,870	\$0

 *Continuing appropriation in fiscal 1992.
 **Continuing appropriation in fiscal 1992 and fiscal 1993.

COAL TAX DISTRIBUTION

MCA 15-35-108

HB 1008



Sunset June 30, 1993

FY	\$ Available	Interest Lost	Net Increase
1992	\$491,211	\$23,283	\$467,927
1993	\$489,075	\$70,705	\$418,369
TOTALS	\$980,285	\$93,988	\$886,297

(Current annual interest to Parks operations would level off at \$1,323,924 per year.)

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03/22/91
 SENATE FINANCE AND CLAIMS
 EXHIBIT NO. 7
 DATE 4-8-91
 BILL NO. HB 1008

Montana State Parks Coal Tax Proposal

What is this proposal?

This proposal is to "cap" the portion of the statutory coal trust currently allocated to State Parks (3.35%) and use the net revenue gained by the strategy to aid in rehabilitation of the park system. The current interest earnings directed to Parks operations would level off at current levels.

Related facts

- This is not a new tax.
- This would not impact any other entity currently receiving coal trust dollars.
- These funds are not presently committed to any other program.
- All other allocated funds in the statutory portion of the coal trust are handled this way.
- The "parks trust" is the only portion of the statutory portion of the coal trust operated as a trust with only interest directed to the program.
- Legislation drafted to implement this concept would require a split of the "parks trust" currently shared with the Montana Arts Council (1/3 Arts Council; 2/3 State Parks). The Arts Council portion (1.65%) would then continue as a trust with no impact to their revenue.

Justification

The State Park System is in a seriously degraded condition. There are inadequate dollars available for operations, maintenance, development, and capital improvements. The State Park Futures Committee, was appointed in 1989 to address the funding problems and solicit public input related to solutions, they concluded that \$6 million per year is needed to restore the park system to a healthy condition over the next several years. This proposal would provide a portion of this need.

This concept is particularly appropriate when historically cultural sites are considered. These resources are irreplaceable. If unprotected or vandalized, as in the current situation, these resources will disappear and part of our history will forever be lost, unavailable, for the enjoyment of our children and grandchildren. The trust concept, as now administered, does not allow the best stewardship of these resources. The future is now!

Net Revenue Generated

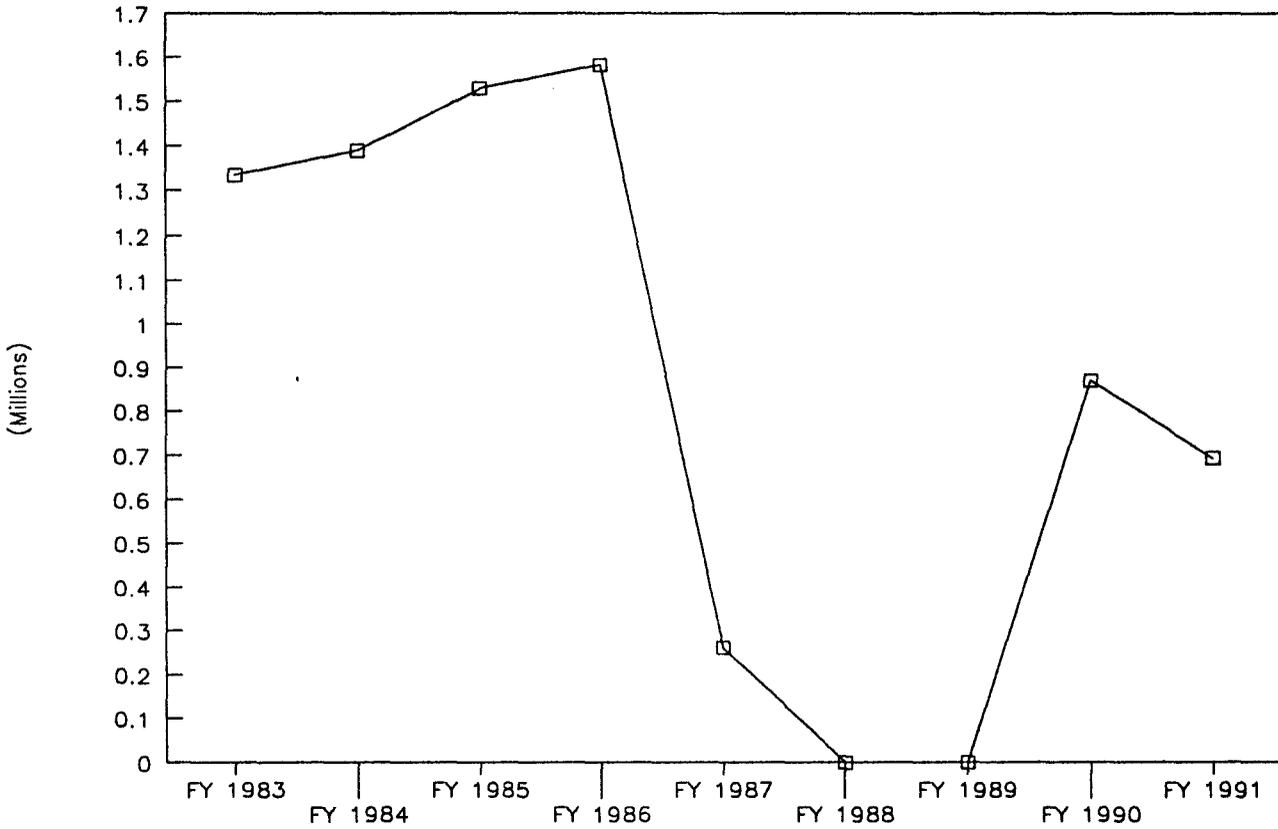
Annual amounts based on current statutes, would be approximately one-half million dollars per year. The attached flow chart provides the details of the proposal.

PARK COAL TAX HISTORY - Summary of Dollars to Parks Trust from Total Coal Tax

MCA 15-35-108

March, 1991

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FY 1983	\$1,334,083
FY 1984	\$1,389,279
FY 1985	\$1,529,147
FY 1986	\$1,581,301
FY 1987	\$260,985
FY 1988	\$0
FY 1989	\$0
FY 1990	\$869,969
FY 1991	\$693,000

PARK COAL TAX PROPOSAL

March, 1991

Funds available:

Fiscal Year 1992	\$467,927
Fiscal Year 1993	<u>\$418,369</u>
Total	\$886,296

Examples of threatened historic resources:

<u>Project</u>	<u>Vicinity</u>	<u>\$</u>
Bannack buildings stabilization	Dillon	\$300,000
Cave cleaning and formation protection at Lewis and Clark Caverns	Three Forks	\$125,000
Stabilize Chief Plenty Coups home	Pryor/Billings	\$100,000
Protection of archaeological resources at Ulm Pishkun	Ulm/Great Falls	\$50,000
Stabilization at Fort Owen	Stevensville	\$150,000
Protect triceratops discovery site at Makoshika	Glendive	\$50,000
Restore 65-70 year old bridge over Giant Springs	Great Falls	\$16,500
Building stabilization at Elkhorn, Granite, Headwaters and Parker Homestead	various	\$400,000
Stabilize Gallatin City Hotel at Missouri Headwaters	Three Forks	\$100,000
Minimal stabilization of Kobold Homestead at Rosebud Battlefield	Decker	\$100,000
		\$1,391,500

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03/22/91



State Historic Preservation Office

Montana Historical Society

Mailing Address: 225 North Roberts • Helena, MT 59620-9990

Office Address: 102 Broadway • Helena, MT • (406) 444-7715

April 7, 1991

TESTIMONY IN SUPPORT OF HB1008 Senate Finance and Claims Committee

I am Marcella Sherfy. I am Montana's State Historic Preservation Officer, working within the Montana Historical Society. Over the last two years, the Society has worked aggressively to learn about and support the needs of Montana's park system. Most specifically, under legislative direction, we organized the Historic Sites Study Commission, and provided staff assistance to the Commission in the development its formal findings. Based on our work with the Commission, we bring enthusiastic, thoroughly considered support for HB1008 and its importance in a range of funding strategies that this legislature is considering to support parks.

Heritage tourism is a fine sounding phrase. Alberta has aggressively pursued the benefits of heritage tourism at Head Smashed in Buffalo Jump with a 10 million dollar investment in research, development, stabilization, and interpretation. That investment returns 3 million dollars annually to the Fort McLeod area.

But Montana cannot yet even talk about developing its parks for heritage tourism. Especially with historic sites, we first must address vandalism, rapid deterioration, visible loss from weather and time at places such as Bannack, Ulm Pishkun, Pictograph Cave, Chief Plenty Coups' house.

Hence, the Society supports HB1008 and its particular goal of stopping the resource loss that is occurring so rapidly that we are losing critical resources and important choices for future development.

We view this one-time use of coal trust fund monies as sound business, consistent with the purpose of the trust. It makes financial and stewardship sense to draw from this savings account enough secure windows and roofs and foundations at Bannack and Chief Plenty Coups, to stop vandalism at Ulm Pishkun and Pictograph Cave--to at least insure that the resource base the state is charged to protect is minimally protected. If we neglect these historic and prehistoric resources longer, we have lost a greater financial and emotional investment than the dollars represented by this bill. We do not want to appear before you in future years for funding to reconstruct--to build from scratch--once-standing historic resources. We hope the real resources can be preserved. Thank you.

SENATE FINANCE AND CLAIMS

EXHIBIT NO. 8

DATE 4-8-81

BILL NO. HR1008

THERE'S NO COMPARISON: A Look at Ulm Pishkun and Head-Smashed-In

Ulm Pishkun State Park

The Resource: Ulm Pishkun is a bluff with drops of 30 feet or more, running more than a mile in length, used for over 5,000 years for Native American buffalo gathering, killing, and processing. The property is listed in the National Register of Historic Places. Portions of the buffalo bone beds were mined for the fertilizer during World War II. The site has continued to sustain loss through vandalism.

Ownership: Less than 1/4 of the site is owned by the State of Montana and administered as a park by the Department of Fish, Wildlife and Parks, Parks Division. Major portions of the site are in private ownership. The state is now working on a land trade among 3 private owners and 2 state agencies.

Development: Interpretive panels, fencing for the state-owned property, gravel parking for 10 cars, picnic tables, and latrines. No signing to the site from the interstate; Parks has placed signs on secondary roads off the interstate.

Hours: Gates are open from April 15th to October 15th.

Staffing: No on-site staff. Administered by Region 4, Parks Division, Regional Fish, Wildlife and Parks office in Great Falls. Local support groups provide assistance to Parks in several areas.

Interpretation: Periodically provided by local volunteers only; a brochure on the site was printed by Great Falls groups.

Major Capital Improvements: None

Visitation: There is no accurate way to count visitors, but Region 4 staff estimate about 2,000 visitors each year.

Head-Smashed-In Interpretive Centre

The Resource: A buffalo gathering, killing, and processing area used over 6,000 years from prehistoric times until historic times by Native Americans. The cliff structure used in the jump stands about 30 feet high and again runs for the better part of a mile. This property is a UNESCO World Heritage Site. The site is substantially undisturbed.

Ownership: The site is predominantly owned by the province of Alberta and administered by the Alberta Department of Culture and Multi-culturalism.

Development: The site was the object of over 10 years archaeological research and construction of a major Interpretive Centre. The Centre is built up the cliff over a portion of the jump site. It contains an 80-seat theater, five levels of exhibits, a cafeteria, and a gift shop. The Centre is supported by an 80-car permanent parking lot, an auxiliary lot for 150 cars, shuttle bus service to parking lots, and more than a mile of interpretive trails. Signing to the site can be seen on major Canadian routes #2 and #3.

Hours: The Centre is open year-around. Winter hours are 9:00 a.m. to 5:00 p.m. Summer hours are 9:00 a.m. to 8:00 p.m.

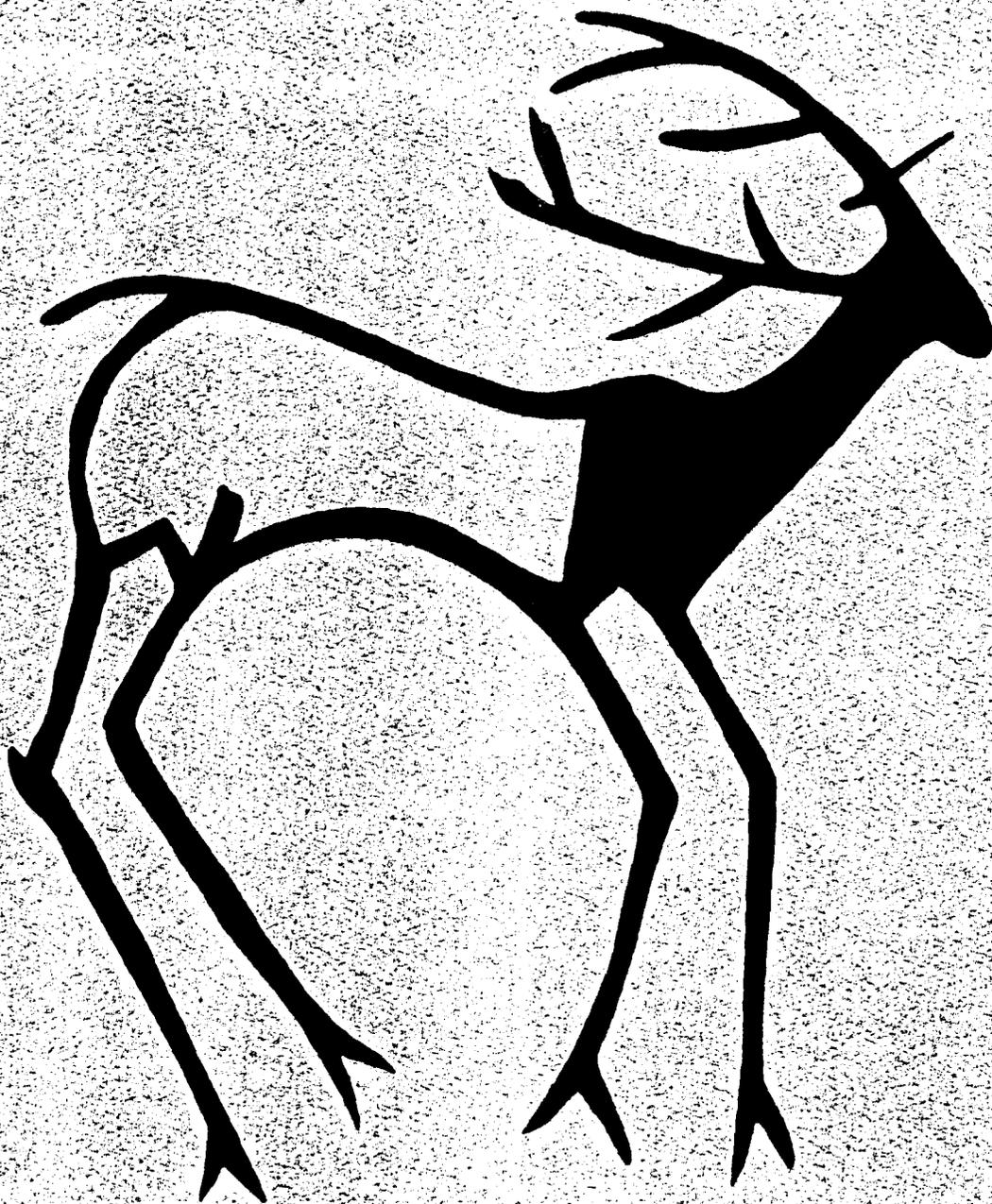
Staffing: Permanent winter staffing runs about 15 to 20 people, including maintenance employees. Summer staffing is about 70 people, including archaeologists continuing to work at the site and analyze materials found. All guides must speak Blackfoot.

Interpretation: The Centre offers a wide range of interpretive exhibits, a 10-minute introductory film, self-guided outside trails, and guides. Portions of the archaeological labs are visible to the public as is other archaeological work in progress.

Major Capital Improvements: The Centre represents a \$10 million dollar investment by the Province.

Visitation: 135,000 each of the last two years. The Centre just passed the half million visitation point since it opened in 1987.

Economic Impacts: Each staff position at Head-Smashed-In generates 4.6 private sector jobs. \$3.1 million dollars are pumped annually into the Fort McLeod economy.



RECKONING WITH TIME

*Findings of the
1990 Montana Historic Sites
Study Commission*

Proposed Amendment to HB 1008
Montana Audubon Legislative Fund
April 8, 1991
Senate Finance and Claims

1. Page 4, Line 1.

Following: "parks for" ^{and preservation}

insert: "the stabilization of historic sites within state"

^

SENATE FINANCE AND CLAIMS

EXHIBIT NO. 9

DATE 4-8-91

BILL NO. HB 1008

HB 876

Worksheet for DHES Perinatal Program
Implementing Program Additions
in MIAMI Extension
1992-1993 Biennium

	Adequate	Minimal
Continuation of Infant Mortality Review: Adding 3-4 new Counties, including Rural, Reservation, and Urban Indian Counties.	\$ 7,500	\$ 4,000
Infant Morbidity/Low Birthweight Review: Pilot study in 3-4 counties, including Rural, Reservation and Urban Indian Counties.	\$ 5,000	\$ 5,000
MIAMI Advisory Board training: Consulting services on Indian/ Minority Maternal and Child Health Issues	\$ 1,500	\$ 750
TOTAL:	\$ 14,000	\$ 9,750

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 10
DATE 4-8-91
BILL NO. HB 876

Caring and Sharing

An Introduction for
Community Care Providers
To

BABY YOUR BABY

A Community Service
Campaign for
Mothers-To-Be
and for Those Who
Care About Them.

The Prenatal Program Idea and The MIAMI Project

The BABY YOUR BABY project was spearheaded by Healthy Mothers, Healthy Babies, The Montana Coalition (HMHB) to provide high quality and accessible prenatal care in Montana. The program will work to lower Montana's infant mortality rate and the number of low birthweight babies. The 1989 Legislature was convinced of the need for public education about prenatal care and created Montana's Initiative for the Abatement of Mortality in Infants (MIAMI) project to assist HMHB and the BABY YOUR BABY program.

What is BABY YOUR BABY?

BABY YOUR BABY is a two-year community outreach, referral and public awareness effort involving a multi-media approach to selected target audiences in both urban and rural communities. The campaign will be directed primarily to pregnant women, and secondarily to all women of child bearing age.

The campaign is designed to educate and motivate expectant mothers (and those who influence them, i.e. parents, relatives, friends) to enroll in a medical support program early to obtain continuous and effective care at the onset of pregnancy, preferably in the first trimester.

The program will include television and radio, print advertising, bus signs, billboards, posters, brochures, newspaper tabloid, video documentaries, 800 information line, television news series and insert segments, seminars, and comprehensive publicity coverage.

As an example, KTGF, the NBC affiliate in Great Falls, will be the anchor television station. Through KTGF, a network of stations will air the program to all segments of the state.

BABY YOUR BABY will be funded through a public/private partnership with participation by business, government and community-based organizations.

The Role of Community Care Providers

Studies show that a leading cause of death among infants less than one year of age is low birthweight. Medical experts agree that low birthweight and its resultant complications can be largely prevented by the expectant mother receiving early prenatal care during her first trimester and at regular intervals thereafter until the birth of her child.

Getting the expectant mother into the health and community care system early also reduces the risk to the professional who will ultimately have to deal with the uncertainties of a low birthweight baby.

The 1-800 registration number promoted by BABY YOUR BABY will provide women with a way to obtain information about accessing the health care system. Those needing help will be referred to appropriate professionals.

In order to make the program work we need the support of the each and every community.

Representatives of various community care groups have been asked to serve on the BABY YOUR BABY steering committee. Many of these people have been working on BABY YOUR BABY for more than a year.

BABY YOUR BABY will work only if it is translated to the local level, this is why we need your help and support. We need local care providers to be aware of the program and to work with their health department and other community resources to develop and/or promote the referral system in each community.

We need you to assist in making proper referrals when asked about the BABY YOUR BABY program and we need you to help distribute information about the BABY YOUR BABY program.

PUBLIC EDUCATION

BABY YOUR BABY is a community outreach, multi-media campaign targeting pregnant women and the people who care about them.

The campaign is designed to educate expectant moms about the importance of early and continuous prenatal care, while enrolling them in the **BABY YOUR BABY** program. Through information and community support each woman will be encouraged to baby her baby before it is born.

The campaign includes:

- ♥ Television documentaries
- ♥ Public service announcements
- ♥ News segments
- ♥ Signs and billboards
- ♥ Posters and brochures
- ♥ Newspaper inserts
- ♥ 1-800 information line
- ♥ Incentives
- ♥ Community projects

BABY YOUR BABY is funded through a public-private partnership involving corporations, government and community based organizations. Healthy Mothers, Healthy Babies implements this vital component of the MIAMI project.



BABY YOUR BABY will reduce low birth weight and infant mortality through public education about early, continuous prenatal care.

LOW BIRTH WEIGHT PREVENTION

LOW BIRTH WEIGHT PREVENTION projects are presently located in 7 Montana counties, providing coordinated care for at-risk pregnant women.

These projects are accessible to approximately 1/2 of the eligible pregnant women in Montana. Expanding to 9 additional sites would increase access to 80-90% of all births.

Low birth weight is the major reason Montana babies die in their first year of life. Inadequate prenatal care is a preventable cause of low birth weight.

\$\$ Low birth weight babies are costly \$\$:

- ▶ 3,248 babies cost \$8.3 MILLION of the Montana Medicaid delivery budget in 1988.
- ▶ 129 of those babies used \$4.2 million, over half of the money. At least 1/2 of these babies were low birth weight.

*Low Birth Weight Prevention Projects ARE impacting Montana babies. Only 4.92% of births to project clients were low birth weight compared to a preproject rate of 9.2%.



LOW BIRTH WEIGHT PREVENTION PROJECTS are improving birth outcomes in Montana.

INFANT MORTALITY REVIEW

INFANT MORTALITY REVIEW is a community directed effort to identify why Montana's babies die and what can be done to improve the outcome.

A pilot study involving 3 counties is focusing on:

- ◆ Social Services
- ◆ Transportation
- ◆ Access to prenatal care
- ◆ Financial situation
- ◆ Location
- ◆ Lifestyle
- ◆ Mental Health

Home interviews are provided on an individual basis. Emotional support and referrals are offered.

Infant death is costly. Its cost is measured in lives lost.



INFANT MORTALITY REVIEW will identify why Montana babies are dying, and enable us to reduce the PREVENTABLE causes.

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Hunger is in Montana too:
Support Your local Food Bank.



Good Morning,
Chairwoman Jacobsen and members of the Committee:
My name is Joan A. Duncan.

I stand before you today to speak in support of HB 728, as a member of the board of directors of the Montana Food Bank Network, and Executive Director of Helena Food Share, the local food bank and provider of emergency food help in the greater Helena Area.

Eight years ago the Montana Food Bank Network came before the Montana Legislature requesting funds to establish a technical resource service for emergency food providers. At that time in 1983 the 16 operating Food Banks in Montana did not know of each others existence. Today over 80 agencies including food banks, pantries, soup kitchens, homeless shelters and non-profit daycares are linked by the Food Bank Network. Coordination was essential to our growth of providing direct service of food distribution to our agencies. The efforts of our volunteer programs must also be coordinated with all public and private food assistance programs as the number of Montanans we serve continues to increase, cooperation of available services is critical to assist those in need. Therefore the Montana Food Bank Network supports HB 728 and recognizes the necessity of a hunger council, a public health nutritionist and expansion of WIC to all Montana counties.

Thank you.

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 11
DATE 4-8-81
BILL NO. HB 728

AMENDMENT TO HOUSE BILL 696
IN THE SENATE FINANCE AND CLAIMS COMMITTEE

MADAM CHAIR:

I move to amend the third reading copy as amended of House Bill No. 696 on page 2 in line 24 by deleting the figure "\$687,407" and by substituting in lieu thereof "\$1,069,299".

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 12
DATE 4-8-91
BILL NO. HB 696

HB696: AN ACT TO CONTINUE FUNDING FOR THE MONTANA MEDICAL GENETICS PROGRAM

Testimony by Dr. John M. Opitz, M.D., M.D.(hc), D. Sci.(hc)
Chairman, Department of Medical Genetics, Shodair
Hospital Clinical Professor of Pediatrics and Medicine
(Medical Genetics), University of Washington;
Adjunct Professor of Medical Genetics and
Pediatrics, University of Wisconsin-Madison; and
Adjunct Professor of Biology (Genetics), History,
Medicine (WAMI) and Veterinary Science, MSU, Bozeman.

Date: 8 April, 1991, Senate Finance and Claims Committee

History:

Genetic services have been provided in Montana since Dr. Pallister established a Genetics unit at Boulder in 1961 under the Department of Institutions; when Dr. Pallister retired from Boulder in 1976 that unit closed and the Board of Trustees of Shodair Children's Hospital asked him to establish a Genetics and Birth Defects unit at Shodair. This was and still is the only Medical Genetics unit in Montana. In 1983 this became the Department of Medical Genetics of Shodair Hospital.

In 1985 the 49th legislature passed HB430 which established and funded 50-19-211 MCA - the voluntary genetics program (Montana Medical Genetics Program). This "program includes, but is not limited to, the following services:

- 1.) Follow-up programs for newborn testing, with emphasis on the counseling and education of women at risk for maternal phenylketonuria;
- 2.) comprehensive genetic services to all areas of the state and all segments of the population;
- 3.) development of counseling and testing programs for the diagnosis

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 12 13
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BILL NO. HB 696

- and management of genetic conditions and metabolic disorders; and
- 4.) development and expansion of educational programs for physicians, allied health professionals, and the public with respect to:
- a.) the nature of genetic processes;
 - b.) the inheritance patterns of genetic conditions; and
 - c.) the means, methods, and facilities available to diagnose, counsel, and treat genetic conditions and metabolic disorders."

Thus, I need to stress that the Montana Medical Genetics Program is a service, not a research program. We are serious about the teaching provisions of the law so long as they don't interfere too extensively with our service obligations. The scholarly or scientific work we do is done on our own time. The time I spend editing the American Journal of Medical Genetics is reimbursed by the publisher.

In 1987, the 50th legislature re-appropriated funds for the program under HB716 with the same insurance premium-tax funding mechanism by a 3:1 vote. In 1989 Blue Cross/Blue Shield supported HB402 for the continuation of the Montana Medical Genetics Program under the same funding mechanism. We are asking for your favorable consideration of HB696 under this same funding mechanism to continue the Montana Medical Genetics Program for another 2 years on the basis of the need for and the merits of the program.

Need for the Program:

The weekend of March 3,4 this year I worked with the Finance and Legislative Committee of the Mountain States Regional Genetic Services Network to define our goals, objectives and working agenda for the coming year. Our goal is: "To work toward assuring accessible, available and affordable genetic services as an integral part of health care in this

region." In the history of American medicine this is a late development; in most Western European countries genetic services have been an integral part of the health care plan for the greater part of the century. By avoiding this commitment in America and concentrating rather on basic science and applied agricultural genetics, America escaped most of the consequences of eugenics; the concept of "genetic counseling" was not introduced into America until 1948, and modern clinical genetics (as a merger of medicine, biochemistry, cytogenetics and human genetics) did not begin till 1959. I have been an enthusiastic part of American clinical genetics since its beginnings in 1959, and at the invitation of my friend Dr. Philip D. Pallister have practiced clinical genetics in Montana, part-time since 1963, full time since June of 1979. During that time we have witnessed three historical developments of greatest importance to Montana Medical Genetics.

First - the enactment of the "Javits bill" - the National Genetic Disease Act, which supported the development of the Montana Medical Genetics Program at \$100,000.-/year for 4 years (1981-1984).

Second - the distancing of the Reagan and Bush administrations from the Javits bill provisions so that as of 1984 federal funding of the National Genetic Disease Research, Educational and Service Program ceased; a small amount in indirect funding is available through the so-called SPRANS grants of the Bureau of Maternal and Child Health. One of these grants supports the activity of the Mountain States Genetic Services Network, another the genetic services of Dr. Susan Lewin of The Montana Medical Genetics Program to Disadvantaged Minorities at Lodge Grass and at Browning; this is a Maternal Child Health Grant which pays for 30% of her salary for another 1 1/2 years.

Third - the rise of molecular biology as an integral part of modern medicine and as one of the most important determinants that is beginning to and in the near future will drive the demand for services from the Montana Medical Genetics Program.

No one questions in the slightest the continuing great need of Montana for funds to support the Montana Wheat and Barley Program. May I remind you that in 1990-1991 \$1,450,000.- was appropriated for the Wheat and Barley Committee, \$200,000.- more than the previous year, 38% going for research (mostly to MSU) and funded by an assessment of 1.5 cents per bushel where the grain is first sold. After adding the budgets of the Montana Wheat and Barley and Poultry and Livestock programs, the comparison with the Montana Medical Genetics Program is quite impressive, especially since none of the funds for the Medical Genetics Program are used for research, only service (or "Extension", if you will).

In Montana, no less than in the rest of the nation, some 15-20% of the people are in need of a genetic service, whether that is diagnosis, counseling, prenatal diagnosis, chromosome studies or fetal pathology; this means 123,000 to 164,000 persons in Montana, including 40,000 alone who are carriers of cystic fibrosis. Because of limited staffing we can serve only a small fraction of this need per year.

The economic cost to Montanans of the genetic disease in our population is staggering; at a conservative estimate of 54% of the health budget, this comes to approximately \$1000.-/person/year, compared to that 75 cents per health-insured person is a trivial sum indeed!

Cost of the Program

No clinical genetics program anywhere pays for itself through fees and third party payments. That is because clinical genetics is an extremely labor-intensive activity with heavy requirements for library and information services which generate virtually no income, and because of the need to see many patients and families unable to pay a part or any portion of their bill. We receive no support from the universities with whom we are affiliated, and Shodair Hospital is no longer able to offset our annual budget deficit.

Staffing:

The success of the Program is due not only to the support by Shodair but due to the extraordinary quality, qualifications and stability of our staff. In "hard" budgetary terms we have 2.2 physicians, 2 genetic counselors, 2/3 FTE medical technologist, 2 support staff and 5 cytogenetics staff persons including our newly appointed Cytogenetics Lab Director, Dr. Jean Priest, formerly Professor of Pediatric Genetics at Emory University, and author of a standard textbook on the subject.

In comparison with neighboring states we are understaffed rather than overstaffed, e.g.

	Montana	Utah
Population	820,000	1,600,000 (2x)
Area (sq. m.)	147,046	84,899 (60%)
Geneticists	2.2	4.4
Counselors	2.0	2.6 (in Genetics)

In 1991, we have scheduled 44 field clinics in Billing, Great Falls, Browning, Missoula, Lodge Grass, Bozeman, Butte, Kalispell, Sidney and

Miles City; that means our staff will spend 91 days and 24,818 miles on the road this year - a fraction of the effort expended by the staff in Utah where most population is concentrated in one area.

Progress

Our Progress and Financial Reports are filed annually with and available from the DHES and document dramatic increases over recent years in demand for services at a stable staff and funding level. These reports do not tell the whole story - namely, that in many respects our Program is unique in the nation in virtually all respects - whether that is in prenatal diagnosis, cytogenetics, library services, fetal pathology, cancer genetics, computerization, or linkage with regional programs. We are able to capitalize on the many strengths of this program by e.g. enlisting the collaboration of Dr. Enid Gilbert's Pediatric Pathology Program at the University of Wisconsin which provides over \$150,000.- of free services to us per year, the ability to consult, for free, hundreds of experts in the field throughout the world, and to have access to the latest advances in the field through the American Journal of Medical Genetics.

Alliances:

Out of our work has come a very strong alliance between the Montana Medical Genetics Program and the health care providers in Montana, and state, county, municipal, university and numerous voluntary agencies to provide the best possible medical genetic care for the people of Montana so that in as few cases as possible no child is conceived in vain or has to live in pain because of a birth defect or hereditary disease.

Program Support

The Montana Medical Genetics Program has or is anticipating support of:

- The Department of Health and Environmental Sciences who award the contract for the Montana Medical Genetics Program.
- The Montana Chapters of:
 - The American College of Obstetrics and Gynecology;
 - The American Academy of Pediatrics;
 - The American Hospital Association;
 - The American Public Health Association;
 - The American Nurses Association.
- The Montana Perinatal Association
- Child and Family Services of Montana
- The March of Dimes - Birth Defects Foundation
- The Montana Center for Handicapped Children
- The Developmental Disabilities Council of Montana
- The Montana Children's Alliance
- The Maternal-Child Health Council
- The Montana Medical Association

and many other organizations and individuals who are writing and appearing in support of this legislation and Program.

Cost-Benefit Considerations:

No price can be set on a human life. Our strong preference is to think of the benefits bestowed by the Program on Montana in terms of the conceptions, pregnancies and births of normal individuals that we have encouraged over the years through our activities. Nevertheless, benefit-to-cost ratio studies of genetic services have been published, and

-5-

show that clinical genetics is by far the most cost-effective form of preventive medicine, in some cases, leading to ultimate savings of thousands of dollars in cost for every dollar invested; a lesson, I am sure, that is not lost on the health insurance industry. The calculations of such cost-benefit ratios are somewhat abstract exercises. However, more concretely I should like to tell you about a 17-year-old boy from Northern Montana who was referred to us recently for genetic counseling with Wilson disease. Wilson disease is a recessive disorder which is lethal without treatment. The boy was being treated with penicillamine pending a liver transplant at the Mayo Clinic. Before our evaluation, his 21-year-old brother and 13-year-old sister had been evaluated clinically and by a lab test, and on the basis of these results their parents were told that these sibs were unaffected. After our evaluation it was found that the lab test was inadequate to rule out the diagnosis and we recommended additional tests which showed that both are also affected with Wilson disease. Even though clinically asymptomatic, both are now being treated with penicillamine which may prevent deterioration and need for a liver transplant (with estimated cost of \$1.2 million for both) and will allow them to live a normal and productive life.

Quality Assurance:

Our program complies with all Quality Assurance requirements of the Joint Commission on Hospital Accreditation. We have had peer reviews in clinical genetics and our labs are fully licensed, certified and accredited.

Pro-Life Assurance:

Genetic services encourage the conception and birth of normal individuals and, in 96% of the time, reassure pregnant women after prenatal diagnosis that they are carrying a normal child, avoiding termination if genetic services had not been available.

Finally, I must stress that this is primarily the Montana, not the Shodair Medical Genetics Program, since the contract to provide the services is awarded competitively after submission of a grant application.

We should like to request your favorable consideration of HB696.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "John M. Opitz", with a long horizontal stroke extending to the right.

John M. Opitz, M.D.

Director, Montana Medical Genetics Program

WITNESS STATEMENT

To be completed by a person testifying or a person who wants their testimony entered into the record.

Dated this 8th day of April, 1991.

Name: Jean Fitzgerald, MS

Address: PO Box 5539

Helena, MT 59604

Telephone Number: 406-444-7533

Representing whom?

Shodan Hospital

Appearing on which proposal?

HB 696

Do you: Support? X Amend? _____ Oppose? _____

Comments:

Statewide genetics program available in all communities

Prevents families from having to travel out of state - this improves the amount of time from diagnosis to treatment

There are 4 major components working together

- 1) Clinical diagnosis, management, treatment, & counseling
- 2) Laboratory
- 3) Fetal pathology
- 4) Library support services

SHODAIR

*for healthier,
happier children*

SENATE FINANCE AND CLAIMS

EXHIBIT NO. 14

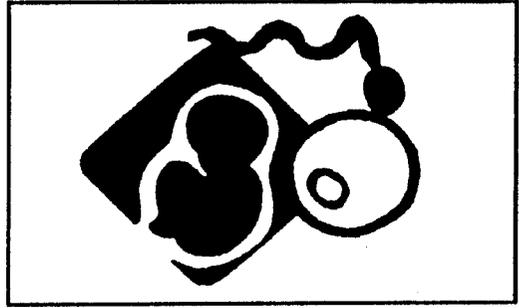
DATE 4-8-91

BILL NO. HB 696

THE

MONTANA MEDICAL GENETICS PROGRAM AT SHODAIR HOSPITAL

840 Helena Avenue
Helena, Montana 59601
1-800-447-6614 (406)444-7530



What is genetic counseling?

Genetic counseling gives information about birth defects or genetic disorders. The defect or disorder may be present in an individual, child, or other relatives. Our staff analyzes the family history and does diagnostic testing if needed. We then explain details of the disorder including inheritance, options, and treatment. Counseling is available during or before pregnancy. We also provide emotional support.

Who should have genetic counseling?

- A woman who will be age 35 or older at the time of delivery;
- Anyone with questions about medications, cigarettes, alcohol, or other exposures during pregnancy;
- Anyone who has a child with a birth defect, learning or growth problems, or genetic disorder;
- Individuals with a birth defect, genetic condition, or a relative with one;
- A woman who has had two or more miscarriages or a stillborn baby;
- Individuals with cancer or a cancer-prone family.

How can I get genetic services?

For an appointment or information, simply call 1-800-447-6614 and ask to speak with a genetic counselor. Genetic services are available statewide.

How much will it cost?

This depends on which services are necessary. No one is denied services because of financial circumstances. We bill insurance, Medicaid, Handicapped Children's Services, and private payors.

Other services available:

- Our laboratory tests the mother's blood to screen for an open spine defect, Down syndrome, and other problems in the fetus;
- In the unfortunate event that a baby is miscarried or stillborn, we can examine the baby to find out why it was lost. We do grief counseling and give information for future pregnancies;
- Other genetic tests are available as necessary;
- Our library has information in everyday language about many genetic conditions.

HELENA PEDIATRIC CLINIC

Elizabeth P. Gundersen, M.D.
Jeffrey H. Strickler, M.D.
John A. Reynolds, M.D.
1300 N. Montana Ave.
Helena, Montana 59601
Phone 406/449-5563

Re: HB 696

From: Jeffrey H. Strickler, M.D., F.A.A.P.

As a practicing pediatrician I have seen first-hand the value of the Shodair Genetics Unit. It has provided an invaluable service to my patients, and has served as an important resource to me.

I am not alone in this. The Montana Chapter of the American Academy of Pediatrics, representing the doctors that care for Montana's children, voted unanimously at their annual meeting to support continued state funding for this clinic.

We pediatricians urge full funding for Shodair Genetics under HB 696.

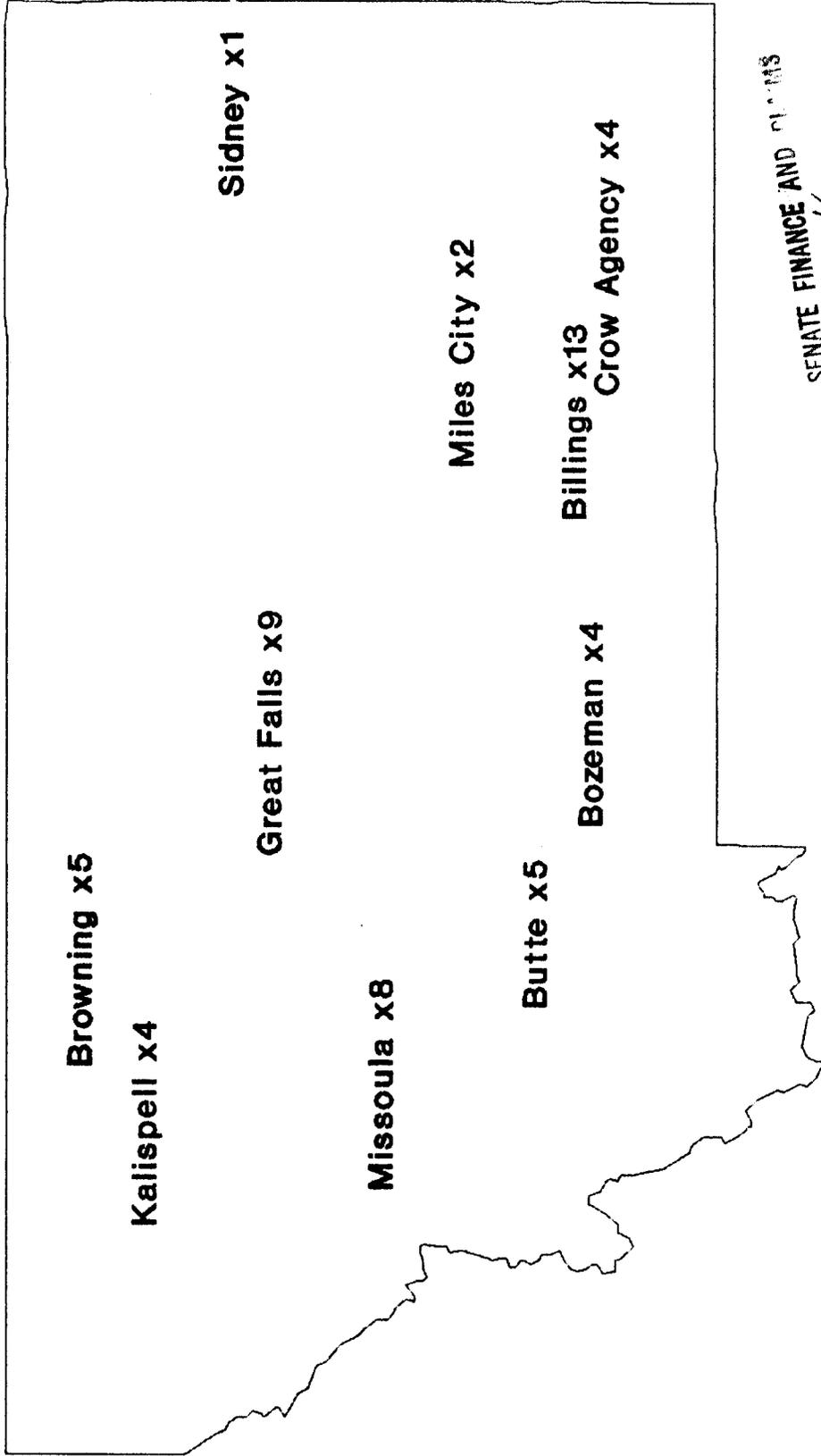
Thank You.



4.6.91

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 15
DATE 4-8-91
BILL NO. HB 696

STATEWIDE GENETICS PROGRAM



SENATE FINANCE AND ADMINISTRATION

EXHIBIT NO. 16

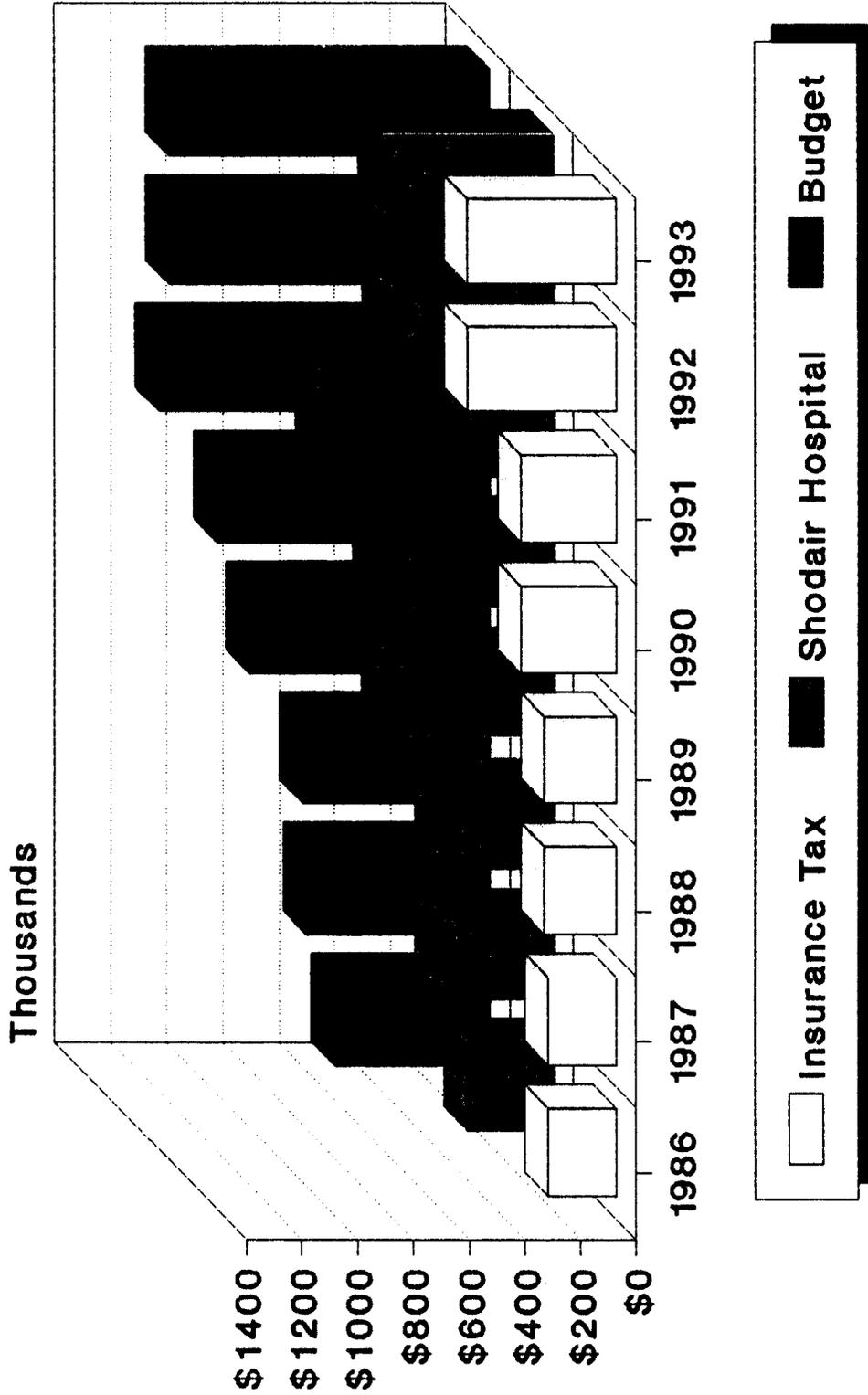
DATE 4-8-91

HB 696

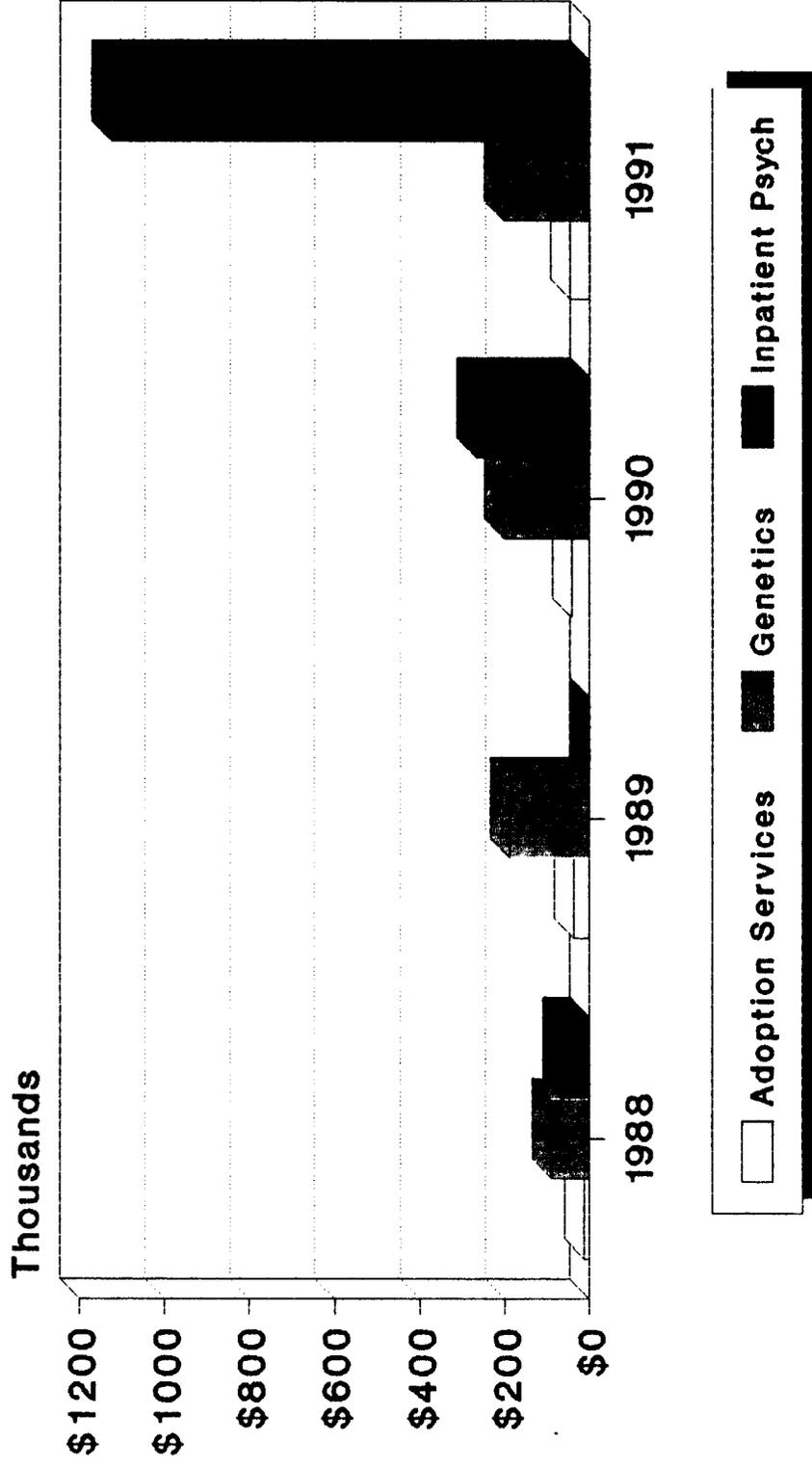
55 Clinics Scheduled for FY '91 NO.

Montana Statewide Genetics Program

Funding Sources and Budget



Shodair Hospital Montana Children's Foundation



TOTAL HOSPITAL SUPPORT

WITNESS STATEMENT

To be completed by a person testifying or a person who wants their testimony entered into the record.

Dated this 8th day of April, 1991.

Name: Denise Gleason

Address: 245 Anderson Blvd
Helena MT 59601

Telephone Number: 442-4597

Representing whom?
self

Appearing on which proposal?
HB 696

Do you: Support? Amend? Oppose?

Comments:
I know from personal experience the
value of Shodair's Genetic Services. I
fully support this program and know
how important it is to Montana parents.
I feel Health Ins. is the proper funding
source as Shodair's testing & counseling
services can reduce medical costs in the
long term and Insurance Co. will bailit.

My name is Denise Gleason. I'd like to share my experience as a consumer of Shodair's Genetic Services. Five years ago the joy of my 3rd pregnancy was shattered in the 8th month with the news that the baby I carried had not formed normally and would die shortly after birth. Our son was anencephalic. This means his spinal cord did not close properly, leaving his skull and brain incomplete. Since this rare defect occurs in only about 1 per 1000 births we found our physician unable to answer all our questions. We desperately needed more information. In our pain and confusion my Husband and I went to Joan Fitzgerald at Shodair. What a blessing to find the help we needed here in Helena as out of state travel would have been very difficult during those winter months and we had 2 daughters to care for.

The information and emotional support Shodair provided gave us the courage to fully participate in our son's birth and short life. Daniel died in my arms, a gentle passing made possible because of Joan's compassion, guidance and knowledge. I know now that the time I spent with Daniel was crucial to the healthy way I have traveled through my grief process...Thanks Joan for that gift.

I've seen others not so lucky, a mother hospitalized in the Support Unit at St. Peters because she lacked support and information as she mourned her baby's death. Who will foot the bill for her hospital stay and continued care? Grief can also carry with it many physical symptoms requiring medical attention. For these reasons health insurance is the appropriate source of funding for Shodair's Genetic Program.

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 17
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Shodair was also helpful as we planned the management of our next pregnancy. We discussed reoccurrence rates and testing options. Health Insurance companies benefit from Shodairs services because early detection of problems can minimize medical costs and long term care. During my last pregnancy Joan Fitzgerald recommended early ultrasound and AFP blood testing. If another spinal defect such as spina bifida had been found I could have planned a cesarean delivery in a critical care hospital. This type of birth can eliminate the trauma the spinal cord would receive during a vaginal birth. This could make a dramatic difference in the numbers of and types of corrective surgeries, the level of paralysis, and the amount of later care the child would need. Delivering in the critical care hospital also eliminates the dangers of transport and further spinal injury after birth.

Senators, please don't jeopardize these valuable services offered by Shodair's Genetic Program to the parents of Montana who need them. I urge to vote in favor of HB696.

THANK YOU!!

Self-Insured Groups Not
Impacted by Mandated Benefits

Tanya Ask
Blue Cross + Blue
Shield of Montana

House Bill 696
3/6/91

Missoula

St. Patrick Hospital
Washington Corporation
City of Missoula
Missoula County
Zip Beverage
Missoula Electric

Butte

Western Energy
Twin Bridges School
Dillon School District
St. James Hospital
Montana Resources
Madison County
Butte/Silver Bow
AASCO Foundry

Great Falls

Deaconess Medical Center
Columbus Hospital
Lewistown Hospital
MAIDS
Hill County
Blaine County
Choteau Schools
Sun River Schools
Pacific Hide and Fur
Great Falls Gas Co.
D.A. Davidson
Havre Clinic

Miles City

Colstrip Schools
First Security Bank Miles
Custer County
Glendive Memorial Hospital
Francis Mahon Hospital
Plevna Schools
Bainville School
Rosebud County
Rosebud County Hospital
Glasgow School District
Wolf Point School District
Plentywood School District

Bozeman

Bozeman Deaconess Hospital
Gallatin County
Sweetgrass County
Belgrade Schools
Bozeman Schools

Billings

Conlins Furniture
Molerway Freight Lines
Beal Mfg.
MAIDS
IBEW Electricians Trust
Montana Contractors, Statewide
Henry's Safety Supply
Bighorn County
Musselshell County
Melstone Schools
Roundup Schools
Columbus Schools
Bob's Supermarkets
St. John's Nursing Home
Cenex Refinery
City of Billings
Billings School District
Montana BancSystems
Rocky Mountain BancSystems
Roscoe Steel
Coke West
Deaconess Medical Center
Billings Clinic
Waggoners Trucking

Helena

State of Montana *pay genetics tax*
Montana Power Company
Lewis and Clark County
Broadwater County
Jefferson County
IBM
Helena School District
Townsend School District
Clancy School District

Kalispell

Kalispell Regional Hospital
Semitoole, Inc.
St. John's Lutheran Hospital
Flathead County
Pacific Power
N.W. Telephone
Columbia Falls Schools
Libby School District
Noxon Schools
Sanders County
Lincoln County High School
Salish and Kootenia College
Outlaw Inn
Arlee School
Charlo School
Timber Trust Oregon

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 18
DATE 4-8-91
BILL NO. HB 696

TESTIMONY OPPOSING HB696 DEPARTMENT OF ADMINISTRATION

HB696 IS "AN ACT EXTENDING THE FUNDING FOR THE STATEWIDE GENETICS PROGRAM FOR 2 YEARS; INCREASING THE FEE ON HEALTH INSURERS TO FUND THE PROGRAM;. . ."

- Taxing state employee and retiree compensation and premium dollars in the group benefits trust fund is NOT AN APPROPRIATE FUNDING SOURCE for this program.
- HB696 increases the tax on the trust fund by 56%, raising this cost from an incidental expense to a major outlay of dollars. The state group insures 28,931 individuals. At 70 cents an individual, this equals \$20,252 each year or \$40,503 over the biennium.
- The state group plan is self-insured. This year the plan cut benefits and raised premiums in order to meet rising claims costs. With members' claims costs expected to inflate at 15% each year of the next biennium, the plan will likely need to again cut benefits and increase premiums to make ends meet--even assuming that the state's contribution increases. This tax will cause additional benefits cutbacks for employees and retirees.
- The state group plan was never intended as a source of funding for experimental statewide programs. It is a trust fund for employee and retiree compensation and premium dollars to pay for employees, retirees and their families health and dental claims.
- HB696 extends what was supposed to be a temporary tax for yet another two years -- 6 years total. It eliminates a termination date, suggesting that this will become a permanent tax on employees and retirees benefits dollars.
- If the genetics program has merit, it should be funded directly and not at the expense of state employees and retirees.

For these many reasons, the Department of Administration urges you DO NOT PASS HB696. For more information or questions, call Laurie Ekanger or Joyce Brown, State Personnel Division, 444-3871.

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 19
DATE 4-8-91
BILL NO. HB 696

TESTIMONY
DEPARTMENT OF ADMINISTRATION
HB 393

TITLE: "AN ACT ALLOWING THE DEPARTMENT OF ADMINISTRATION TO APPROVE LONG-TERM LOANS TO ACCOUNTING ENTITIES IN THE FEDERAL AND STATE SPECIAL REVENUE FUNDS UNDER SPECIFIED CIRCUMSTANCES; AUTHORIZING THE DEPARTMENT TO APPROVE THE LOANS IF THE LOANS ARE NECESSARY TO PROVIDE CASH FOR DISBURSEMENTS MADE PENDING RECEIPT OF REIMBURSEMENT FROM FEDERAL, PRIVATE OR OTHER GOVERNMENTAL ENTITY SOURCES; AMENDING SECTION 17-2-107, MCA; AND PROVIDING AN EFFECTIVE DATE."

PURPOSE

This legislation allows the Department of Administration to approve loans from one accounting entity to another that extend beyond one year if: 1) the loan is to an accounting entity in the federal or state special revenue fund; 2) the loan is necessary due to the timing of the receipt of agreed upon reimbursements from federal, private or other governmental entity sources for disbursements made; and 3) the requesting agency can demonstrate that the total loan balance does not exceed total receivables and receivables have been billed on a timely basis.

TESTIMONY

Many State agencies participate in programs where all or a percentage of the expenditures incurred are reimbursed by the federal government, a private source or another State agency. Because State agencies are prohibited from having a negative cash balance in an accounting entity for more than 7 consecutive working days, agencies participating in reimbursed programs often need to borrow cash from another accounting entity to support the disbursements pending the receipt of reimbursement. Because many of these programs continue for many years, an agency may need a cash loan for an extended period of time.

The Department of Administration is authorized under Section 17-2-107 (2)(a), MCA, to approve loans to accounting entities when disbursements are required and the cash balance is not sufficient. The repayment schedule for these loans cannot exceed one year from the date approved, unless unusual circumstances exist or there is specific legislative authorization. Under unusual circumstances the Department may approve an extension of up to one additional year.

*Chuck Vining Testimony
Exhibit 20
4-26-91
HB 393*

TESTIMONY
DEPARTMENT OF ADMINISTRATION
HB 393
(Continued)

The one year loan repayment requirement creates a problem for those agencies participating in reimbursed programs that are of a long-term nature. Some of the agencies affected, including the Department of Social and Rehabilitation Services and the Department of Fish, Wildlife and Parks have pursued statutory or other legislative provisions allowing for long-term loans to accounting entities receiving reimbursements. Other agencies, including the Public Service Commission, the Department of Military Affairs and the Department of Natural Resources and Conservation have recently requested loan extensions beyond the one year allowed.

The Department of Administration supports this legislation as it provides an efficient process by which all agencies participating in reimbursed programs can comply with statutes that restrict the time duration an accounting entity can maintain a negative cash balance and that require accountability for inter-entity loans.

DATE 4-8-91

COMMITTEE ON

Finance & Claims

HB 4, 20, 30, 179, 234,
298, 393, 454, 696, 724,
728, 876, 1008

VISITORS' REGISTER

NAME	REPRESENTING	BILL #	Check One	
			Support	Oppose
Lisa D. Lewis MD	Self	696	✓	
John M. Gritz MD	Self	696	✓	
Lucy Harris	Admin	HR 24	✓	
Melen Dawson	Women in Military Service	HB 20	✓	
Lenora De Boer	" "	HB 20	✓	
Shirley Poston	Women in Military Service	HB 20	✓	
Don Johnson	CFRA, self	1008	✓	
Joan Fitzgerald	Self	696	✓	
Denise Gleason	self	696	✓	
GENEVIEVE ADAIR	Women in Military Service	HB 20	✓	
Starthy & Carnis	Women in Mil. Service	HB 20	✓	
Marguline N. Verrell	Am. Ins. Assoc.	HB 696		X
Mitzi Rosillon	self	HB 1008	✓	
Chuck Vinac	Dept. of Admin.	HB 393	✓	
Debra Kehr	Dept of Admin	HB 298	✓	
Jae Hoy	Shobair	HB 696	✓	
Don Judge	MT STATE AFL-CIO	HB 704	✓	
Tom Poulliot	VFW	HB 20	✓	
" "	"	HB 179	✓	
" "	"	HB 234	✓	
HAI MANSON	AMERICAN LEGION	HB 20	✓	
"	"	HB 179	✓	
"	"	HB 234	✓	
George Poston	United Veterans Council of NY	HB 20	✓	
"	"	HB 234	✓	
"	"	HB 179	✓	

VISITORS' REGISTER

NAME	REPRESENTING	BILL #	Check One	
			Support	Oppose
<i>John Johnson</i>	11 District <i>Glendale</i>	234	X	
<i>Bill [unclear]</i>	MT Hist. Sites Com	1008	X	
Marcelle Sherry	Montana Historical Soc	1008	X	
Rich Brown	MT Brd of Vet Affairs	HB 20	X	
"	"	HB 234	X	
"	"	HB-179	X	
<i>Robert Van Der Vore</i>	<i>Self</i>	HB 20	X	
<i>Chris Brander</i>	<i>Asst</i>	HB 20	X	
<i>Julius Monahan</i>	Montana Foreman's Assoc	HB 704	X	
<i>Luella Johnson</i>	MT Council for Mat + Ch Hlth	HB 876		
"	"	HB 696		
<i>A. Bruce Morris</i>	MONTANA CARPENTERS APPRENTICESHIP & TRAINING TRUST FUND	HB 704	X	
<i>Harry [unclear]</i>	Mont. Council of Cooper	HB-30	X	
<i>Mrs Ruth H C Baker</i>	Steuensville Historical Society	HB 1008	X	
<i>Bob [unclear]</i>	HD #23 Glendale	HB 30	X	
<i>Diane [unclear]</i>	MT Women Lobby	HB 20	X	
<i>Stuart [unclear]</i>	MT Truckers MT Manufacturing Housing & Bldg	HB 1008	X	
<i>Dick Baymberger</i>	Disabled American Vets Dept of Mont	HB 179	X	
<i>John [unclear]</i>	<i>Self</i>	HB 179		
<i>John [unclear]</i>	MT Catholic Conference	HB 728 HB 876	X	
<i>Prof L. Ambrose</i>	in [unclear] St Univ	HB 4		
<i>R. L. Cook</i>	MT. Fish, Wildlife & Parks	HB 1008	X	
<i>Van Jamson</i>	DNRC	HB 4	X	
<i>Larry [unclear]</i>	VFA	20 234	X	
<i>Janet Ellis</i>	MT Audubon	HB 1008	X	X
<i>Quise Bramlett</i>	Historical Sites	1008	X	

VISITORS' REGISTER

NAME	REPRESENTING	BILL #	Check One	
			Support	Oppose
Margie Semmer	MT. Historical Society	1008	X	
Jessie T Loendorf	mt. med. SSN	H696	✓	
Laura T Loendorf	mt. med. Assoc	H728	✓	
Ann T Loendorf	mt. med. Assoc	H878	✓	
Tim Ahrens	MT. Hospital Assoc	H696	✓	
Tim Ahrens	MT. Hospital Assoc	876	✓	
Binkie Peders	MT. Nurses Coalition	H728	X	
Paul Miller	Montana Nurses Coalition	H728	✓	
Deane Sands	mt. Women's Lobby	H876	✓	
Deane Sands	mt. Women's Lobby	HB728	✓	
Tanya Bk	Blue Cross of Bl. State	H1394		✓
Jean A Duncan	mt. Hospital people network	H728	✓	✓
Jack Casey	Shodair	HB696	✓	
Ron Ashlander /sr	State Farm Ins.	HB696		X
Tom Sloggood /sr	Health Ins. Assoc. Am	HB696		X
Larry Akey /sr	MT Assoc Life Underw.	HB696		X
Katharine Bery	self	HB696	✓	
Linda Wetherby	self and husband, Dr. John Wetherby	HB696	✓✓	
Mike Stephen	MT Nurses Assoc.	HB696	X	
Laurie Ekanger	MT DOA Personnel	HB696		X
Morie Skerman	MT Cultural Advocacy	HB30	X	