

MINUTES

**MONTANA HOUSE OF REPRESENTATIVES
58th LEGISLATURE - REGULAR SESSION**

**JOINT APPROPRIATIONS SUBCOMMITTEE ON CORRECTIONS AND PUBLIC
SAFETY**

Call to Order: By **CHAIRMAN STANLEY (STAN) FISHER**, on January 9,
2003 at 8 A.M., in Room 317-A Capitol.

ROLL CALL

Members Present:

Rep. Stanley (Stan) Fisher, Chairman (R)
Sen. Corey Stapleton, Vice Chairman (R)
Sen. Keith Bales (R)
Rep. Tim Callahan (D)
Rep. Dave Lewis (R)
Sen. Trudi Schmidt (D)

Members Excused: Rep. Carol C. Juneau (D)

Members Absent: None.

Staff Present: Marian Collins, Committee Secretary
Brent Doig, OBPP
Lorene Thorson, Legislative Branch

Please Note: These are summary minutes. Testimony and
discussion are paraphrased and condensed. The time
stamp for these minutes appears at the beginning
of the content it refers to.

Committee Business Summary:

Hearing(s) & Date(s) Posted: Crime Control Division
Hearing, 1/6/2003

Executive Action: Public Service Commission
Budget

EXECUTIVE ACTION: PUBLIC SERVICE COMMISSION BUDGET

EXHIBIT (jch04a01)

Ms. Thorson presented the committee with a Base Budget Comparison for the Public Service Regulation for 1998 to 2002.

Discussion:

Chairman Fisher requested discussion on DP 1. Approximately \$56,000 of the requested \$100,000 for the Public Service Commission (PSC) has been used for personal services which is not the original intention. **Mr. Rowe, Chairman of the Public Service Commission (PSC)** stated that the PSC has been very careful not to use any more than was necessary. The PSC's primary focus is representing Montana's interest in telecommunications, energy and the natural gas wholesale market. Montana is powerfully affected by what happens outside the state. **Ms. Thorson** stated that if no action is taken on this decision package, there is about \$24,000 that would remain in the base for each fiscal year; it was a biennial appropriation. **Mr. Doig** noted that the OBPP supports the request for the \$100,000 or something larger than what's in the base because of the fact that there may be some unforeseen expenditures. OBPP feels that the Commission should not be penalized because they don't use the money in the years it's appropriated. **Mr. Doig** believes the PSC hasn't used it for anything other than consultants. If something comes up, it would be very difficult for them to get the money because they'd have to signify that it was an emergency. **REP. CALLAHAN** stated that the Commission has explained the purpose for the money, the Budget office believes that there is a chance they may need to hire consultants in the upcoming years.

Motion: **REP. CALLAHAN** moved that **DP 1 BE ADOPTED.**

Discussion:

Ms. Thorson asked that if a motion is made on this, the committee may want to consider making it a biennial appropriation. That's what it's always been in the past; they can spend it either year and then it shows up as a line item in House Bill 2.

Motion/Vote: **REP. CALLAHAN** moved **DP 1 BE ADOPTED AS A BIENNIAL APPROPRIATION.** Motion failed with **REP. FISHER, SEN. BALES, REP. LEWIS AND SEN. STAPLETON** voting no, by roll call vote.

{Tape: 1; Side: A; Approx. Time Counter: 20.3 - 24.0}

Motion/Vote: SEN. STAPLETON moved DP 1 WITH THE ADDITIONAL AMOUNT OF \$30,000, RATHER THAN \$76,454, AS A RESTRICTED BIENNIAL APPROPRIATION FOR CONSULTANTS BE ADOPTED. Motion carried 7-0, by roll call vote.

Discussion:

SEN. STAPLETON asked for clarification about what was already in the base; specifically what the \$24,000 means. Ms. Thorson explained that the \$24,000 were amounts spent in fiscal 2002 and will continue in the 2005 biennium.

Motion/Vote: SEN. STAPLETON moved DP 2 BE ADOPTED. Motion carried 7-0.

Motion/Vote: SEN. STAPLETON moved DP 3 BE ADOPTED. Motion carried 7-0.

Discussion:

CHAIRMAN FISHER noted previous discussion regarding dues for the two organizations to which the PSC belongs.

Motion/Vote: SEN. SCHMIDT moved THE BUDGET RECOMMENDED FOR THE PUBLIC SERVICE COMMISSION BE ADOPTED. Motion carried 7-0.

At this point CHAIRMAN FISHER closed the hearing on the Public Service Commission.

HEARING ON THE CRIME CONTROL BOARD

{Tape: 1; Side: B; Approx. Time Counter: 4.9 - 32.5}

Jim Oppedahl, Executive Director, Montana Board of Crime Control (MBCC), presented an overview of the Board's activities and responsibilities marked Exhibit #1.

EXHIBIT (jch04a02)

The Board's primary functions are research and improvement of the criminal justice system through grants and analysis. Federal funding is available for these purposes through the State of Montana and the Board is the designated agency distributing those funds. MBCC monitors more than 300 grants and maintains financial compliance. MBCC members are: Chief Justice of the Supreme Court,

Attorney General, Corrections Department Director, U.S. Attorney, a district judge, county prosecutors, and various other individuals throughout the state who have a connection to the criminal justice system.

{Tape: 2; Side: A; Approx. Time Counter: 0.7 - 22.4}

Mr. Oppedahl continued his presentation about the MBCC. He mentioned that when you get minorities in confinement you get Indian women confined at greater rates than non-Indian women; youth in particular. The Youth Justice Council looks at that and tries to focus on and address with the grants that they got toward those kinds of disparities.

Mr. Oppedahl also stated that the MBCC is required to monitor the youth that are placed in youth detention centers in the state to make sure they are not status offenses, that they are sight and sound separated, etc. The MBCC has the responsibility to go out and look at those facilities. In the past the task was accomplished with one of the employees of the Board who is federally funded. The MBCC was written up by the federal government so now \$20,000 is taken out of the state pass-through funds and contract with someone other than a state employee to do those visits in order to keep MBCC in compliance. MBCC is also required by the federal government to ensure that youth are not in jails.

Mr. Oppedahl noted that the governor reduced the detention grants by \$162,000 and the personal services and operating for the Board by about \$22,000. **REP. CALLAHAN** asked for clarification about detention grants. **Mr. Oppedahl** responded that the detention grants is a reimbursable program from the state to encourage compliance with state and federal law. The MBCC is allowed to reimburse up to 50% which hasn't been done for 5-8 years. Currently the Board is at 35% and to the extent that there is not state general fund subsidy for this, the balance must be made up by local communities, such as through an increase in tax. This is a significant portion of a community's budget and some feel that the agreement with the legislature was that they fund 50% of the costs. The executive proposed budget reduces grants to juvenile detention regions 16%.

Mr. Oppedahl concluded that there is no clear area in the Board where cuts can be made. If further cuts are made in travel, supplies and equipment, the Board's ability to monitor and maintain compliance of \$10,000,000 in federal and state money is jeopardized. The cut in general funds in some instances means that the Board loses the federal match.

{Tape: 2; Side: A; Approx. Time Counter: 22.5 - 30.0}

SEN. STAPLETON commented that according to the base budget for 1998, total funds for the Division were just over \$9,000,000. Two years later they were \$10.7 million. Another two years later the base budget was over \$12 million. The total increase over one two-year period was 18% and the next biennium 12% which is probably one of the largest growths in government agencies. This totals a growth of 33%.

Mr. Oppedahl responded that the growth is in federal money that passes through the Board where very little stays. The MBCC feels that when there are additional federal funds, their job is to go out and help local governments, non-profits, etc. The MBCC has only one FTE for financial compliance.

{Tape: 2; Side: B; Approx. Time Counter: 3 - 4.9}

CHAIRMAN FISHER concurred with **SEN. STAPLETON'S** concerns but noted that the biggest share of the increase comes from federal funds. **CHAIRMAN FISHER** asked why we continue to accept federal funds if we're not able to comply with the regulations that go with them. **Mr. Oppedahl** responded that MBCC feels they do a good job of complying.

Ms. Thorson stated that if the subcommittee needs to take the MBCC back to the 2000 base, the reduction would result in the figures on Page 18 of EXHIBIT #1. If they accept the executive reductions on top of it, then they would have reduced it by \$336,000 more than the executive budget.

CHAIRMAN FISHER asked whether the figures on Page 18 of Exhibit #1 are where the MBCC can best handle the reduction that's going to be taken. **Mr. Oppedahl** responded that the MBCC feels this is a fair reduction. **REP. CALLAHAN** noted that funding lost at the state and federal level is passed on to local communities. Detention money lost is dollar-for-dollar but other money may be three-to-one.

Mr. Oppedahl informed the committee that the MBCC had 21 FTE's when they went into the 2001 legislative session. When the session ended, they had 18. The MBCC feels that because of the established policy pertaining to agencies with less than 20 employees, the Board should get the \$36,000 in vacancy savings money back for the five FTE's transferred to the Department of Justice. **Mr. Oppedahl** appealed to the committee to look at this issue and make sure that MBCC is treated the same as other agencies of under 20 employees. **SEN. BALES** asked about the

additional 2 employees asked for in 2004 and 2005. **Mr. Oppedahl** stated that one FTE is a juvenile justice position to deal with issues that are growing in the juvenile justice area such as disproportionate minorities. The other is for statistical analysis in law enforcement support.

{Tape: 2; Side: B; Approx. Time Counter: 20.4 - 30.0}

Mr. Oppedahl respectfully withdrew DP #4 which is the MBCC's request for the Juvenile Justice Specialist position even though it's 90% funded by the federal government. **Mr. Oppedahl** stated the MBCC's belief in the importance of not taking state general fund monies whenever possible. **Mr. Oppedahl** asked that this subcommittee consider the position involving statistical analysis in law enforcement support, which is a position that is 100% federally funded and supports analysis and crime-mapping technology and studies in criminal and juvenile justice system that would be paid for through federal funds.

Mr. Oppedahl stated the DP #5 is federal funds for legal services. The MBCC receives legal services from the Attorney General's office. **CHAIRMAN FISHER** asked why the MBCC is being charged for legal services by the Department of Justice when it is attached to that department. **Mr. Oppedahl** responded that they are attached administratively only. The MBCC is attached but is an independent body. It occasionally receives gratis services from both the Department of Justice and Attorney General's office. The MBCC feels it would be appropriate to charge federal dollars and spend federal dollars when dealing with federal issues. The \$6,200 requested in DP #5 would not pay for the legal support received in the last two years from the Attorney General. **CHAIRMAN FISHER** asked Ms. Thorson about the subcommittee returning the money to the MBCC. **Ms. Thorson** speculated for the Division that if the subcommittee only went with the reductions that were required to get to the base amount, they might be willing to forego the vacancy savings amount. **Mr. Oppedahl** would have to answer that. **Mr. Oppedahl** responded that he feels it's a question of fairness; the vacancy savings issue should never been applied to the MBCC. It's seriously affecting the Division. **CHAIRMAN FISHER** felt the monies could be taken back from the Justice Department; when they transferred the people they should have transferred the vacancy savings back.

CHAIRMAN FISHER closed the hearing on the Crime Control Division.

EXHIBIT (jch04a03)

Ms. Taryn Purdy, Principle Fiscal Analyst, Legislative Fiscal Division, presented an explanation and training on how to understand the new budget.

CHAIRMAN FISHER asked if reducing the PSC's budget by \$46,556 and \$48,836, and a portion of the \$169,413 and \$167,343 which are the DP's the committee is looking at, it will not only satisfy the new base budget minimum that has been established but it would be reduced further by taking a portion of the \$169,413 and the \$167,343. **Ms. Purdy** stated, "That is correct." She also stated that this committee needs to be clear about whether they want these reductions to be part of the overall reduction or on top of it.

This committee needs to specify what they want agencies to do. Unspecified reduction can be a huge part of a budget and committees may want to decide how agencies are going to reduce their budget by that much or committees may want a say in how the agency will make reductions. In some instances the executive budget has offered some reductions, this committee may have suggestions; and LFD may have suggestions. The agencies can also decide which programs they definitely do not want to eliminate.

Ms. Thorson said that when the committee starts making decisions on where they're going to take reductions, the LFD needs to be informed whether the reduction is to meet this base or whether it is on top of that reduction, (on top of the unspecified amount). The committee needs to include this information along with their motions so that it can be tracked.

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ADJOURNMENT

Adjournment: 11:15 A.M.

REP. STANLEY (STAN) FISHER, Chairman

MARIAN COLLINS, Secretary

SF/MC

EXHIBIT (jch04aad)