

**MINUTES**

**MONTANA HOUSE OF REPRESENTATIVES  
59th LEGISLATURE - REGULAR SESSION**

**COMMITTEE ON APPROPRIATIONS**

**Call to Order:** By **CHAIRMAN ROSALIE (ROSIE) BUZZAS**, on February 18, 2005 at 4:00 P.M., in Room 102 Capitol.

**ROLL CALL**

**Members Present:**

Rep. Rosalie (Rosie) Buzzas, Chairman (D)  
Rep. John E. Witt, Vice Chairman (R)  
Rep. Tim Callahan (D)  
Rep. Ray Hawk (R)  
Rep. Joey Jayne (D)  
Rep. Ralph L. Lenhart (D)  
Rep. Walter McNutt (R)  
Rep. Penny Morgan (R)  
Rep. Jon C. Sesso (D)  
Rep. John Sinrud (R)  
Rep. Janna Taylor (R)  
Rep. Jack Wells (R)

**Members Excused:** Rep. Bill E. Glaser (R)  
Rep. Verdell Jackson (R)  
Rep. John L. Musgrove (D)

**Members Absent:** Rep. Carol C. Juneau, Vice Chairman (D)  
Rep. Eve Franklin (D)  
Rep. Cynthia Hiner (D)  
Rep. Christine Kaufmann (D)  
Rep. Rick Ripley (R)

**Staff Present:** Jon Moe, Legislative Branch  
Marcy McLean, Committee Secretary

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

**Committee Business Summary:**

Hearing & Date Posted: HB 369, 2/15/2005; HB 385,  
2/15/2005; HB 426, 2/15/2005; HB  
99, 2/15/2005; HB 715, 2/15/2005

**HEARING ON HB 426****Opening Statement by Sponsor:**

**REP. WANDA GRINDE, HD 48, Billings**, opened the hearing on **HB 426**, a bill to revise definition of "compensation" for police retirement.

**EXHIBIT (aph40a01)**

**EXHIBIT (aph40a02)**

Funding for the Municipal Police Officers' Retirement System (MPORS) and the Firefighters' Unified Retirement System (FURS) is a statutory obligation, established in 1899. The State of Montana collects a tax on insurance premiums, and each city or town is able to create a disability retirement fund that is funded by these insurance premium taxes. In 1977, these individual funds were consolidated into the statewide MPORS, and is administered by the Public Employees' Retirement Board. At that time, insurance premium tax money was paid directly to the MPORS, rather than to each local city retirement plan. Beginning in 1997, the state deposited the insurance premium tax money to the General Fund and the money for MPORS is paid from the general fund. The current annual state contribution to MPORS is 29.37% of compensation reported to MPORS (FY204 \$7.2 million). The current annual state contribution to FURS is 32.61% of compensation reported to FURS (FY 2004 \$6.5 million). It is projected that insurance premium tax going into the General Fund will be \$54.8 million in 2005, \$57.0 million in 2006, and \$59.3 million in 2007.

**Proponents' Testimony:**

**Jerry Williams, Montana Police Protective Association**, said HB 426 would allow for overtime, holidays, and shift differentials to be included when calculating retirement benefits. He said the fiscal note is not accurate because it overstates estimated increases in compensation due to these additions. He explained that most administrators do not collect holiday pay nor shift differential pay. Whereas, fiscal note number nine states an assumed "10% increase in compensation due to the addition of overtime, holiday pay and shift differential," they think it is inflated and that a more realistic number is 5.5-6.0%. Lots of police overtime is paid for with grants; i.e., Juvenile Grant, or by the entity requesting the overtime service, i.e., school districts.

**Tom Schneider, Montana Public Employees Association (MPEA)**, said that in addition to representing MPEA in support of HB 426, he had been asked to represent the police officers of Billings,

Havre, Lewistown, and Columbia Falls. He explained that 30 years ago a police officer's retirement was based upon their last month's salary, but now it is based upon a three-year average. Exemptions that were put in place 30 years ago; i.e., exclusion of overtime, holiday pay, and shift differential, need to be changed.

**Opponents' Testimony:** None

**Questions from Committee Members and Responses:**

**REP. MORGAN** asked if anybody from the cities talk about the financial impacts HB 426 would have on them. **REP. GRINDE** answered, "No."

**Closing by Sponsor:**

**REP. GRINDE** said it was "right and fair" to make these changes to the MPORS and FURS retirement systems. She said that the money was earmarked years ago and needs to be updated.

**HEARING ON HB 99**

**Opening Statement by Sponsor:**

**REP. MICHAEL LANGE, HD 55, Billings,** opened the hearing on **HB 99**, a bill to increase the penalties for driving when a license is suspended or revoked for DUI or test refusal.

**Proponents' Testimony:**

**Don Hargrove, Montana Addiction Services Providers,** said that there should be immediate and direct consequences to DUIs.

**Opponents' Testimony:** None

**Questions from Committee Members and Responses:**

**REP. SINRUD** questioned Line 28 of the HB 99, where "not to exceed \$10,000" was crossed out and inquired from where the \$2.3 million impact on the General Fund will be generated. **REP. LANGE** said the committee had the wrong version of HB 99; the correct version states "be punished by imprisonment for a term of not less than 15 days or more than six months or a fine of \$2,000, or both." The corrected fiscal note shows that this would have a net impact on the General Fund balance of \$138,377 in FY 2006 and \$184,438 in FY 2007.

**REP. CALLAHAN** asked if the Highway Patrol would be the only law enforcement agency issuing tickets for driving with a suspended or revoked license. **REP. LANGE** answered that the Highway Patrol and local law enforcement would be able to issue tickets.

**Closing by Sponsor:**

**REP. LANGE** said this bill is targeted to repeat DUI offenders. It does not assume they will be thrown in jail, but will be paying the \$2,000 fine.

*{Tape: 1; Side: A; Approx. Time Counter: 0 - 23.1; Comments: Rep. Ripley entered hearing}*

**HEARING ON HB 369**

**Opening Statement by Sponsor:**

**REP. DAVE GALLIK, HD 79, Helena,** opened the hearing on **HB 369**, a bill to fund cost of taking a college admission examination (ACT).

**EXHIBIT (aph40a03)**

He said that he sponsors HB 369 as a non-partisan bill, thus supported by both Republicans and Democrats. The purpose of the bill is for the state to pay for juniors in high school to take a college entrance exam. The \$600,000 appropriated for the biennium would cover every junior in Montana high schools. He emphasized that this \$600,000 was an investment that would result in good payoff to the State of Montana. He said that with HB 369, we could see similar results to those in Colorado, Illinois, and Oklahoma, where the in-state-college-going increased from 7-25%, with the most significant increases coming from low-income, minority students. Montana statistics show that the difference in average family income in a family headed by a high school graduate compared to someone with some college is \$9,787. Completing an associate's degree results in \$15,183 differential and a bachelor's degree adds \$44,337. If paying for the ACT resulted in only 1,000 additional associate's degrees and no additional bachelor's degrees, those graduates could produce \$7.2 million in additional annual income. Using Montana statistics, if the results were 500 more bachelor's degrees, during the first year after graduation, those students would add \$1,264,500 in earnings to the Montana economy. In the following years the economic impact is exponential.

He said that there are currently 11,500 juniors in Montana high schools. We spend \$7,900/student per year, for a total investment of \$90 million. He said, "All I'm asking is for us to spend an additional \$28 more to get them into college."

**Proponents' Testimony:**

**Sheila Stearns, Commissioner of Higher Education**, said she supports HB 369 because there are many advantages to getting students to go to college. By paying for the ACT, we are removing barriers to taking the test, particularly for low-income students. She also said that we are sending a clear message to encourage students to consider college. Montana needs to do many things to get students into post-secondary education. Those states that have adopted legislation to pay for the ACT, are finding that it helps the students and their families.

**{Tape: 1; Side: A; Approx. Time Counter: 0 - 32.6; Comments: Tape malfunctioned}**

**Jessica Grennan, Associated Students University of Montana**, shared with the committee the excitement of receiving materials from colleges after taking the ACT. Only 53% of Montana students are taking a college entrance exam, and those not taking the exam are not part of the exciting college ritual. The University of Montana believes a diverse student body is advantageous. As more students take the ACT and realize that they can go on to post-secondary education, it will be a benefit to the state.

**{Tape: 1; Side: B; Approx. Time Counter: 0 - 2.2; Comments: Rep. Hiner entered hearing}**

**Jan Clinard, Director of Academic Initiatives, Montana University System**, said her job is to increase the number of students academically prepared for two- and four-year colleges, decrease remediation rates and increase college completion rates. She also works on Title II to make sure that teachers are preparing students for college. She said that she was impressed with the results they had in Colorado when they passed similar legislation.

**EXHIBIT (aph40a04)**

She introduced a letter and supporting documentation from Terri Rayburn Davis, Vice President of The Fund for Colorado's Future. Colorado is entering their fifth year of the statewide ACT testing program and the results have been remarkable. More students are enrolling in college, and from a fiscal standpoint, the benefits of the ACT far outweigh the overall taxpayer expenditure. The number of minority students tested increased by 94% the first year. Their scores showed that many were ready for college, and subsequently, many enrolled. Over the past four

years, enrollment in Colorado's two- and four-year colleges is up 34%. More minorities are attending college than ever before, and there has been a 7% increase in college enrollment for students with family incomes of less than \$42,000.

**EXHIBIT (aph40a05)**

Data from ACT, including the students' academic strengths, their college majors and the world of work, will help guide them in their decisions. For high school counselors, the state-paid ACT can be used as a vehicle that will be used to motivate students and help them select appropriate post-secondary options.

***{Tape: 1; Side: B; Approx. Time Counter: 2.2 - 8.9}***

**Opponents' Testimony:** None

**Questions from Committee Members and Responses:** None

**Closing by Sponsor:**

**REP. GALLIK** said that on average, individuals without an education beyond high school reach their maximum earning potential of about \$30,000 in the first 10 years of their employment. Individuals attaining a bachelor's degree earn on average an additional \$17,800/year. States that have passed legislation similar HB 369 have increased the number of students attending college. More students achieving post-secondary degrees will result in their earning higher incomes. Also, in the future, the No Child Left Behind Act may mandate an exit exam and the ACT could satisfy that mandate.

***{Tape: 1; Side: B; Approx. Time Counter: 8.9 - 12.6}***

**HEARING ON HB 715**

**Opening Statement by Sponsor:**

**REP. RICK MAEDJE, HD 2, Fortine,** opened the hearing on **HB 715**, a bill to fund fetal alcohol syndrome (FAS) prevention.

**EXHIBIT (aph40a06)**

***{Tape: 1; Side: B; Approx. Time Counter: 12.6 - 14.3; Comments: Rep. Kaufmann entered hearing}***

He said that FAS is 100% preventable and treatment is very costly to taxpayers. HB 715 requests \$640,000 in the biennium for FAS prevention in order to reduce the costs to taxpayers of treating people with FAS. In a 2002 study, it was estimated that the annual lifetime cost of treating a person with FAS is \$2.0 million: \$1.6 million for medical treatment, special education

and residential care for persons with mental retardation, and \$0.4 million for productivity losses. The Montana Department of Public Health and Human Services (DPHHS) would use the appropriation to implement the "Best Practice Model," which has been tested in Montana through a four-state consortium research project, but is no longer receiving federal funding.

**{Tape: 1; Side: B; Approx. Time Counter: 14.3 - 17.8}**

**Proponents' Testimony:**

**Irene Lake, FAS Research and Prevention Project, University of New Mexico, member of Montana FAS Advisory Council, parent of child with FAS,** said she has worked with many people who have been prenatally exposed to alcohol. Ten percent of mental retardation is caused by FAS and 65% of FAS people have substance abuse problems. Statistically, 25% of children could be exposed to prenatal drinking. These babies are born prematurely and are underweight. As adults they do not have skills for employment and many of them are in the prison system. The financial cost estimates of treating these people is from \$1-\$4 million per child.

She said that her daughter, Annie, came into her life when she was eight months old. Although Annie had an average IQ, she had memory difficulties and could not remember her schedule nor tasks she needed to do. She had severe behavior problems in school and poor impulse control, resulting in behaviors such as skipping school. She couldn't understand the consequences to the things she did and couldn't understand cause and effect. As an adult, she had severe alcohol and substance abuse issues, and went to treatment when she was 20 and again when she was 26 years old. She was able to work her way through the union to become a journeyman ironworker. However, after several years of working, she lost her jobs because of substance abuse. She was killed in 2004 in a car accident, where she was riding with a drunk driver.

Ms Lake said the \$640,000 requested in HB 715 to help prevent FAS, using the existing "Best Practices Model," is not very much money to spend on a problem that is so costly to taxpayers.

**Mark McManus, adult with Fetal Alcohol Affects,** said he came to share with the committee the effect of FAS on his life. He said that there are not many FAS people who have success stories and it is only by the grace of God that he is here today. Most of these people are in a treatment center, are in prison or have committed suicide out of desperation. FAS people are unable to associate risk with their actions. For years his behavior was misdiagnosed by doctors, who thought he might have Attention Deficit Disorder, depression or serotonin deficiency. It wasn't

until he went to Dr. Johnson at Shodair Hospital in Helena that he was correctly diagnosed with FAS. Prior to that diagnosis, he had been given incorrect medications.

**{Tape: 1; Side: B; Approx. Time Counter: 17.8 - 32.6; Comments: End of Tape 1}**

People with FAS have different variations of the disease. He said that for him, he has strong a vocabulary and is able to easily retain and speak foreign phrases. However, in jobs he is unable to understand and follow through on tasks. He said he is unable to understand the ramifications of his actions; he has been divorced twice, has declared bankruptcy and is a recovering alcoholic.

He said that he understood that the committee receives numerous requests for money, but money appropriated for the prevention of FAS will change someone's life who didn't have a choice.

**{Tape: 2; Side: A; Approx. Time Counter: 0 - 6.4}**

**Opponents' Testimony:** None

**Informational Testimony:**

**Deborah Henderson, Child Adolescent and Community Health, DPPHS,** said Fetal Alcohol Spectrum Disorder (FASD) is a term describing the range of effects that can occur in an individual whose mother drank alcohol during pregnancy. These effects may include physical, mental, behavioral, and/or learning disabilities with possible lifelong implications. FASD refers to conditions such as fetal alcohol syndrome (FAS), fetal alcohol effects (FAE), alcohol-related neuro-developmental disorder (ARND), and alcohol-related birth defects (ARBD). FASD is 100% preventable through changes in maternal behavior.

**EXHIBIT (aph40a07)**

It is estimated that FAS occurs in .5-2 cases per 1,000 births; in Montana that equates to approximately 110 infants born each year. The prevention of FASD is a major public health issue. The funding from HB 715 would allow DPPHS to expand their contracts with Public Health Home Visiting (PHHV) beyond the basic professional services provided to high-risk pregnant women and their infants. The basic PHHV programs has a nurse, social worker and dietician, who identify high-risk women and infants in their communities and develop a plan of care and make eight home visits. There are 18 of these programs throughout the state, which are funded by the General Fund. The FAS prevention funding would allow the existing 18 projects to add para-professionals; i.e., mentor, outreach person, parent of an FAS child, to their team and target outreach to women at risk for having a baby with

FASD. This para-professional model is recognized as a "best practice" and has been tested in Montana through the four-state consortium research project. However, there is no longer federal funding. They do have a \$276,000 annual federal grant that funds the FAS Advisory Council. The \$320,000/year funding requested in this bill is what was identified as being needed to provide expanded home visiting services to all project sites.

**{Tape: 2; Side: A; Approx. Time Counter: 6.4 - 11.4}**

**Questions from Committee Members and Responses:**

**REP. MORGAN** asked how high-risk women are identified. **Deborah Henderson** said they currently have home health visits to women who are at risk of having babies with low birth weight, who are born prematurely or are exposed to alcohol. They maintain contact with the woman until the infant is one year old. They provide family planning, birth control or information on avoiding alcohol during pregnancy. Previously, their funding focused on women who were already pregnant. She said that they want to cast a bigger net to include high-risk women of child-bearing age. Research has shown that when a pregnant woman who is drinking alcohol quits, no matter what stage of the pregnancy, it is beneficial to the baby.

**REP. SESSO** asked what will happen if this appropriation is not made. **Deborah Henderson** said the current public home health budget is \$550,000 for the 18 community projects. This appropriation would add the para-professional, a local community person who really knows who these women are and help the case manager to get them into the services they need. Also, their new federal grant provides for enhanced home visits, but only to six of the 18 community projects.

**CHAIRMAN BUZZAS** asked for further clarification of the purpose of this new funding. **Deborah Henderson** said they currently fund 18 home visit sites in Montana, and they only target pregnant women and their children. With the funding from HB 715, they would be able to cast a larger net and target women of child-bearing age. They would also be able to add the para-professional to the professional team. This program has been very successful in the state of Washington. On a national level, adding a para-professional to the team has been deemed a "best practice."

**REP. MORGAN** asked if this program would help women who are abusing drugs. **Deborah Henderson** answered, "Yes." She said that oftentimes women who are drinking alcohol are also using drugs. However, in Montana, alcohol is the drug of choice.

**REP. SESSO** asked if a paraprofessional would be added to each of the 18 community teams. **Deborah Henderson** said that that was the intent, at a cost of \$25,000 per team.

**Closing by Sponsor:**

**REP. MAEDJE** said the current FAS prevention program needs to expand in order for it to work better.

**HEARING ON HB 385**

**Opening Statement by Sponsor:**

**REP. JACK WELLS, HD 69, Bozeman**, opened the hearing on **HB 385**, a bill to revise the law on driver license eligibility. This bill would prohibit the issuance of a license to a person who cannot prove that their presence in the United States is authorized under federal law. Most other states require this proof. Currently, if you are a foreign national and take your Montana driver's license to a state that requires proof, they would deny your request for a driver's license issued by their state. This bill also requires that the expiration date of the Montana driver's license would coincide with the date of the official document authorizing the applicant's presence in the United States, which was used to obtain the license. The cost to implement this program is \$7,500.

**Proponents' Testimony:**

**Brenda Nordlund, Department of Motor Vehicles (DMV), Department of Justice**, said her department supports HB 385. HB 385 ties the driver's license expiration date to the foreign national's visa expiration date. Since the DMV's system is based upon a birthday expiration date, it would cost \$7,500 to implement this change. Approximately 20 states have adopted this legislation. In those states, you cannot exchange your Montana driver's license. They do not care whether you are an American citizen, a naturalized citizen, or a foreign national; they will not accept your Montana license as proof of your identity or your citizenship.

**{Tape: 2; Side: A; Approx. Time Counter: 11.4 - 32.6; Comments: End of Side A, Tape 2}**

**Opponents' Testimony:** None

**Questions from Committee Members and Responses:** None

**Closing by Sponsor:**

**REP. WELLS** asked the committee to support HB 385.

**ADJOURNMENT**

Adjournment: 5:35 P.M.

\_\_\_\_\_  
REP. ROSALIE (ROSIE) BUZZAS, Chairman

\_\_\_\_\_  
MARCY MCLEAN, Secretary

RB/mm

Additional Exhibits:

**EXHIBIT ([aph40aad0.PDF](#))**