

MINUTES

MONTANA HOUSE OF REPRESENTATIVES  
51st LEGISLATURE - REGULAR SESSION

SUBCOMMITTEE ON HEALTH & HUMAN SERVICES

Call to Order: By Chairman Bradley, on February 13, 1989, at 8 a.m.

ROLL CALL

Members Present: All members were present with the exception of Sen. Van Valkenburg.

Members Excused: Sen. Van Valkenburg

Members Absent: None.

Staff Present: Evan McKinney, LFA  
John Huth, OBPP

Announcements/Discussion: Orientation, Water Quality Bureau, Department Health & Environmental Services.

HEARING ON DEPARTMENT OF HEALTH AND ENVIRONMENTAL SERVICES

Larry Lloyd presented Steve Pilcher, Chief of Water Quality Bureau to present orientation to subcommittee.

Mr. Pilcher presented a handout, exhibit 1, (see attachment), which described the functions of the water quality bureau, its program budget and an organizational chart. Discussion followed.

Mr. Pilcher offered to discuss each modified separately and Chairman Bradley requested that each modified be discussed as we go through the orientation.

A194

Rep. Cobb asked about the total cost of \$28,800 of the first modified and if this was for the collection of samples from the Golden Maple Mine site where the mine had closed down and left.

The department negotiated a settlement with their insurance company which provided funds to reclaim the site and monitor cyanide residues.

Mr. Pilcher stated they contract for these collections, there is no operating cost and it is a one time cost and if not funded, the Water Quality Bureau will have to pick up on

costs for 1991.

A280

In answer to Sen. Keating's inquiries on how much cyanide had leached into the ground water and how long a time it takes to dissipate to insure safe public use, Mr. Pilcher reported there are varying factors. The absorption of soil, different soils react in retaining cyanide, etc. are all areas that have to be monitored to establish safety of use.

Sen. Keating asked if there were an interim study group dealing with this issue and if there were funds left over, would they revert to general funds. Mr. Hoffman said probably not, they would revert to the insurance company.

A383

Sen. Hofman asked if mining companies, and the small mine owner, were getting out of the business of using cyanide. Mr. Pilcher stated that they are going the other way and there are a number of leach operations around the state, e.g., Whitehall and Landusky.

Sen. Hofman expressed an interest in how the cyanide gets into the ground water system. Mr. Pilcher said the mining companies build leach ponds for the runoff, but the ponds fill up and then mother nature contributes to filling until they spill over.

A432

Sen. Keating stated he understood this is now a closed loop cycle where the water is reused. Mr. Pilcher affirmed.

A472

In answer to a question by Sen. Keating as to the definition of improper environmental use, Mr. Pilcher reported that this could be excessive erosion of stream banks destroyed by confined livestock use, improper logging and timber harvesting, improper mining practices, etc. whereby man's activities cause an adverse impact on environmental quality.

A540

Mr. Pilcher discussed the Clark Fork water quality monitoring and Clark Fork coordinator programs working with water quality data collection in conjunction with Idaho and Washington. In January 1989 Montana was notified by the Environmental Protection Agency that the state would receive \$85,000 to expand our current water quality data collection in the Clark Fork drainage. The funds would be used to collect samples to be used to calculate the annual load of nutrients from all sources within the system. This information is necessary to allow development of a management plan to protect the quality of Lake Pend O'reille and the river system. This money is being provided under section 325 of the federal clean water act which was amended in 1987. It's intended to address a need for a comprehensive study on both

the Clark Fork River and Lake Pend O'reille. This money is being divided between the three states, each having comprehensive responsibility under this comprehensive effort.

Mr. Pilcher went on to state that in essence you have three (3) modifieds to deal with Clark Fork River and Pend O'reille.

A611

Chairman Bradley requested information on RIT money to replace general funds for funding of the modifieds; also an inquiry as to whether the \$85,000 funds was specifically for expansion. Mr. Pilcher affirmed the funds were for expansion and the study of nutrients and their effect on the systems.

A630

Rep. Cody asked staff for information on past history of regulations or whether nutrient impact was a recent problem. Mr. Pilcher explained that the state is learning from past mistakes when we had improper handling of environment, water quality, e.g. improper mining, which may have been proper at that time, in the upper basin which has resulted in significant problems throughout the entire length of the Clark Fork River. Now mining comes under much closer scrutiny and the controls that are imposed are intended to prevent a recurrence of the type of problems we find ourselves dealing with today.

A681

General discussion followed on the use of RIT funds to replace general funds.

Mr. Hoffman stated that the department in conjunction with the executive recommended the replacement of general funds with RIT funds in the department for all water quality programs. He reported that Butte-Silver Bow had a suit against the state in regard to the use of RIT funds; the culmination of the suit was in favor of the state and therefore, in conjunction with the executive, we feel it is appropriate to use RIT funds.

A700

Chairman Bradley observed that she was aware of the outcome of the lawsuit, but to the best of her recollection that was not the intent of the legislature that put the RIT money in the Department of Health & Environmental Services. If that were the case, the legislature might just as well have put the RIT money into general funds at the outset.

A714

Mr. Hoffman stated that this position was recommended by the executive to the department and asked Mr. Huth to address this issue. Mr. Huth reported that the previous executive's position to replace general funds with RIT to address the

shortfall looked like a solution to the new executive at the present time to lessen the drain on general funds.

Mr. Huth reported that in light of the Supreme Court decision, the new executive looked at it and decided to go along with using RIT funds to replace general funds.

Chairman Bradley asked if that decision was made in light of the fact that it is directly contrary to the purpose of the legislation that put it into the department.

Mr. Huth answered in the affirmative by stating it was a proposal which hoped to alleviate the problems with the general fund right now. Mr. Huth did not think it was a long term solution.

Chairman Bradley deferred further discussion on RIT funding until the subcommittee had gone through the budget but announced she did want them to be aware of this issue in the department where substantial amounts of RIT money are replacing general fund money.

A767

Rep. Cody asked about flood plains delineation and why the department does not accept information from county maps. Mr. Pilcher stated that flood plains have changed and can be resolved by determining flood history for this area; however, it does take time.

A807

Discussion followed Mr. Pilcher's presentation on ground water pollution control. Rep. Grinde asked if there were any nitrate fertilizer contamination in the state and Mr. Pilcher reported you see more of this in the midwest.

A854

Sen. Keating asked about pollution from septic tanks. Mr. Pilcher stated you see this in Evergreen, a fringe area outside of Kalispell, that is the most densely populated non-community in the state of Montana; ground water is being adversely impacted by septic tank pollution.

A868

Chairman Bradley if funding for this program was another area where RIT funds have replaced general funds. Mr. Pilcher advised that ground water control was funded totally by federal grants.

A898

Mr. Pilcher reported on Flathead Lake monitoring. Rep. Cody asked if these were detergents which were polluting the lake and Mr. Pilcher stated that it was detergents and especially those detergents with phosphorus content; it was determined that the environment would benefit from a prohibition on phosphorus detergents in the basin and a few sessions ago,

there was a bill that allowed the department to adopt rules and also the county ordinance to prevent the sale of phosphorus detergents. That has been done and has successfully reduced the phosphorus concentrations to Flathead Lake.

A933

Construction grants management has been administered by an \$500,000 grant from federal environmental protection agency to implement a statewide training program for water and wastewater professionals. Over the next five years the construction grant program will be phased out and replaced with a state revolving loan project.

A977

Sen. Keating asked who develops the training program and Mr. Pilcher stated that the project would be jointly carried out by the water quality bureau and Northern Montana College. All funds will go into the program, none for administration of monies for our staff. Northern Montana has people on their staff who will be coordinating the training program.

A001

Safe drinking water program is a mandated regulation by Congress of many more contaminants than our now covered in the state program. Until Congress provides funding commensurate with its mandates it will be very difficult for the bureau to properly handle its responsibilities. Mr. Pilcher felt it would be advisable to bring the state and federal regulations more in alignment to make the program more workable; this would avoid a serious conflict between the state and federal programs. It is better to deal with one set of regulations.

A161

In answering Rep. Grinde's inquiry as to possibility of combining some of the areas on the organizational chart, Mr. Pilcher advised that this chart had evolved due to duties, different federal authority per program, different federal laws, different sources of funding/formulas, etc. These are not total entities within the water quality bureau but work with each other in their areas of expertise and there is communication back and forth.

A302

Rep. Cody expressed an interest in the fee schedule for the water and wastewater certification; Mr. Pilcher will provide a copy of the fee schedule.

A340

Sen. Keating asked for a distinction between the Department of Natural Resources (DNR) and the Department of Health & Environmental Services (DHES). Mr. Pilcher essentially DNR deals with the quantity, while DHES deals with quality.

A437

Chairman Bradley requested subcommittee to discuss the RIT funding issue; the members have a job to watch over the appropriations of the department to make sure that legislation of the past that put certain money in certain places follows through on the intent. Because of the difficult budget situation that the legislature has been living with, and have been for six years now, there has been some \$700,000 taken out of the RIT money to replace general fund money. I think we should spend some time to see if we are going to approve that recommendation.

A460

The chairman requested Mr. McKinney to give an overview of RIT funds. He stated the DHES gets two pots of RIT, one for 12 percent which goes into the hazardous waste surplus revenue account; starting in fiscal 1990, they get an additional 4 percent that is designated for the environmental protection fund; so a total of 16 percent of RIT interest will be going to DHES. Total revenue will be \$1.1 million in 1990 and \$1.2 million in 1991. In addition to this revenue, there is a fund balance of over one million dollars.

B010

Mr. Zackheim reported on past legislation at request of Rep. Bradley so that members can be made aware of origin of RIT monies. Rep. Bradley asked Mr. Zackheim to talk about HB 777 and HB 718 as to specific intent and why that money was originally sent over to DHES, and it certainly was not to replace general funds, otherwise we would have just marked it for general funds.

B030

Mr. Zackheim reported that during last session, HB 777 set up what is called the hazardous waste surplus account, which is where the one million carryover dollars now reside to give the state capability to match federal superfund dollars, also to match federal trust funding at a 90%/10% match. In case its ever needed for superfund, state would have matching dollars. The additional 4 percent, HB 718 enacted last legislature, is for funds needed where the superfund does not cover.

B118

Chairman Bradley stated the fund was earmarked and expected to grow in case 10 percent is needed, which can be a large percent when you get into clean up costs, that would be ready and the state would not be caught unawares with no money at all to match.

Mr. Zackheim said that was correct and the purpose of RIT funds; he stated there are two or three cleanups which would require one million dollars for the state's match.

Mr. Zackheim stated there may be an instance in Butte where

company might not be willing to clean up; also the Reliance Refinery in northwest Montana; the situations are difficult to predict because responsible parties may agree to pay the costs of the clean up.

B121

Mr. Huth reported that the executive evidently felt you have the right to appropriate RIT funds. Mr. Hoffman stated that in the statute it states that to the extent that RIT funds are available after appropriations are made RIT funds may then be appropriated.

Chairman Bradley reported the purpose of placing money into RIT fund was to continue to build up the RIT fund; however, it is being depleted. The question is does this committee wish to make the switch of RIT monies for the general fund; if we do, do we agree with Rep. Cobb's and Mr. Huth's statements that we have to propose a subcommittee bill to change the statute; and the law does have some pretty strong language that the RIT money was to go to the Department of Health & Environmental Services.

B161

Sen. Keating made a report that there is a bill, but dead right now, to divert 8 percent of the RIT interest income to the general fund. It was to come out of the 8 percent Natural Resource fund that deals with myriad number of projects dealing with septic tanks, hydrology studies, etc. The other 30 percent is still intact. Sen. Keating will provide a copy of RIT process.

B175

The chairman asked Sen. Keating to discuss the renewable resources trust fund (MCA 15-38-202). (see attachment, exhibit 4); Sen. Keating reported the RIT fund is interest on \$63 million in the constitutional trust fund and then discussed the percentage breakdown of allotments and areas allotted to in exhibit 4.

B184

Chairman Bradley asked Sen. Keating if he was concerned that the clean up function be carried out for which the tax was allocated, and not in putting RIT funds into a renewable program.

B194

Sen. Keating was reluctant to see funds go to a private farmer using funds to improve his irrigation system whereby he ends up with benefits from RIT funds. Sen. Keating questions private use of state funds; also there are other needs in the state, on a priority basis, that have a much more valid claim on whatever tax revenue we have. For that reason, I dislike earmarked accounts because by statute the money flows in a certain direction and yet I don't think it's being used on a priority basis considering the serious needs

of the people of Montana.

B225

Chairman Bradley remarked that there will be times when we will have to put out bundles of money to match 10 percent of the 90 percent fund we can get to help in the clean up. Is that an acceptable think to be prepared for? Sen. Keating agreed that the hazardous wastes (such as the refined products) was indeed appropriate.

DISPOSITION OF DEPARTMENT OF HEALTH AND ENVIRONMENTAL SCIENCES

B309

The chairman directed subcommittee to complete executive action. The first program is division administration for the Department of Health & Environmental Services (DHES), page E-1 of exhibit 3.

Motion by Rep. Cobb to accept executive spending authority on the division administration program, DHES.

Motion carried UNANIMOUSLY.

Motion by Rep. Cody to recommend use of \$65,343 of general funds in 1990 and \$65,559 for division administration program, DHES.

Motion carried with Rep. Cobb dissenting.

B360

Mr. Huth explained the administrative assistant position would be one-half RIT funds and one-half general funds.

B363

The chairman stated that if there was going to be little dribbles of RIT money coming in constantly, would it not behoove the committee to make a policy decision on the appropriate use of RIT funds.

B400

Motion by Sen. Keating to accept 92018 modified for administrative assistant to be funded by general funds, page E-2 of exhibit 3.

Motion carried with Reps. Cobb and Grinde dissenting.

B414

Chairman Bradley asked Sen. Keating if he wanted to take a position on RIT funding and dispersion.

B417

Sen. Keating replied that he felt the appropriation of funds should fit the circumstance. I will vote where I think the appropriation of funds from whatever source are appropriate to the particular program.

B425

Chairman Bradley stated then they would just go through the process of appropriations, program by program, and discuss the sources at that time.

B438

Motion by Rep. Cobb to accept spending authority of issue 1, page E-3 of exhibit 3, of the air quality bureau program, DHES.

Motion carried UNANIMOUSLY.

B554

Motion by Rep. Cody to accept spending authority of issue 2, page E-2 of exhibit 3, of the air quality bureau program, DHES.

Motion carried with Rep. Cobb dissenting.

B626

Motion by Sen. Keating to accept spending authority of issue 3, page E-3 of exhibit 3, of the air quality bureau program, DHES.

Motion carried with Rep. Cobb dissenting.

B658

Motion by Rep. Cobb to accept executive spending authority for occupational health bureau program, DHES, page E-4 of exhibit 3.

Motion carried with Rep. Cody dissenting.

B753

Discussion followed on the advisability of authorizing the occupational health bureau program to charge fees for checking safety of x-ray machines, etc. At the present time, there is no statutory authority covering fees.

B809

Chairman Bradley explained that the subcommittee can either restrict funds or give managers the necessary funds they need to get the job done. Sen. Keating stated that fees would just be passed onto the general public and he did not want to see that.

Rep. Cody was in favor of fees to cover the cost of administration of the occupational health bureau program.

B910

Mr. Chaffee described the asbestos regulation modified proposal. This is a fee-based program with fees being returned to the RIT fund. Sen. Keating asked if the past and present funding could be defined more specifically and made available for use when taking executive action; he asked what the "other" funds are and could that be specified in the future.

Discussion followed as to the process of asbestos regulation as to training and accreditation requirements.

B975

Motion by Sen. Keating to accept 92050, modified, for the asbestos regulation funding, DHES, page E-5 of exhibit 3.

Motion carried with Rep. Bradley and Rep. Cobb dissenting.

B985

Mr. Peterson discussed the food & consumer safety bureau program and the five (5) issues at the bottom of the page, exhibit 3.

Sen. Keating inquired as to increase since the last biennium. Mr. McKinney replied last budget was \$489,000; Sen. Keating was concerned about the growth of this program to \$624,732. Mr. Haubein stated that part of the growth is due to indirect costs and also the inclusion of vacancy savings.

Sen. Keating was concerned about not having information available on indirect costs as well as figures available on the last biennium budgets.

Mr. Huth explained indirect costs and the fact that this is the first year there will be accountability of indirect costs. The state must maintain accurate accounting on basis of receiving federal funds which does not match any funding for centralized services.

Executive Action was postponed until Wednesday, February 15, 1989, when Mr. McKinney can present a breakdown on funding for each program for the subcommittee's information as executive action is completed.

ADJOURNMENT

Adjournment At: 11 a.m.

  
REP. DOROTHY BRADLEY, Chairman

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Narrative Justification  
Water Quality Bureau  
Program Budget  
Fiscal Years 1990-1991

The Water Quality Bureau is that unit of the Department responsible for public health and environmental protection of Montana's water resources. Our role varies from one of providing technical assistance to those with public health on environmental problems to that of the enforcer of Montana's water quality laws and regulations. The bureau has been delegated responsibility for administration of the following:

- Montana Water Quality Act
- Montana Law Regarding Public Water Supply
- Sanitation in Subdivision Act
- Water/Wastewater Operator Certification Law
- Numerous Rules promulgated to implement these laws

A staff of 44 people are assigned to the eight major programs necessary to carry out our responsibilities. Each program has a separate funding source utilizing a combination of general funds, federal dollars, earmarked revenue and special revenue sources. While each program is somewhat independent as far as funding is concerned there is close coordination and interaction among the programs. These programs are best discussed individually and is as follows:

WATER AND WASTEWATER CERTIFICATION

Montana law requires the operators of water and wastewater systems serving the public to be certified. Certification to ensure that these individuals meet minimum knowledge and experience requirements is deemed essential to the protection of public health and safety and also to the protection of state waters. The program provides a variety of training materials and administers examinations to test capabilities. Approximately 1200 operators are currently certified. The program is supported by license fees paid by certified operators. Program support is currently provided by a 1.0 FTE (Administrative Secretary) who is assisted by other bureau staff.

In 1986 the Department of Health and Environmental Sciences adopted rules implementing a continuing education requirement to the certification program. Each

licensed operator must earn a given number of credits every two years to maintain certification. This requirement is intended to ensure that these persons maintain a high level of competence in their field.

There are no major budget issues in this program.

#### WASTEWATER DISCHARGE PERMITS

Montana's Wastewater Discharge Permit Program began in 1968. The Federal Water Pollution Control Act Amendments of 1972 established a similar program at the federal level, but included provisions to allow program delegation by states with an approvable permit program. In 1974 Montana received such delegation thereby eliminating possible duplication of effort in that area. The program protects water quality by establishing limits on the quality and quantity of pollutants which can be discharged into state waters. Program staff establishes such limits, reviews monitoring information on the effluent quality and conducts compliance inspections. More than 400 facilities are currently regulated by this permit program.

A total of 3.5 FTE are currently assigned to this program. Funds for program administration are provided totally by the Federal Environmental Protection Agency.

The only funding issue is in the contracted services category where the LFA budget will limit the number of samples we can collect and have analyzed to ensure permit compliance. During FY88 a special grant was obtained from EPA which picked up this cost of this monitoring. Those funds are not available during this biennium.

#### WATER QUALITY MANAGEMENT

The Water Quality Management Program is responsible for providing a comprehensive program to prevent, abate and control water pollution as required by the Montana Water Quality Act. Considering the fact that Montana has approximately 20,000 miles of flowing streams plus hundreds of lakes, the collection of data to carry out that responsibility becomes a sizable task. The effort includes not only the collection of chemical and biological data but also the evaluation and management of that data in such a way that it is available for decision-making purposes in other bureau programs. This information aids in determining where construction grant funds are spent, what effluent limits must be established for discharges and what might be the source of drinking water quality problems. Specific responsibilities include monitoring, intensive surveys, planning and evaluation, instream flow reservations, data management and quality control.

Currently 4.85 FTE are assigned to carry out these program responsibilities, funded by a combination of federal and general funds and special revenue provided by an interagency agreement with the Department of State Lands for a shared position.

There are no major funding issues in this program.

There are four modified budget requests associated with this program. I would like to discuss them at this time.

**GOLDEN MAPLE MINE MONITORING** - During FY88 our agency and the Montana Department of State Lands were involved in investigation of a groundwater contamination problem associated with the Golden Maple mine near Lewistown, MT. Cyanide from the mining operation was discovered in groundwater after the mining company had abandoned the site. We successfully negotiated a settlement with their insurance company which provided funds to reclaim the site and to monitor the fate of the cyanide in order to advise area water users of any public health risks. This request would allow us to continue to contract for the collection and analysis of groundwater samples. These activities were previously approved by budget amendment.

**NON-POINT SOURCE POLLUTION CONTROL** - Recent amendments to the Federal Clean Water Act require the States to address water quality problems associated with non-point sources of pollution. Fortunately, the Amendments also provided funds in the amount of approximately \$100,000 per year to carry out the required tasks. The Department proposes to use these funds to implement the provisions of the Non-Point Source Management Plan submitted to the EPA in August of 1988. Specifically, the funds would be used to 1) apply for grants to implement elements of the approved plan, 2) prepare project specific assessments and implementation plans, 3) monitor water quality improvements resulting from plan implementation, 4) track implementation progress and report to EPA. The 2 FTE assigned to this project are supported totally with federal funds. This project was previously approved by budget amendment.

**CLARK FORK WATER QUALITY MONITORING** - This project provides water quality data and information necessary for making water quality management decisions about the Clark Fork River, to detect violations of ambient water quality standards, to monitor the biological health of the river, and to document any changes in water quality that might result from resource development or reclamation and pollution control efforts. Long-term uninterrupted data collection is necessary in order to evaluate trends in water quality. The project will enter its sixth year in FY90. It was in the current biennium with a grant from the Reclamation and Development Grants Program. However, another source of revenue is being sought because that program is not intended to be a continuous source of funding for long-term projects. Project responsibilities are

carried out by 1 FTE assigned to the Water Quality Bureau.

CLARK FORK BASIN COORDINATOR - In 1984 the position of Clark Fork Basin Coordinator was created by Governor Schwinden to coordinate the many state and federal activities underway within the basin. The position is currently assigned to the Governor's office. The position provides continuity to existing and planned studies within the basin, identifies additional information needs and has developed an action plan for resolution of water related resource problems within the basin. The position works with an Interagency Task Force and a Citizens Advisory Council to identify issues and priorities and to develop goals for the project.

One additional funding issue relative to our activities in the Clark Fork Drainage needs to be discussed. Section 325 of the Federal Clean Water Act mandates a comprehensive study of the Clark Fork River/Lake Pend Oreille system. A three year study was begun in 1988 with work being conducted in the states of Montana, Idaho and Washington. An interstate and interagency steering committee has prepared a scope of work for the project. In January 1989 we were notified that Montana will receive \$85,000 to expand our current water quality data collection. Specifically the funds would be used to collect samples to be used to calculate the annual load of nutrients from all sources within the system. This information is necessary to allow development of a management plan to protect the quality of Lake Pend Orielle and the river system.

#### SUBDIVISION REVIEW

The Subdivision program is responsible for administration of the Montana Sanitation in Subdivision Act which is intended to ensure compliance with health and safety standards for water supply, sewage disposal and solid waste disposal for parcels of land less than 20 acres in size. While the program has been plagued with controversy in past years it seems to have stabilized.

The program provides for review of plans and specifications for adequate water supply, sewage disposal, solid waste disposal, and storm drainage as well as other sanitary and environmental aspects of subdivisions. Department approval of a subdivision assures a potential lot owner a water supply that is adequate in terms of quality, quantity and dependability; a sewage system that is reliable and non-polluting; a garbage disposal site that meets department standards and to the greatest extent possible a homesite in harmony with the environment.

Funding for the program is provided through general fund support. Fees generated through the review process are then deposited into the general fund. This arrangement

provides a steady funding base and maintain program integrity.

The only funding issue relates to the number of FTE approved for the program. There is a discrepancy of 1.0 FTE between the executive and LFA budgets.

#### GROUND WATER POLLUTION CONTROL

In 1982 the Board of Health and Environmental Sciences adopted rules to create a Ground Water Pollution Control Program similar to the Wastewater Discharge Permit Program but designed to protect groundwater quality. Groundwater pollution control continues to be one of our most rapidly growing problems as evidenced by the increasing number of incidents brought to our attention. In the past 18 months approximately 50 incidents of ground water contamination have been responded to by our agency. People in Montana are facing problems such as trying to drink water with a film of petroleum product on it from a ruptured pipeline, watering livestock with groundwater contaminated by cyanide from a mining operation or water your garden from a well contaminated with Tordon or other herbicides.

Over 50 MGWPCS permits have been issued since the inception of the program in 1982. Most of the permits are for small gold mining and milling operations. Program staff also coordinate with other agencies and programs which regulate activities that impact groundwater quality including; DSL hardrock mining/milling permits, underground storage tank leak investigations and cleanups, hazardous or solid waste management activities.

Currently 2.0 FTE are responsible for these activities, one shown on our current level budget and one approved by operational plan change during FY89 and presented as a modified request in our budget submittal. This program is totally funded through a federal grant.

The only funding issue in this program is the reduction in contracted services which limits the number of samples that can be analyzed. These tests are quite costly for many of the new pollutants but are necessary if we are to identify groundwaters that pose a public health risk to Montana residents.

As stated above, one position was approved by operational plan change during FY89. That position is now submitted as a modified budget request. The need for the additional position is well established from the workload in the program. The position is funded with currently available federal funds.

## WATER POLLUTION CONTROL

A total of 8.3 FTE's are assigned to the general protection of water quality in Montana. This includes administrative support in both our Helena office and our Billings regional office. All available water quality data is stored on computer to facilitate easier data handling and retrieval. Water quality impacts of major projects are reviewed through this program. As an example, program staff were appointed to assist the International Joint Commission established to study the impacts of the proposed coal mine on Cabin Creek in Canada. Alleged violations of water quality laws and rules are handled by this program. Complaints are received and investigations scheduled to determine if, in fact, a violation has occurred. Depending on the nature and extent of the violation, appropriate legal action is then initiated. During FY88 over 100 complaints were investigated. Only 15 cases resulted in the filing of civil complaints in District Court during that time.

Funds for this program are provided by the Federal Environmental Protection Agency but requires a non-federal maintenance level of effort of not less than \$85,386.00.

Two funding issues exist in this program budget. A reduction from the executive budget of approximately \$4,000 for FY90 and \$6,000 for FY91 will limit our ability to fund our share of on-going Flathead Lake monitoring conducted by the Yellow Bay Biological Station of the University of Montana. In addition, the LFA budget does not reflect travel required by the Bureau Chief, appointed by the Governor in 1988 to represent Montana on the Western States Water Council.

## CONSTRUCTION GRANTS MANAGEMENT

The construction grants program in its current form was created by Congress in 1972 with passage of the Clean Water Act. The program is intended to provide financial assistance in the form of grants to municipalities to construct water pollution control facilities (wastewater treatment plants, collectors, interceptors, etc.). Montana has received over 170 million dollars for this purpose. In the late 70's it was the desire of Congress that the states administer the program and provide a percentage of authorized appropriations to support state staffs. The Construction Grants Section of the WQB has been fully delegated program administration since 1979 which includes review of planning documents, technical plans and specifications, and monitoring of construction including startup of new facilities. The section is staffed with 8.3 FTE's including 5 engineers and one operations specialist. The

section handles approximately sixty active projects at any one time. All program income is from federal sources.

Legislation has been requested to create a new financial assistance program funded, in part, by federal assistance and very similar to the construction grants program. Administration of this new program is proposed to be handled by the construction grants section with financial assistance by DNRC. Over the next five years the Construction Grant Program will be phased out and replaced with a State Revolving Loan Program.

No major funding issued exist in the current level budget for this program.

One modified budget request relates to this program. Montana has received a \$500,000 grant from the EPA under Section 109 (b) of the Clean Water Act to implement a statewide training program for water and wastewater professionals. This project is being jointly carried out by the Water Quality Bureau and Northern Montana College. While funds for this grant cannot be used for administrative functions, additional federal funds are being made available to the bureau to fund one-half of a coordinator position shared with Northern Montana College.

#### SAFE DRINKING WATER PROGRAM

Montana has had a safe drinking water program since about 1907 when lawmakers initially passed legislation mandating the protection of waters used for domestic purposes.

In addition to administering Montana Laws Regarding Public Water Supply the bureau has been delegated full responsibility of the Federal Safe Drinking Water Act by the Environmental Protection Agency. Sweeping changes made to the SDWA by the Amendments of 1986 will markedly change the scope of the program. Congress has mandated regulation of many more contaminants than are now covered by our program. Until Congress provides funding commensurate with its mandates it will be very difficult for the program to properly handle its responsibilities. It is our intention to prioritize our activities in an effort to maximize public health benefits.

Currently, the program is responsible for over 1900 public water supplies within the state, of which approximately 600 are community systems (cities, towns, subdivisions and trailer courts) and the remainder non-community systems (bars, campgrounds, cafes, and motels). The staff is required to monitor the water served by these supplies to ensure that bacterial, chemical and radiological contents remain within safe limits. Additionally, each public water supply system is inspected

annually and considerable time spent assisting local operators with operational and maintenance problems. Over 750 operators attended seminars sponsored in part by the staff of the Safe Drinking Water Program. All construction and/or modification to public water and sewer systems must be reviewed and approved by proper engineers. The bureau contracts with local health departments to assist in inspection of non-community public supplies.

The state's approach to the provision of safe drinking water has always been, and still is, preventive in nature and has emphasized activities that are designed to prevent problems before they occur. Such activities include; 1. sanitary surveys, 2. operator training and licensing, 3. review of engineering plans and specifications, 4. vulnerability assessments, 5. surface water assessments, 6. technical assistance to operators, 7. cross connection control programs, 8. technical assistance to private well owners and, 9. monitoring of the quality of water delivered to the consumer.

A total of 9.5 FTE are assigned to this program. The program is supported by a combination of federal and general funds in a 75/25 ratio.

Only one funding issue exists with the current level budget for this program. The reduction in the LFA budget of approximately \$27,000 in the contracted services will prevent us from contracting for vulnerability assessment of a number of public water systems and prevent us from having samples collected as a part of that assessment analyzed for contaminants identified in Federal EPA regulations.

During FY88, a budget amendment was approved to allow the expenditure of additional federal funds to implement significant changes in the Federal Safe Drinking Water Act. These changes will impose numerous additional requirements on Montana's public water supply systems. We are proposing to use the available funds to help the regulated communities comply with the additional requirements. Specifically we propose to pay for the collection and analysis of samples for many of the new contaminants listed in EPA regulation. We will also be paying for comprehensive performance evaluations to ensure that communities are getting the most out of their water treatment systems. We would also use the funds to provide additional training and assistance to water system operators throughout the state.

DEPARTMENT OF HEALTH AND ENVIRONMENTAL SCIENCES  
 RENEWABLE RESOURCE INDEMNITY TRUST FUND  
 FISCAL 1986 THRU 1991 ALLOCATIONS

EXHIBIT 2  
 DATE 2-13-89  
 HB \_\_\_\_\_

PROGRAM	FY 1986	FY1987	FY 1988	FY1989	FY1990	FY1991
ENVIR DIV ADMIN	56,769	56,946	60,618	60,630	71,226	71,446
HAZARDOUS WASTE	62,464	62,609	95,522	95,775	119,872	116,370
SMALL QUANTITY HAZ WASTE	33,871	32,295				
SUPERFUND CORE PROGRAM				10,787	12,355	12,355
INDIRECT	19,038	19,028				
UNDERGROUND STORAGE TANK (UST)			57,464	61,853	52,808	53,030
NAT RES LANSUIT (HB-777) BIENNIAL			200,000		200,000	200,000
BN LIVINGSTON BA'S 88-63,89-36			300,000	125,000		
CLARK FORK STUDY					110,903	110,177
SUPERFUND (NON NPL) BIENNIAL APPROP			60,000			
WATER MARKETING (HB 952)	5,000	5,000				
HAZ WASTE SITE (HB-922) BIEN	747,313					
SCOBEY (HB-922) BIENNIAL	15,000					
WATER QUALITY MANAGEMENT					87,237	89,061
WATER POLLUTION CONTROL					85,386	85,386
SAFE DRINKING WATER					123,838	124,079
ASBESTOS					65,169	57,340
HAZ WASTE MINIMIZATION					23,593	22,462
44 RIT (INITIATE CLEAN-UP)					225,956	258,062
CLARK FORK COORDINATOR					39,206	
IUST					68,848	78,962
<b>TOTAL</b>	<b>939,455</b>	<b>175,878</b>	<b>773,604</b>	<b>354,045</b>	<b>1,266,397</b>	<b>1,278,730</b>

REVENUE						
FYE BALANCE			592,739	656,381	1,199,582	1,070,185
6%			405,832	418,623	411,375	434,625
6%			405,832	418,623	411,375	434,625
4%					274,250	289,750
INTEREST			25,582	60,000	60,000	60,000
<b>TOTAL</b>			<b>1,429,585</b>	<b>1,553,627</b>	<b>2,356,582</b>	<b>2,269,185</b>
APPROP			773,604	354,045	1,266,397	1,278,730
BALANCE			656,381	1,199,582	1,070,185	1,010,455

\*\*\* DOES NOT INCLUDE DNRC PROJECTS

EXHIBIT 3  
 DATE 2-13-89  
 HB

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AGENCY: DEPT OF HEALTH & ENVIR SCIENCE      LEGISLATIVE ACTION      PROGRAM: DIVISION ADMINISTRATION

BUDGET ITEM	Fiscal 1990		Fiscal 1991		Difference
	Executive	FTE	Executive	FTE	
Personal Services	\$97,668	2.50	\$97,994	2.50	\$2,000
Operating Expenses	133,019		33,125		10,190
Equipment	0		0		0
Non-Operating	0		0		0
<b>TOTAL EXPENSES</b>	<b>\$230,687</b>		<b>\$131,119</b>		<b>\$12,190</b>
FUNDING					
General Fund	\$65,343		\$65,559	\$0	\$65,559
State Special Rev	165,344		65,560	118,929	(53,369)
Federal Revenue	0		0	0	0
<b>TOTAL FUNDING</b>	<b>\$230,687</b>		<b>\$131,119</b>	<b>\$118,929</b>	<b>\$12,190</b>

FTE      Gen Fund      Total Funds

Issue 1. The executive budget includes a biennial appropriation of \$100,000 to provide spending authority for major facility siting, variance reviews, and environmental impact statements. This authority is not included in the LFA budget.

*Junk Vehicle \$  
 Taken out*

Program: 03 - Environmental Sciences

Control: 92018

Title: Administrative Assistant

The Administrative Assistant modification supports increased workload from federal programs in the Environmental Sciences Department.

	<u>Fiscal 1990</u>	<u>Fiscal 1991</u>
FTE	0.50	0.50
Personal Services	\$ 9,537	\$ 9,543
Operating Expenses	2,228	2,230
Equipment	<u>-0-</u>	<u>-0-</u>
Subtotal	\$11,765	\$11,773
Other	<u>-0-</u>	<u>-0-</u>
Total Expenses	\$11,765	\$11,773
Funding		
General Funds	\$11,765	\$11,773
Other	<u>-0-</u>	<u>-0-</u>
Total Funds	\$11,765	\$11,773

*was Ljh*  
*1/2 RIT*  
*1/2 GF*

LEGISLATIVE ACTION

AGENCY: DEPT OF HEALTH & ENVIR SCIENCE

PROGRAM: AIR QUALITY BUREAU

BUDGET ITEM	FTE	Executive	Fiscal 1990	Difference	Executive	Fiscal 1991	Difference
		18.53	LFA Curr Lvl		18.53	LFA Curr Lvl	
Personal Services		\$563,455	\$551,956	\$11,499	\$564,759	\$553,234	\$11,525
Operating Expenses		375,904	295,414	80,490	371,930	292,747	79,183
Equipment		26,110	26,110	0	26,300	26,300	0
Non-Operating		102,586	98,586	4,000	102,586	98,586	4,000
<b>TOTAL EXPENSES</b>		<b>\$1,068,055</b>	<b>\$972,066</b>	<b>\$95,989</b>	<b>\$1,065,575</b>	<b>\$970,867</b>	<b>\$94,708</b>
		=====	=====	=====	=====	=====	=====
<b>FUNDING</b>							
General Fund		\$364,251	\$323,714	\$40,537	\$364,384	\$323,714	\$40,670
State Special Rev		21,670	21,900	(230)	21,665	21,900	(235)
Federal Revenue		682,134	626,452	55,682	679,526	625,253	54,273
<b>TOTAL FUNDING</b>		<b>\$1,068,055</b>	<b>\$972,066</b>	<b>\$95,989</b>	<b>\$1,065,575</b>	<b>\$970,867</b>	<b>\$94,708</b>
		=====	=====	=====	=====	=====	=====

Issue	FTE	Gen Fund	Total Funds
Issue 1. The executive budget includes \$41,189 in contracted services relating PM-10 studies that are not included in the LFA budget.	0.00	0	41,189
Issue 2. The executive budget includes \$4,932 for field monitoring supplies that is not included in the LFA budget.	0.00	0	4,932
Issue 3. The executive budget includes \$8,000 more grant authority than the LFA budget.	0.00	0	8,000

BUDGET ITEM	FTE	Executive LFA Curr Lvl	Fiscal 1990 LFA Curr Lvl	Difference	Executive LFA Curr Lvl	Fiscal 1991 LFA Curr Lvl	Difference
Personal Services		\$110,138	\$107,891	\$2,247	\$110,419	\$108,165	\$2,254
Operating Expenses		78,321	56,435	21,886	70,891	56,362	14,529
Equipment		4,200	1,010	3,190	0	0	0
<b>TOTAL EXPENSES</b>		<b>\$192,659</b>	<b>\$165,336</b>	<b>\$27,323</b>	<b>\$181,310</b>	<b>\$164,527</b>	<b>\$16,783</b>
<b>FUNDING</b>							
General Fund		\$192,659	\$165,336	\$27,323	\$181,310	\$164,527	\$16,783
<b>TOTAL FUNDING</b>		<b>\$192,659</b>	<b>\$165,336</b>	<b>\$27,323</b>	<b>\$181,310</b>	<b>\$164,527</b>	<b>\$16,783</b>

Issue	FTE	Gen Fund	Total Funds
Issue 1. The executive budget includes \$4,848 more for travel expenses than the LFA budget.	0.00	4,848	4,848
Issue 2. The executive budget includes \$5,500 more for tuition expenses than the LFA budget.	0.00	5,500	5,500
Issue 3. The executive equipment budget includes \$3,190 for field monitoring equipment that is not included in the LFA budget.	0.00	3,190	3,190

Program: 03 - Environmental Sciences

Control: 92050 Title: Asbestos Regulation

The Asbestos Regulation modification is for funds to accredit and regulate asbestos consultants, contractors, and workers.

FTE	<u>1.50</u>	<u>Fiscal 1991</u>	<u>1.50</u>
Personal Services	\$39,410		\$39,435
Operating Expenses	<u>24,259</u>		<u>17,905</u>
Equipment	<u>1,500</u>		<u>-0-</u>
Subtotal	\$65,169		\$57,346
Other	<u>-0-</u>		<u>-0-</u>
Total Expenses	\$65,169		\$57,340
Funding			
General Funds	\$ -0-		\$ -0-
Other	<u>65,169</u>		<u>57,340</u>
Total Funds	\$65,169		\$57,340

BUDGET ITEM	FTE	Executive	Fiscal 1990 LFA Curr Lvl	Difference	Executive	Fiscal 1991 LFA Curr Lvl	Difference
Personal Services	8.00	\$259,325	\$254,032	\$5,293	\$260,085	\$254,777	\$5,308
Operating Expenses		118,004	82,792	35,212	118,511	81,802	36,709
Equipment		9,903	8,562	1,341	0	0	0
Non-Operating		237,500	237,500	0	237,500	237,500	0
<b>TOTAL EXPENSES</b>		<b>\$624,732</b>	<b>\$582,886</b>	<b>\$41,846</b>	<b>\$616,096</b>	<b>\$574,079</b>	<b>\$42,017</b>
FUNDING							
General Fund		\$387,232	\$345,386	\$41,846	\$378,596	\$336,579	\$42,017
State Special Rev		237,500	237,500	0	237,500	237,500	0
<b>TOTAL FUNDING</b>		<b>\$624,732</b>	<b>\$582,886</b>	<b>\$41,846</b>	<b>\$616,096</b>	<b>\$574,079</b>	<b>\$42,017</b>

Issue	FTE	Gen Fund	Total Funds
Issue 1. The executive budget includes \$4,618 more for contracted services than the LFA budget.	0.00	4,618	4,618
Issue 2. The executive budget includes \$2,788 more for supplies than the LFA budget.	0.00	2,788	2,788
Issue 3. The executive budget includes \$2,022 more for communication expenses than the LFA budget.	0.00	2,022	2,022
Issue 4. The executive budget includes \$8,397 more for travel expenses than the LFA budget.	0.00	8,397	8,397
Issue 5. The executive equipment budget includes \$1,341 for computers that the LFA budget.	0.00	1,341	1,341

AGENCY: DEPT OF HEALTH & ENVIR SCIENCE

LEGISLATIVE ACTION

PROGRAM: JUNK VEHICLE

BUDGET ITEM	FTE	Executive	Fiscal 1990 LFA Curr Lvl	Difference	Executive	Fiscal 1991 LFA Curr Lvl	Difference
Personal Services		\$127,242	\$124,645	\$2,597	\$127,634	\$124,834	\$2,800
Operating Expenses		105,549	41,844	63,705	106,020	40,558	65,462
Equipment		0	0	0	0	0	0
Non-Operating		808,608	750,000	58,608	824,538	750,000	74,538
<b>TOTAL EXPENSES</b>		<u>\$1,041,399</u>	<u>\$916,489</u>	<u>\$124,910</u>	<u>\$1,057,992</u>	<u>\$915,392</u>	<u>\$142,600</u>
<b>FUNDING</b>							
State Special Rev		\$1,041,399	\$916,489	\$124,910	\$1,057,992	\$915,392	\$142,600
<b>TOTAL FUNDING</b>		<u>\$1,041,399</u>	<u>\$916,489</u>	<u>\$124,910</u>	<u>\$1,057,992</u>	<u>\$915,392</u>	<u>\$142,600</u>

Issue	FTE	Gen Fund	Total Funds
Issue 1. The executive budget includes \$50,000 for consulting services that is not in the LFA budget.	0.00	0	50,000
Issue 2. The executive budget includes \$57,878 for crushing and transportation costs that is not in the LFA budget.	0.00	0	57,878
Issue 3. The executive budget includes \$133,146 more authority for grants to counties than the LFA budget.	0.00	0	133,146

AGENCY: DEPT OF HEALTH & ENVIR SCIENCE

LEGISLATIVE ACTION

PROGRAM: SUPERFUND

BUDGET ITEM	Fiscal 1990		Fiscal 1991		Difference	Difference
	Executive	LFA Curr Lvl	Executive	LFA Curr Lvl		
FTE	0.00	6.50	0.00	6.50	-6.50	-6.50
Personal Services	\$0	\$168,675	\$0	\$168,675	(\$168,675)	(\$168,675)
Operating Expenses	0	3,534,592	0	3,534,216	(3,534,592)	(3,534,216)
Equipment	0	22,756	0	22,756	(22,756)	(22,756)
<b>TOTAL EXPENSES</b>	<b>\$0</b>	<b>\$3,726,023</b>	<b>\$0</b>	<b>\$3,725,647</b>	<b>(\$3,726,023)</b>	<b>(\$3,725,647)</b>
<b>FUNDING</b>						
State Special Rev	\$0	\$0	\$0	\$0	\$0	\$0
Federal Revenue	0	3,726,023	0	3,725,647	(3,726,023)	(3,725,647)
<b>TOTAL FUNDING</b>	<b>\$0</b>	<b>\$3,726,023</b>	<b>\$0</b>	<b>\$3,725,647</b>	<b>(\$3,726,023)</b>	<b>(\$3,725,647)</b>

The LFA budget includes a current level Superfund program. The executive budget presents the entire Superfund program as a modified.

Program: 04 - Solid/Hazardous Waste

Control: 92036

Title: Superfund Remedial Studies

	<u>Fiscal 1990</u>	<u>Fiscal 1991</u>
FTE	8.50	8.50
Personal Services	\$ 227,398	\$ 227,793
Operating Expenses	5,743,412	5,743,017
Equipment	<u>29,190</u>	<u>29,190</u>
Subtotal	\$6,000,000	\$6,000,000
Other	<u>-0-</u>	<u>-0-</u>
Total Expenses	\$6,000,000	\$6,000,000
Funding		
General Funds	\$ -0-	\$ -0-
Other	<u>6,000,000</u>	<u>6,000,000</u>
Total Funds	\$6,000,000	\$6,000,000



MONTANA DEPARTMENT OF HEALTH AND ENVIRONMENTAL SCIENCES

Renewable Resources Trust Fund (MCA 15-38-202)

- \$175,000 ENVIRONMENTAL CONTINGENCY ACCOUNT (75-1-1101)
- 30% WATER DEVELOPMENT (85-1-604)
- 12% HAZARDOUS WASTE/CERCLA ACCOUNT (75-10-621)
- 8% RENEWABLE RESOURCE DEVELOP (TITLE 90 CH 2)
- 46% RECLAMATION/DEVELOP GRANT (90-2-1104)
- 4% ENV QUAL PROTECT FUND (75-10-704)

100%

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DEPARTMENT OF HEALTH 12% (MCA 75-10-621)

- 6% CERCLA MATCH DEBT SERVICE ACCOUNT (PRINCIPAL, INTEREST AND PREMIUM PAYMENTS) ON CERCLA BONDS

\$200,000 NATURAL RESOURCES LAWSUIT 1990 BIENNIUM.

- 6% NOT MORE THAN 6% OF THE INTEREST INCOME RECEIVED FOR ANY BIENNIUM MAY BE APPROPRIATED ON A BIENNIUM BASIS FOR:

- A. TO MATCH FEDERAL FUNDS FOR:
  - 1. MONTANA HAZARDOUS WASTE ACT
  - 2. UNDERGROUND STORAGE TANK
- B. REMEDIAL ACTION UNDER CERCLA (STATE ASSISTANCE)
- C. EXPENSES FOR ENVIRONMENTAL SCIENCES DIVISION, ADMINISTRATION IN AND OVERSEEING TITLE 75 CHAPTER 10 PARTS 4 AND 6.
- D. STATE EXPENSES RELATING TO INVESTIGATION AND REMEDIAL ACTION FOR ANY HAZARDOUS SUBSTANCE DEFINED IN 75-10-602.
- E. STATE EXPENSES ASSOCIATED WITH NON NPL SITES \$60,000 FOR THE 1990 BIENNIUM.

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LEFT OVER FUNDS FROM 12% ALLOCATION

- 1. REMEDIAL ACTION UNDER SECTION 104 OF CERCLA
- 2. STATE COSTS FOR MAINTENANCE OF SITES AT WHICH REMEDIAL ACTION UNDER CERCLA HAS BEEN COMPLETED.
- 3. STATE SHARE TO OBTAIN MATCHING FEDERAL FUNDS FOR UNDERGROUND STORAGE TANK CORRECTIVE ACTION.

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BEGINNING IN FY 1990 4% RIT FOR ENVIRONMENTAL QUALITY PROTECTION FUND

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Program: 05 - Water Quality

Control: 92038

Title: Amend Safe Drinking Water

	<u>Fiscal 1990</u>	<u>Fiscal 1991</u>
FTE	-0-	-0-
Personal Services	\$ -0-	\$ -0-
Operating Expenses	176,963	177,523
Equipment	<u>16,970</u>	<u>2,410</u>
Subtotal	\$193,933	\$179,933
Other	<u>8,000</u>	<u>22,000</u>
Total Expenses	\$201,933	\$201,933
Funding		
General Funds	\$ -0-	\$ -0-
Other	<u>201,933</u>	<u>201,933</u>
Total Funds	\$201,933	\$201,933

AGENCY: DEPT OF HEALTH & ENVIR SCIENCE

LEGISLATIVE ACTION

PROGRAM: SAFE DRINKING WATER

BUDGET ITEM	Fiscal 1990		Fiscal 1991		Difference
	Executive	LFA Curr Lvl	Executive	LFA Curr Lvl	
FTE	9.50	9.50	9.50	9.50	0.00
Personal Services	\$289,859	\$283,943	\$290,348	\$284,422	\$5,926
Operating Expenses	176,437	123,376	176,999	122,174	54,825
Equipment	0	0	0	0	0
Non-Operating	28,970	28,970	28,970	28,970	0
<b>TOTAL EXPENSES</b>	<b>\$495,266</b>	<b>\$436,289</b>	<b>\$496,317</b>	<b>\$435,566</b>	<b>\$60,751</b>
FUNDING					
General Fund	\$0	\$109,072	\$0	\$108,891	(\$108,891)
State Special Rev	123,838	0	124,079	0	124,079
Federal Revenue	371,428	327,217	372,238	326,675	45,563
<b>TOTAL FUNDING</b>	<b>\$495,266</b>	<b>\$436,289</b>	<b>\$496,317</b>	<b>\$435,566</b>	<b>\$60,751</b>

FTE	Gen Fund	Total Funds
0.00	14,000	56,000

Issue 1. The executive budget includes \$56,000 for consulting services that is not included in the LFA budget.

Issue 2. The executive funds the state match portion of this program with RIT funds while the LFA uses general fund.

AGENCY: DEPT OF HEALTH & ENVIR SCIENCE

LEGISLATIVE ACTION

PROGRAM: SUBDIVISIONS

BUDGET ITEM	FTE	Executive	Fiscal 1990	Difference	Executive	Fiscal 1991	Difference
		LFA Curr Lvl	LFA Curr Lvl		LFA Curr Lvl	LFA Curr Lvl	
Personal Services		\$93,757	\$90,806	\$2,951	\$94,226	\$91,265	\$2,961
Operating Expenses		44,208	32,909	11,299	44,838	32,765	12,073
Non-Operating		45,000	45,000	0	45,000	45,000	0
<b>TOTAL EXPENSES</b>		<u>\$182,965</u>	<u>\$168,715</u>	<u>\$14,250</u>	<u>\$184,064</u>	<u>\$169,030</u>	<u>\$15,034</u>
General Fund		\$137,965	\$123,715	\$14,250	\$139,064	\$124,030	\$15,034
State Special Rev		45,000	45,000	0	45,000	45,000	0
<b>TOTAL FUNDING</b>		<u>\$182,965</u>	<u>\$168,715</u>	<u>\$14,250</u>	<u>\$184,064</u>	<u>\$169,030</u>	<u>\$15,034</u>

FUNDING

LEGISLATIVE ACTION

AGENCY: DEPT OF HEALTH & ENVIR SCIENCE

PROGRAM: WASTEWATER OPERATORS

BUDGET ITEM	FTE	Executive	Fiscal 1990	Difference	Executive	Fiscal 1991	Difference
		LFA Curr Lvl	LFA Curr Lvl		LFA Curr Lvl	LFA Curr Lvl	
Personal Services		\$23,752	\$24,235	(\$483)	\$23,768	\$24,251	(\$483)
Operating Expenses		17,708	15,450	2,258	17,663	15,261	2,402
Equipment	0	0	0	0	0	0	0
<b>TOTAL EXPENSES</b>		<u>\$41,460</u>	<u>\$39,685</u>	<u>\$1,775</u>	<u>\$41,431</u>	<u>\$39,512</u>	<u>\$1,919</u>
FUNDING							
State Special Rev		\$41,460	\$39,685	\$1,775	\$41,431	\$39,512	\$1,919
Federal Revenue	0	0	0	0	0	0	0
<b>TOTAL FUNDING</b>		<u>\$41,460</u>	<u>\$39,685</u>	<u>\$1,775</u>	<u>\$41,431</u>	<u>\$39,512</u>	<u>\$1,919</u>

Program: 05 - Water Quality

Control: 92054

Title: Groundwater Pollution

	<u>Fiscal 1990</u>	<u>Fiscal 1991</u>
FTE	1.00	1.00
Personal Services	\$29,872	\$29,892
Operating Expenses	6,980	6,985
Equipment	<u>-0-</u>	<u>-0-</u>
Subtotal	\$36,852	\$36,877
Other	<u>-0-</u>	<u>-0-</u>
Total Expenses	\$36,852	\$36,877
Funding		
General Funds	\$ -0-	\$ -0-
Other	<u>36,852</u>	<u>36,877</u>
Total Funds	\$36,852	\$36,877

LEGISLATIVE ACTION

AGENCY: DEPT OF HEALTH & ENVIR SCIENCE

PROGRAM: GROUNDWATER

BUDGET ITEM	Executive	Fiscal 1990	Difference	Executive	Fiscal 1991	Difference
	Lvl	Lvl		Lvl	Lvl	
FTE	1.00	1.00	0.00	1.00	1.00	0.00
Personal Services	\$31,289	\$30,651	\$638	\$31,306	\$30,667	\$639
Operating Expenses	37,768	33,143	4,625	37,622	33,163	4,459
Equipment	0	0	0	0	0	0
<b>TOTAL EXPENSES</b>	<b>\$69,057</b>	<b>\$63,794</b>	<b>\$5,263</b>	<b>\$68,928</b>	<b>\$63,830</b>	<b>\$5,098</b>
<b>FUNDING</b>						
Federal Revenue	\$69,057	\$63,794	\$5,263	\$68,928	\$63,830	\$5,098
<b>TOTAL FUNDING</b>	<b>\$69,057</b>	<b>\$63,794</b>	<b>\$5,263</b>	<b>\$68,928</b>	<b>\$63,830</b>	<b>\$5,098</b>

FTE	Gen Fund	Total Funds
0.00	0	5,000

Issue 1. The executive budget includes \$5,000 for consulting services that is not included in the LFA budget.

Program: 05 - Water Quality

Control: 92045

Title: Training Facility Grant 109B

	<u>Fiscal 1990</u>	<u>Fiscal 1991</u>
FTE	0.50	0.50
Personal Services	\$12,356	\$12,364
Operating Expenses	9,559	8,639
Equipment	<u>-0-</u>	<u>-0-</u>
Subtotal	\$21,915	\$21,003
Other	<u>-0-</u>	<u>-0-</u>
Total Expenses	\$21,915	\$21,003
Funding		
General Funds	\$ -0-	\$ -0-
Other	<u>21,915</u>	<u>21,003</u>
Total Funds	\$21,915	\$21,003

AGENCY: DEPT OF HEALTH & ENVIR SCIENCE

PROGRAM: CONSTRUCTION GRANTS

BUDGET ITEM	Fiscal 1990		Fiscal 1991		Difference
	Executive	LFA Curr Lvl	Executive	LFA Curr Lvl	
FTE	8.30	8.30	8.30	8.30	0.00
Personal Services	\$233,434	\$228,670	\$233,935	\$229,161	\$4,774
Operating Expenses	104,430	84,637	105,181	84,064	21,117
Equipment	2,900	1,765	3,200	3,200	0
Non-Operating	150,000	150,000	150,000	150,000	0
<b>TOTAL EXPENSES</b>	<b>\$490,764</b>	<b>\$465,072</b>	<b>\$492,316</b>	<b>\$466,425</b>	<b>\$25,891</b>
<b>FUNDING</b>					
Federal Revenue	\$490,764	\$465,072	\$492,316	\$466,425	\$25,891
<b>TOTAL FUNDING</b>	<b>\$490,764</b>	<b>\$465,072</b>	<b>\$492,316</b>	<b>\$466,425</b>	<b>\$25,891</b>

FTE	Gen Fund	Total Funds
0.00	0	1,135

Issue 1. The executive budget includes \$1,135 for computer software that is not in the LFA budget.

BUDGET ITEM	Executive	Fiscal 1990 LFA Curr Lvl	Difference	Executive	Fiscal 1991 LFA Curr Lvl	Difference
FTE	3.50	3.50	0.00	3.50	3.50	0.00
Personal Services	\$122,717	\$120,212	\$2,505	\$122,852	\$120,345	\$2,507
Operating Expenses	57,937	43,384	14,553	55,059	39,896	15,163
Equipment	2,000	2,000	0	2,000	2,000	0
<b>TOTAL EXPENSES</b>	<b>\$182,654</b>	<b>\$165,596</b>	<b>\$17,058</b>	<b>\$179,911</b>	<b>\$162,241</b>	<b>\$17,670</b>
<b>FUNDING</b>						
Federal Revenue	\$182,654	\$165,596	\$17,058	\$179,911	\$162,241	\$17,670
<b>TOTAL FUNDING</b>	<b>\$182,654</b>	<b>\$165,596</b>	<b>\$17,058</b>	<b>\$179,911</b>	<b>\$162,241</b>	<b>\$17,670</b>

FTE	Gen Fund	Total Funds
0.00	0	8,109

Issue 1. The executive budget includes \$8,109 more for contracted services than the LFA budget.

Program: 05 - Water Pollution Control

Control: Title: Comprehensive Pollution Studies  
Clark Fork River/Lake Pend Oreille

	<u>Fiscal 1990</u>	<u>Fiscal 1991</u>
FTE		
Personal Services	\$ -0-	\$ -0-
Operating Expenses	85,000	85,000
Equipment	<u>-0-</u>	<u>-0-</u>
Subtotal	\$85,000	\$85,000
Other	<u>-0-</u>	<u>-0-</u>
Total Expenses	\$85,000	\$85,000
Funding		
General Funds	\$ -0-	\$ -0-
Other	<u>85,000</u>	<u>85,000</u>
Total Funds	\$85,000	\$85,000

AGENCY: DEPT OF HEALTH & ENVIR SCIENCE

PROGRAM: WATER POLLUTION CONTROL

BUDGET ITEM	Executive	Fiscal 1990 LFA Curr Lvl	Difference	Executive	Fiscal 1991 LFA Curr Lvl	Difference
FTE	8.30	8.30	0.00	8.30	8.30	0.00
Personal Services	\$251,267	\$246,139	\$5,128	\$251,552	\$246,419	\$5,133
Operating Expenses	163,714	134,677	29,037	166,066	133,215	32,851
Equipment	1,350	1,350	0	0	0	0
<b>TOTAL EXPENSES</b>	<b>\$416,331</b>	<b>\$382,166</b>	<b>\$34,165</b>	<b>\$417,618</b>	<b>\$379,634</b>	<b>\$37,984</b>
FUNDING						
General Fund	\$0	\$85,386	(\$85,386)	\$0	\$85,386	(\$85,386)
State Special Rev	85,386	0	85,386	85,386	0	85,386
Federal Revenue	330,945	296,780	34,165	332,232	294,248	37,984
<b>TOTAL FUNDING</b>	<b>\$416,331</b>	<b>\$382,166</b>	<b>\$34,165</b>	<b>\$417,618</b>	<b>\$379,634</b>	<b>\$37,984</b>

FTE	Gen Fund	Total Funds
0.00	0	10,505
0.00	0	5,514

Issue 1. The executive budget includes \$10,505 more contracted services than the LFA.

Issue 2. The executive budget includes \$5,514 more for travel than the LFA.

Issue 3. The executive budget uses RIT funds for the state share of the funding for this program, while the LFA uses general fund.

Program: 05 - Water Quality

Control: 92037

Title: Non-Point Source Pollution

	<u>Fiscal 1990</u>	<u>Fiscal 1991</u>
FTE	2.00	2.00
Personal Services	\$50,821	\$50,846
Operating Expenses	48,142	48,116
Equipment	<u>-0-</u>	<u>-0-</u>
Subtotal	\$98,963	\$98,962
Other	<u>-0-</u>	<u>-0-</u>
Total Expenses	\$98,963	\$98,962
Funding		
General Funds	\$ -0-	\$ -0-
Other	<u>98,963</u>	<u>98,962</u>
Total Funds	\$98,963	\$98,962

Program: 05 - Water Quality

Control: 92031

Title: Clark Fork Coordination

	<u>Fiscal 1990</u>	<u>Fiscal 1991</u>
FTE	-0-	-0-
Personal Services	\$ -0-	\$ -0-
Operating Expenses	39,206	-0-
Equipment	-0-	-0-
Subtotal	\$39,206	\$ -0-
Other	-0-	-0-
Total Expenses	\$39,206	\$ -0-
Funding		
General Funds	\$ -0-	\$ -0-
Other	<u>39,206</u>	<u>-0-</u>
Total Funds	\$39,206	\$ -0-

Program:- 05 - Water Quality

Control: 92030

Title: Clark Fork Monitoring

	<u>Fiscal 1990</u>	<u>Fiscal 1991</u>
FTE	1.00	1.00
Personal Services	\$ 32,191	\$ 32,209
Operating Expenses	78,712	77,968
Equipment	<u>-0-</u>	<u>-0-</u>
Subtotal	\$110,903	\$110,171
Other	<u>-0-</u>	<u>-0-</u>
Total Expenses	\$110,903	\$110,177
Funding		
General Funds	\$ -0-	\$ -0-
Other	<u>110,903</u>	<u>110,177</u>
Total Funds	\$110,903	\$110,177

Program: 05 - Water Quality

Control: 92019

Title: Gold Maple Mine Monitoring

	<u>Fiscal 1990</u>	<u>Fiscal 1991</u>
FTE	-0-	-0-
Personal Services	\$ -0-	\$ -0-
Operating Expenses	28,800	-0-
Equipment	<u>28,800</u>	<u>-0-</u>
Subtotal	\$28,800	\$ -0-
Other	<u>-0-</u>	<u>-0-</u>
Total Expenses	\$28,800	\$ -0-
Funding		
General Funds	\$ -0-	\$ -0-
Other	<u>28,800</u>	<u>-0-</u>
Total Funds	\$28,800	\$ -0-

AGENCY: DEPT OF HEALTH & ENVIR SCIENCE

LEGISLATIVE ACTION

PROGRAM: WATER QUALITY MANAGEMENT

BUDGET ITEM	Executive	Fiscal 1990	Difference	Executive	Fiscal 1991	Difference
	LFA Curr Lvl	LFA Curr Lvl		LFA Curr Lvl	LFA Curr Lvl	
FTE	4.85	4.85	0.00	4.85	4.85	0.00
Personal Services	\$134,656	\$132,006	\$2,650	\$134,728	\$132,077	\$2,651
Operating Expenses	164,702	152,683	12,019	166,461	153,618	12,843
Equipment	2,000	2,000	0	2,000	2,000	0
Non-Operating	0	0	0	0	0	0
<b>TOTAL EXPENSES</b>	<b>\$301,358</b>	<b>\$286,689</b>	<b>\$14,669</b>	<b>\$303,189</b>	<b>\$287,695</b>	<b>\$15,494</b>
<b>FUNDING</b>						
General Fund	\$0	\$71,608	(\$71,608)	\$0	\$72,574	(\$72,574)
State Special Rev	87,237	0	87,237	89,061	0	89,061
Federal Revenue	214,121	215,081	(960)	214,128	215,121	(993)
<b>TOTAL FUNDING</b>	<b>\$301,358</b>	<b>\$286,689</b>	<b>\$14,669</b>	<b>\$303,189</b>	<b>\$287,695</b>	<b>\$15,494</b>

Issue 1. The executive budget uses RIT funds to provide the non-federal portion of the funding for this program, while the LFA uses general fund.

AGENCY: DEPT OF HEALTH & ENVIR SCIENCE

LEGISLATIVE ACTION

PROGRAM: SOLID WASTE BUREAU

BUDGET ITEM	FTE	Executive	Fiscal 1990	LFA Curr Lvl	Difference	Executive	Fiscal 1991	LFA Curr Lvl	Difference
Personal Services		\$58,713	\$57,515	\$1,198	\$58,824	\$57,623	\$1,201		
Operating Expenses		56,348	27,631	28,717	55,754	27,015	28,739		
Equipment		1,620	1,620	0	0	0	0		
<b>TOTAL EXPENSES</b>		<b>\$116,681</b>	<b>\$86,766</b>	<b>\$29,915</b>	<b>\$114,578</b>	<b>\$84,638</b>	<b>\$29,940</b>		
<b>FUNDING</b>									
General Fund		\$116,681	\$86,766	\$29,915	114,578	\$84,638	ERR		
State Special Rev		0	0	0	0	0	114,578		
Federal Revenue		0	0	0	0	0	0		
<b>TOTAL FUNDING</b>		<b>\$116,681</b>	<b>\$86,766</b>	<b>\$29,915</b>	<b>\$114,578</b>	<b>\$84,638</b>	<b>\$29,940</b>		

FTE	Gen Fund	Total Funds
0.00	46,014	46,014

Issue 1. The executive budget includes \$46,017 in contracted services that is included in the LFA budget.

Program: 04 - Solid/Hazardous Waste

Control: 92033 Title: Leaking Underground Storage Tanks

The LUST (Leaking Underground Storage Tanks) modification funds the corrective action segment of the program.

	<u>Fiscal 1990</u>	<u>Fiscal 1991</u>
FTE	4.50	4.50
Personal Services	\$119,041	\$146,652
Operating Expenses	546,941	624,173
Equipment	<u>22,500</u>	<u>18,795</u>
Subtotal	\$688,482	\$789,620
Other	<u>-0-</u>	<u>-0-</u>
Total Expenses	\$688,482	\$789,620
Funding		
General Funds	\$ -0-	\$ -0-
Other	<u>688,482</u>	<u>789,620</u>
Total Funds	\$688,482	\$789,620

LEGISLATIVE ACTION

AGENCY: DEPT OF HEALTH & ENVIR SCIENCE

PROGRAM: UNDERGROUND STORAGE TANKS

BUDGET ITEM	Fiscal 1990 Executive	Fiscal 1990 LFA Curr Lvl	Difference	Fiscal 1991 Executive	Fiscal 1991 LFA Curr Lvl	Difference
FYE	4.50	4.50	0.00	4.50	4.50	0.00
Personal Services	\$119,239	\$116,819	\$2,420	\$119,388	\$116,819	\$2,569
Operating Expenses	91,992	50,050	41,942	92,730	49,790	42,940
Equipment	0	0	0	0	0	0
TOTAL EXPENSES	\$211,231	\$166,869	\$44,362	\$212,118	\$166,609	\$45,509
FUNDING	\$52,808	\$41,717	\$11,091	\$53,030	\$41,625	\$11,405
State Special Rev	158,423	125,152	33,271	159,088	125,284	33,804
Federal Revenue	\$211,231	\$166,869	\$44,362	\$212,118	\$166,909	\$45,209
TOTAL FUNDING						

Issue	FTE	Gen Fund	Total Funds
Issue 1. The executive budget includes \$30,782 more in contracted services than the LFA budget.	0.00	0	30,782
Issue 2. The executive budget includes \$7,082 more for supplies than the LFA budget.	0.00	0	7,082
Issue 3. The executive budget includes \$8,836 more for communication expenses than the LFA budget.	0.00	0	8,836
Issue 4. The executive budget includes \$10,124 more for travel expenses than the LFA budget.	0.00	0	10,124

Program: 04 - Solid/Hazardous Waste

Control: 92035

Title: Hazardous Waste Minimization

The Hazardous Waste Minimization modification is a request to continue the Hazardous Waste Minimization Program created by House Bill 6 during the fiscal 1987 legislature.

	<u>Fiscal 1990</u>	<u>Fiscal 1991</u>
FTE	2.00	2.00
Personal Services	\$50,821	\$59,935
Operating Expenses	39,134	38,915
Equipment	<u>4,417</u>	<u>-0-</u>
Subtotal	\$94,372	\$89,850
Other	<u>-0-</u>	<u>-0-</u>
Total Expenses	\$94,372	\$89,850
Funding		
General Funds	\$ -0-	\$ -0-
Other	<u>94,372</u>	<u>89,850</u>
Total Funds	\$94,372	\$89,850

LEGISLATIVE ACTION

AGENCY: DEPT OF HEALTH & ENVIR SCIENCE

PROGRAM: HAZARDOUS WASTE

BUDGET ITEM	Executive	Fiscal 1990	Difference	Executive	Fiscal 1991	Difference
	LFA Curr Lvl	LFA Curr Lvl		LFA Curr Lvl	LFA Curr Lvl	
FTE	8.82	8.82	0.00	8.82	8.82	0.00
Personal Services	\$247,262	\$242,216	\$5,046	\$247,802	\$242,745	\$5,057
Operating Expenses	170,325	129,934	40,391	177,078	128,851	48,227
Equipment	25,900	2,383	23,517	4,600	2,383	2,217
<b>TOTAL EXPENSES</b>	<b>\$443,487</b>	<b>\$374,533</b>	<b>\$68,954</b>	<b>\$429,480</b>	<b>\$373,979</b>	<b>\$55,501</b>
State Special Rev	\$119,872	\$92,230	\$27,642	\$116,370	\$92,133	\$24,237
Federal Revenue	323,615	282,303	41,312	313,110	281,846	31,264
<b>TOTAL FUNDING</b>	<b>\$443,487</b>	<b>\$374,533</b>	<b>\$68,954</b>	<b>\$429,480</b>	<b>\$373,979</b>	<b>\$55,501</b>

	FTE	Gen Fund	Total Funds
Issue 1. The executive budget includes \$18,878 more in consultant services than the LFA budget.	0.00	0	18,887
Issue 2. The executive budget includes \$24,000 for a contract with the Department of Military Affairs that is not in the LFA budget.	0.00	0	24,000
Issue 3. The executive budget includes \$7,938 more for laboratory testing than is in the LFA budget.	0.00	0	7,938
Issue 4. The executive budget includes 20,400 for a van that is not in the LFA budget.	0.00	0	20,400
Issue 5. The executive budget includes \$5,334 more for office equipment than the LFA budget.	0.00	0	5,334

Program: 04 - Solid/Hazardous Waste

Control: 92020 Title: Initiate Clean-up

The Initiate Clean-up modification provides 4 percent RIT funds beginning in fiscal 1990 to implement the Environmental Quality Protection Act.

	<u>Fiscal 1990</u>	<u>Fiscal 1991</u>
FTE	1.50	1.50
Personal Services	\$ 38,326	\$ 38,423
Operating Expenses	184,130	219,639
Equipment	<u>3,500</u>	<u>-0-</u>
Subtotal	\$225,956	\$258,062
Other	<u>-0-</u>	<u>-0-</u>
Total Expenses	\$225,956	\$258,062
Funding		
General Funds	\$ -0-	\$ -0-
Other	<u>225,956</u>	<u>258,062</u>
Total Funds	\$225,950	\$258,062

Program: 04 - Solid/Hazardous Waste

Control: 92034

Title: Superfund Core

The Superfund Core modification is a request to fund the Superfund Core Agreement by the Environmental Protection Agency providing funding for the administrative development of the state superfund program.

FTE	<u>5.50</u>	<u>Fiscal 1991</u>	5.50
Personal Services	\$141,651		\$141,945
Operating Expenses	90,450		90,150
Equipment	<u>15,000</u>		<u>15,000</u>
Subtotal	\$247,101		\$247,095
Other	<u>-0-</u>		<u>-0-</u>
Total Expenses	\$247,101		\$247,095
Funding			
General Funds	\$ -0-		\$ -0-
Other	<u>247,101</u>		<u>247,095</u>
Total Funds	\$247,101		\$247,095

EXHIBIT 6  
DATE 2-13-89  
HB \_\_\_\_\_

**MOTOR VEHICLE RECYCLING AND DISPOSAL PROGRAM**  
**PROGRESS AND FINANCIAL REPORT**

**SUBMITTED TO THE MONTANA FIFTY-FIRST LEGISLATURE - 1989**

**BY THE**

**MONTANA DEPARTMENT OF HEALTH AND ENVIRONMENTAL SCIENCES**  
**ENVIRONMENTAL SCIENCES DIVISION**  
**SOLID & HAZARDOUS WASTE BUREAU**  
**HELENA, MONTANA**

**Motor Vehicle Recycling and Disposal Program  
Legislative Report - December 31, 1988**

**MONTANA DEPARTMENT OF HEALTH AND ENVIRONMENTAL SCIENCES  
SOLID & HAZARDOUS WASTE BUREAU**

**Program Description**

In 1973 the Montana Legislature passed the Montana Motor Vehicle Recycling and Disposal Act, commonly referred to as the state junk vehicle law. The law and regulations adopted pursuant to it serve to improve the aesthetics of Montana and promote recycling by requiring all junk vehicles to be screened from public view and all motor vehicle wrecking facilities to be screened and licensed.

The law also provides for the establishment and funding of county junk vehicle programs. Through these 56 programs, unwanted junk vehicles may be removed at no charge to the owner. Vehicles collected by the county programs are stored in a facility and recycled by the state through car crushing contracts.

The Solid and Hazardous Waste Bureau of the Montana Department of Health and Environmental Sciences administers the junk vehicle law. Both state and county junk vehicle program officials enforce it.

The Junk Vehicle Program is the only statewide resource recovery program in Montana. Over 120,000 junk vehicles have been collected and recycled through the program. This recycling effort translates into a significant energy savings and a large reduction in mining wastes and air and water pollution over the economic and environmental costs of producing steel from primary materials.

After fifteen program years, Montana counties are still collecting an average of between 7,000 to 8,000 junk vehicles each year that otherwise might not enter the recycling stream. Additionally, thousands more are screened from view or removed through private wrecking facilities as a result of enforcement of the junk vehicle law.

**Fiscal Statement**

Section 75-10-533 MCA of the state junk vehicle law requires the Department to prepare the following report for each Legislature. This review provides the legislature with an overview of the program's fiscal and operational status.

The fund has two basic expenditure items: grants to counties to operate local junk vehicle collection and recycling programs and DHES expenditures for

administration. Program costs on both the county and state level have increased to a point whereby expenditures have exceeded revenues for six of the past seven fiscal years.

The program has two major revenue sources. The largest comes from earmarked fees charged for motor vehicle license re-registration and title transfers. At the current fee level of 50 cents for re-registration and \$1.50 for title transfers, approximately \$600,000 is generated annually.

Revenue from the sale of junk vehicles recycled through the program is the second greatest source of funding and averages approximately \$50,000 annually. This figure varies considerably in the short term depending on the strength of the scrap market and the tonnage of vehicles available for recycling. Revenue from junk vehicle recycling projects has fluctuated between a high of \$248,000 in FY81 to a low of \$18,000 during the steel market collapse of FY83.

At current motor vehicle fee levels the program cannot continue without significant reduction in service and productivity. The present fee schedule has been in effect since FY1976. During the first two years of the program (FY74-75) the registration fee was lowered from its initial \$1.00 level to 50 cents and the title transfer fee was lowered from \$4.00 to \$1.50. These legislative adjustments were made to better balance the program's revenue with its expenses.

The funding surplus which was produced during the early years of the program has been used to offset the revenue short fall and has been steadily decreasing since FY1982. A substantial decrease occurred to this surplus in FY87 when \$500,000 was transferred by the legislature to the general fund.

Over the life of the program increased operating costs have naturally occurred in all areas of the program. The grant expenditures to counties alone has increased 69% from FY76 through FY88.

Legislation has been proposed for introduction into this session to increase the vehicle re-registration fee from 50 cents to \$1.10. Without this fee increase both the state and county junk vehicle program will have to be reduced significantly. It is felt this fee increase will stabilize the funding for the Junk Vehicle Program.

To illustrate the program's projected fiscal status for FY90-91 budgetary figures have been developed to compare the affect of the current level of expenditures with the present and proposed levels of revenues.

JUNK VEHICLE DISPOSAL PROGRAM

ACTUAL & ESTIMATED OPERATING STATEMENT

DATE: 1 JULY 1986 - 30 JUNE 1991

ACTUAL OPERATING STATEMENT

Fund Balance: July 1, 1986.....\$1,437,904

Fiscal Year 1987

Expenditures:

Administrative Costs.....	\$	148,402	
Env. Sciences Division.....		55,966	
County Programs.....		774,450	
Legislative Transfer to General Fund..		500,000	
Underground Storage Tanks Match.....		20,218	
Prior Year Adjustments.....		(114,488)	
Total Expenditures.....	\$	1,384,548	

Revenues:

Wrecking Yard License Fees.....	\$	10,737	
\$1.50 Title Transfer Fees.....		268,682	
\$.50 Registration Fees.....		347,045	
Sale of Junked Vehicles.....		29,034	
Prior Year Adjustments.....		65,634	
Total Revenues.....		\$721,132	

Fund Balance: July 1, 1987.....\$ 774,488

Fiscal Year 1988

Expenditures:

Administrative Costs.....	\$	167,362	
Env. Sciences Division.....		60,467	
County Programs.....		747,439	
Prior Year Adjustments.....		(82,751)	
Total Expenditures.....		\$892,517	

Revenues:

Wrecking Yard License Fees.....	\$ 11,050
\$1.50 Title Transfer Fees.....	264,652
\$.50 Registration Fees.....	367,763
Sale of Junked Vehicles.....	98,440
Total Revenues.....	\$741,905

Fund Balance: July 1, 1988.....\$ 623,876

**ESTIMATED OPERATING STATEMENT**

Fiscal Year 1989

Budgeted Expenditures:

Administrative Costs.....	\$177,750
Env. Sciences Division.....	60,631
County Programs.....	776,906
Total Expenditures.....	\$1,015,287

Anticipated Revenues:

Wrecking Yard License Fees.....	\$ 11,050
\$1.50 Title Transfer Fees.....	266,530
\$.50 Registration Fees.....	372,029
Sale of Junked Vehicles.....	186,402
Total Revenues.....	\$ 836,011

Fund Balance: July 1, 1989.....\$ 444,600

Fiscal Year 1990

Budgeted Expenditures:

Administrative Costs.....	\$232,791
Solid Waste Program.....	116,681
Env. Sciences Division.....	71,230
County Programs.....	808,608
Total Expenditures.....	\$1,229,310

Anticipated Revenues with fee increase:

Wrecking Yard License Fees.....	\$ 11,100
\$1.50 Title Transfer Fees.....	268,423
\$1.10 Registration Fees.....	827,958
Sale of Junked Vehicles.....	50,000
Total Revenues.....	\$1,157,481

Anticipated Revenues without fee increase:

Wrecking Yard License Fees.....	\$ 11,100
\$1.50 Title Transfer Fees.....	268,423
\$.50 Registration Fees.....	376,345
Sale of Junked Vehicles.....	50,000
Total Revenues.....	\$705,868

Fund Balance: July 1, 1990.....(with fee increase).....\$ 372,771

Fund Balance: July 1, 1990.....(without fee increase).....\$ (78,842)

Fiscal Year 1991

Budgeted Expenditures:

Administrative Costs.....	\$ 233,454
Solid Waste Program.....	114,578
Env. Sciences Division.....	71,446
County Programs.....	824,538
Total Expenditures.....	\$1,244,016

Anticipated Revenues with fee increase:

Wrecking Yard License Fees.....	\$ 11,150
\$1.50 Title Transfer Fees.....	270,329
\$1.10 Registration Fees.....	837,563
Sale of Junked Vehicles.....	50,000
Total Revenues.....	\$1,169,042

Anticipated Revenues without fee increase:

Wrecking Yard License Fees.....	\$ 11,150
\$1.50 Title Transfer Fees.....	270,329
\$.50 Registration Fees.....	380,710
Sale of Junked Vehicles.....	50,000
Total Revenues.....	\$ 712,189

Fund Balance: July 1, 1991.....(with fee increase).....\$ 297,797

Fund Balance: July 1, 1991.....(without fee increase).....\$ (610,669)

VISITORS' REGISTER

Human Svcs COMMITTEE

BILL NO. \_\_\_\_\_

DATE 2-13-89

SPONSOR \_\_\_\_\_

NAME (please print)	RESIDENCE	SUPPORT	OPPOSE
Ray Hoffman	DHES	✓	
Larry Lloyd	DHES	✓	
Norm Bakke	DHES	✓	
STEVE PILCHER	DHES	✓	
Vic R. Andersen	DHES	✓	
Adrian Howe	DHES	✓	
James M. Peterson	DHES	✓	
Jeff Chaffee	DHES	✓	
Diane Ashton	DHES	✓	
Roger Thorsen	"	✓	

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR WITNESS STATEMENT FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.