

**MINUTES**

**MONTANA HOUSE OF REPRESENTATIVES  
54th LEGISLATURE - REGULAR SESSION**

**JOINT SUBCOMMITTEE ON NATURAL RESOURCES**

**Call to Order:** By **CHAIRMAN ROGER DEBRUYCKER**, on January 11, 1995, at 8:00 a.m. in Room 402 of the State Capitol.

**ROLL CALL**

**Members Present:**

Rep. Roger Debruycker, Chairman (R)  
Sen. Thomas F. Keating, Vice Chairman (R)  
Sen. Loren Jenkins (R)  
Rep. John Johnson (D)  
Rep. William R. Wiseman (R)

**Members Excused:** Sen. Judy H. Jacobson

**Members Absent:** none

**Staff Present:** Roger Lloyd, Legislative Fiscal Analyst  
Florine Smith, Office of Budget & Program  
Planning  
Debbie Rostocki, Committee Secretary

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

**Committee Business Summary:**

Hearing: Department of Agriculture  
-Central Management Division  
-Agricultural Sciences Division

Executive Action: None

**Mr. Roger Lloyd**, Legislative Fiscal Analyst (LFA), reported to the committee about the definition of "professional society." The Department of Administration accounting division said that the Department of Agriculture is the only agency that uses this third level grant expenditure code part of the budget. The accounting division had no specific guidelines as to what was to be budgeted in this part of the budget. He explained that the expenditure would be appropriated as a grant and not as a grant to professional societies.

**Mr. Lloyd** also presented additional information regarding revenue contributed to the economy by the agricultural industry. \$6 million in net income was on the state's 1993 income tax records. However, the realized net income is actually \$420 million before depreciation.

**Mr. Lloyd** also informed the committee that the Department of Agriculture was requesting a budget amendment for \$220,000 in increased spending authority for the Wheat and Barley Committee in **HB 4**. He explained that the money was already in their account and was from wheat and barley tax revenues.

**HEARING ON Department of Agriculture**  
**Agricultural Sciences Division**

**Mr. Lloyd** gave an overview of the division. The state grain lab has been eliminated from the budget and moved into the Agricultural Development Division. In addition, the Plant Industry Division, which used to be a separate program, has been eliminated and moved into this division.

**SEN. THOMAS KEATING** asked for a breakdown of the source of the approximately \$7 million in state and other special revenue funding for the division. **Mr. Lloyd** said in the executive budget about \$1.7 million in each year was funded through the Noxious Weeds account. The Noxious Weed account is supported by a \$1.50 vehicle registration fee as well as interest from the \$2.5 million Noxious Weed Trust. The trust is capped at \$2.5 million and funds beyond this level can be spent by the department. When the \$2.5 million cap was reached, the tax on the sale of pesticides was eliminated. About \$480,000 from pesticide registration fees is used in the groundwater program. About \$750,000 per year funds the pesticide program. Other state special revenue sources include \$220,000 per year from produce fees and \$250,000 from commercial feed and fertilizer registration fees. Federal funds are received from the Environmental Protection Agency (EPA) to help fund the pesticide and groundwater programs and the medicated feed program.

**Mr. Lloyd** said that since most of the reductions in personal services (New Proposal No. 6), were related to federal funding decreases, there would also be less federal indirect funds available for the department to help fund the Centralized Management Division.

**Ms. Florine Smith**, Office of Budget and Program Planning (OBPP), said the original target FTE reduction for this agency was five FTE. The OBPP gave the department the option to reduce FTE by 2.5 and meet the rest of the reduction via vacancy savings but the department opted to give up the five FTE.

**Mr. Leo Giacometto**, Director of the Department of Agriculture, then spoke briefly and introduced **Mr. Gary Gingery**, Administrator of the Agricultural Sciences Division.

**Mr. Gingery** reviewed the changes that had occurred in the division as a result of reorganization. The Plant Industry and Agricultural Sciences Divisions were combined to improve management and operations and to bring an interdisciplinary approach to the programs, and this reorganization work continues.

Some management positions in the Helena office have been eliminated and the field staff has been empowered to do more than in the past. Also, the licensing and registration programs have been consolidated.

In the Produce program they hope to start looking at not only the condition of produce but the grade rating via setting up two federal collaborator positions using existing personnel. This effort is supported by the industry. Regarding exporting, there is also grading work. In 1994 cherry production was about 650,000 lbs. and about 2.2 million hundredweight of seed potatoes were sent out of the state in 1994.

In the Feed and Fertilizer program they are almost finished changing their feed rules. This is being done at the request of and in cooperation with the industry. The program employs 6.27 FTE with 1 FTE targeted for elimination. The Grain program auditing function needs to become more prevention-oriented. The Nursery program staff needs an upgrade in their knowledge. The laboratory would like to do more than it is and have a better turn-around time and this will require upgrading of lab equipment.

Because reorganization took a lot of time, the division did not expend its operational budgets up to the normal level and this has resulted in a reduced 1994 base. In 1993 most of the plant industry programs were converted from general fund to state special revenue funding. They are still working on determining the proportions of these monies in the Field Services Bureau and the Technical Services Bureau.

The Pesticide Management program employs 19.61 FTE including three positions that are targeted for elimination. In 1993 a new program was passed in which pesticide applicators pay a fee into the Pesticide Disposal program, and a fee is also collected at the sites where pesticides are collected. These pesticides are then shipped out of state and incinerated in order to limit the state's liability. A private firm takes care of the fee collection work. **EXHIBIT 1**

**Tape No. 1:B:000**

He said it was difficult to estimate the actual cost of the Pesticide Disposal program because of uncertainty regarding the estimated number of participants.

In 1993 a program was specifically set up to increase farm applicator certification fees by \$20. Seventy-five percent of this money flows to the county extension agents to operate the program.

Also included in the Pesticide Management Program is a special program to respond to increased complaints regarding the misuse of pesticides in urban areas. This program had to be suspended for the past two years due to a lack of funding, but they plan on

starting it back up. The program is geared at providing training and education for home-use pesticide retailers and citizens.

Because, in addition to reorganization, the Pesticide program is implementing EPA worker protection and endangered species certification programs there are some small increases in the budget. The funding at present is \$15,000 in general fund with the rest from a fund which has been set up to do pesticide applicator and dealer training and development and publication of the pesticide manuals. The rest of the program's funds are from state special funds from license fees and enforcement.

The Noxious Weed program employs 2.67 FTE, with .5 FTE targeted for elimination. **EXHIBIT 2** They are requesting that the agricultural specialist become a full FTE. This would not result in an increase in FTE in the department.

The Agricultural Chemical Groundwater program employs 12.39 FTE. They also have .5 FTE targeted for elimination. Reorganization was also a factor in the increases requested for this program. Also the program has grown and there is more need for field investigations, assistance in setting up facilities and wells to prevent contamination and increased sampling and analysis. **SEN. KEATING** wanted to know if there was coordination with the Department of Health and Environmental Sciences (DHES) regarding this effort. **Mr. Gingery** said the legislation mandates that DHES cooperate on this project and this has been very successful on the staff level and duplication of effort has been avoided. The same sort of agreement is worked out with the Bureau of Mines.

The program has developed its general management plan and has also put together Best Management Practices sheets which are available throughout the counties. In conjunction with Montana State University (MSU) they have developed "RAVE," a method of determining if a problem exists on a farm, as well as several other programs.

**Mr. Gingery** said the division feels that many of the smaller commodity dealing facilities have some management problems. The division would like to fund the development of a management training program with these persons in conjunction with MSU. In addition the industry has requested the division to add an additional auditor for the licensed commodity dealers and public warehousemen. **EXHIBIT 3** He stressed that they were not requesting any additional taxes or fees to run the program. They are asking for additional authorization from the Legislature to spend excess funds from the Grain, Feed and Fertilizer, Nursery and Produce programs.

**Mr. Randy Johnson**, representing the Montana Grain Growers Association, rose in support of adding the additional auditor position. He said this would help prevent grain elevator bankruptcies.

Tape No. 2:A:000

**Mr. John Semple**, Association of Montana Aerial Applicators, rose in support of retaining the five FTE targeted for elimination.

**Ms. Pam Langley**, Montana Agribusiness Association, said they had contacted the department because they felt the ton tax was not being collected on some of the fertilizer being imported into the state. The department determined the situation wasn't as bad as industry rumors had indicated. The association is in support of the additional auditor position in order to be able to continue this kind of work. The Montana Grain Elevators organization has taken no position on adding the auditor FTE.

**Mr. Johnson** clarified that the Grain Growers were also in support of retaining all five positions. He stressed that they would much rather deal with the Agriculture department than the EPA or DHES.

**Ms. Langley** said they were also in support of all five positions being added back in. She pointed out that one of them was funded by commercial fertilizer and feed fees.

**Mr. Gingery** then spoke again. The Mint program is run by the Mint Committee and is attached to the department for administrative purposes. They are asking for additional monies for research contracts. They produced about 670,000 lbs. of mint in the state last year, the highest year so far.

**Mr. Gingery** then provided the committee with specific information about each of the five positions proposed to be eliminated.

**EXHIBIT 4** He pointed out that all of the positions were currently filled. In response to **SEN. JENKINS**, **Mr. Giacometto** said that the five positions were chosen to be cut through a prioritization process in compliance with the executive's request to do so. He added that the industry funds some of these positions and has objected to the proposed cuts, but if they had to be made, these are the positions the department would choose to cut. He said that it was now the Legislature's responsibility to deem whether it would be appropriate for the state to continue meeting these needs.

**Mr. Lloyd** said that if the committee chose not to accept the reduction it would simply take no action on New Proposal No. 6, p. C-127. Regarding the 1.33 FTE reduction included under Present Law Adjustment No. 1, p. C-126, a one-time-only budget adjustment has been treated by the executive as a present law adjustment. In 1993 the Legislature approved a continuation of a budget amendment for 1.33 FTE just for the year 1994, and they specified that the expenditure for these positions not be included in the base. The expenditures are not included in the base, but the executive has included the FTE as a present law reduction.

In response to **SEN. KEATING**, **Ms. Smith** explained that at the time of the negotiation process (January 1994) the five positions were vacant. The department had selected which five positions to cut, and had chosen to cut all five rather than cut fewer positions and take the remainder of the cut via vacancy savings.

In response to **SEN. JENKINS**, **Mr. Gingery** explained the federal law provided that the Noxious Weed Advisory Council review all grants and make their recommendations to the director of the Department of Agriculture. An environmental assessment is required when a grant application involves the use of chemicals. **Mr. Giacometto** pointed out that once the grants are made the department needs to do supervisory work to ensure that the conditions of the grants are being followed. He added that it is mandated by law that 25% of the noxious weed trust funds be used for biological control.

**Mr. Gingery** then reviewed the Executive New Proposals listed on p. C-127.

**Mr. Lloyd** clarified that no FTE had been reduced as a result of reorganization within the department. Regarding New Proposal No. 1, he said that although the executive was requesting funding for contracted services for a clerical person, no FTE are being requested. However, this may have to be budgeted as a state employee. **Ms. Smith** said they were looking at using a temporary employment service in this area, so the contract would meet state requirements.

**Tape No. 2:B:000**

In response to **SEN. KEATING**, **Mr. Gingery** and **Mr. Giacometto** went into further depth about the provisions of the Pesticide Disposal program. This program provides amnesty for persons owning chemicals which are now illegal so they may dispose of them without fearing arrest. **SEN. KEATING** wanted to know the degree, if any, of the health risk from these small quantities of chemicals found in urban areas. **Mr. Giacometto** said there was a certain health risk and disposing of household chemicals could result in a detectable amount of the chemicals in the water system although the level of risk is debated. He said that the department is finding that the majority of these problems are coming from the urban areas rather than from agriculture. **SEN. JENKINS** pointed out that these chemicals were often stored in a concentrated form on farms and were no longer legal to use. **SEN. KEATING** rose in support of the educational aspect of the program. **REP. WISEMAN** objected to the high cost of disposal. **Mr. Giacometto** stressed that the department needed to show its intention to keep the environment clean.

**REP. WISEMAN** submitted that the department would be better off to contract locally for the auditing work rather than adding an FTE. **Mr. Giacometto** said that it was their feeling that contracting for the work would be more expensive.

In closing, **Mr. Giacometto** stated that his charter was to promote, enhance and help agriculture. He said that in reducing the management in the department they tried to get "more people on the ground." He said the reorganization instead of reducing FTE had tried to come up with better ways to serve the agricultural community.

**CHAIRMAN ROGER DEBRUYCKER** had several questions about the grants made by the Noxious Weed Trust Fund (p. L, **EXH. 2**). **Mr. Giacometto** explained that the International Institute of Biological Control in Switzerland supplied the program with insects for testing regarding biological weed control. The Bureau of Land Management discontinued weed control funding for some of its property and the state now has to cover this cost.

**HEARING ON Department of Agriculture Central Management Division**

**Mr. Lloyd** gave an overview of the division.

**Ms. Sandra Kuchenbrod**, Administrator of the Central Management Division, then spoke. A funding chart for the division was distributed. **EXHIBIT 5** In addition, a written text of **Ms. Kuchenbrod's** presentation was left with the committee. **EXHIBIT 6**

The hearing was closed on the Central Management division.

ADJOURNMENT

Adjournment: 11:20 a.m.

  
\_\_\_\_\_  
ROGER DEBRUYCKER, Chairman

  
\_\_\_\_\_  
DEBBIE ROSTOCKI, Secretary

RD/dr

This meeting was recorded on two 90-minute audiocassette tapes.

# NATURAL RESOURCES

## Joint Appropriations Subcommittee

ROLL CALL

DATE 1/11/95

NAME	PRESENT	ABSENT	EXCUSED
Rep. Roger DeBruycker, Chairman	✓		
Rep. John Johnson	✓		
Rep. Bill Wiseman	✓		
Sen. Judy Jacobson	Exc.		
Sen. Loren Jenkins	✓		
Sen. Tom Keating, Vice Chairman	✓		

## **Pesticide Collection Program**

### **Summary Report for 1994**

**Montana Department of Agriculture**

**Leo A. Giacometto, Director**

**Box 200201**

**Helena, MT 59620-0201**

**406-444-3144**

## MONTANA DEPARTMENT OF AGRICULTURE

### Pesticide Collection Program Report - 1994

The 1993 Montana Legislature amended the Montana Pesticide Act directing the Montana Department of Agriculture to establish a waste pesticide collection program. The purpose of the legislation was to provide an opportunity for pesticide users to safely and economically dispose of canceled or out-of-date pesticides through organized collections. Pesticides disposal by individuals is expensive and often difficult because of regulatory hurdles resulting in many people maintaining unusable pesticides in storage for many years. This long term storage presents a hazard to people, pets, livestock and the environment because of the potential for spills, leakage or contamination cause by fires or flooding.

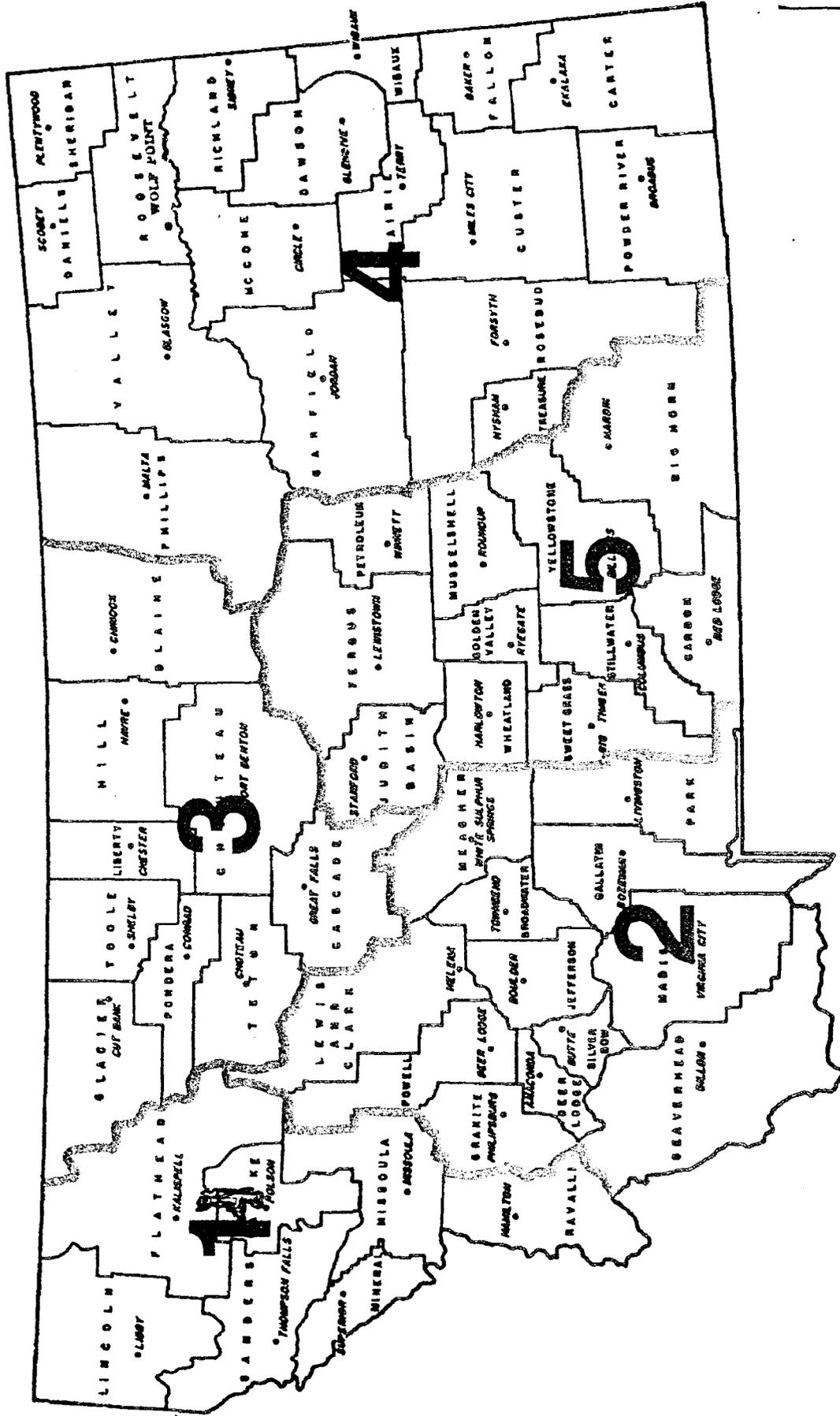
The Montana Department of Agriculture sponsored the first waste pesticide collections in mid-October, 1994 at Missoula and Kalispell. Participants preregistered with the Department and then were provided with the date and time to arrive at the collections. 107 people disposed of 13,200 pounds of pesticides including DDT, chlordane, dieldrin, Paris Green, parathion, 2,4,5-T, pentachlorophenol (PCP), and strychnine. Most participants spent less than 15 minutes at the collection site. The amount of pesticides disposed of by each participant ranged from a few pounds to over 1000 pounds.

The program is funded by pesticide applicator license fees and user fees collected from program participants. The 1994 collections was funded by \$64,200 from applicator license fees and \$17,100 in user fees. Cost for disposal of the 13,200 pounds of pesticides was \$52,700. The unexpended balance (\$28,600) will be carried over to provide additional funding for the 1995 collection.

The pesticides were collected by a hazardous waste disposal company and destroyed by incineration at licensed disposal facilities.

The Pesticide Disposal Program will continue annually through 1999 at various locations throughout Montana. The next collection will be in Pesticide License District 2 in southwest Montana during the spring of 1995. Subsequent collections will occur sequentially in each of the remaining pesticide license districts.

Many participants in the disposal program offered positive and complimentary comments about the program. This was particularly true of participants who had explored other avenues for disposal and had learned first hand of the high cost and regulatory hoops required of other options. The primary hinderance for participation in the program was the user fee (\$2.00/lbs), even though it is far less than other options for disposal, and fear of regulatory penalties for possessing canceled pesticides, even though the program specifically exempts participants from any penalties.

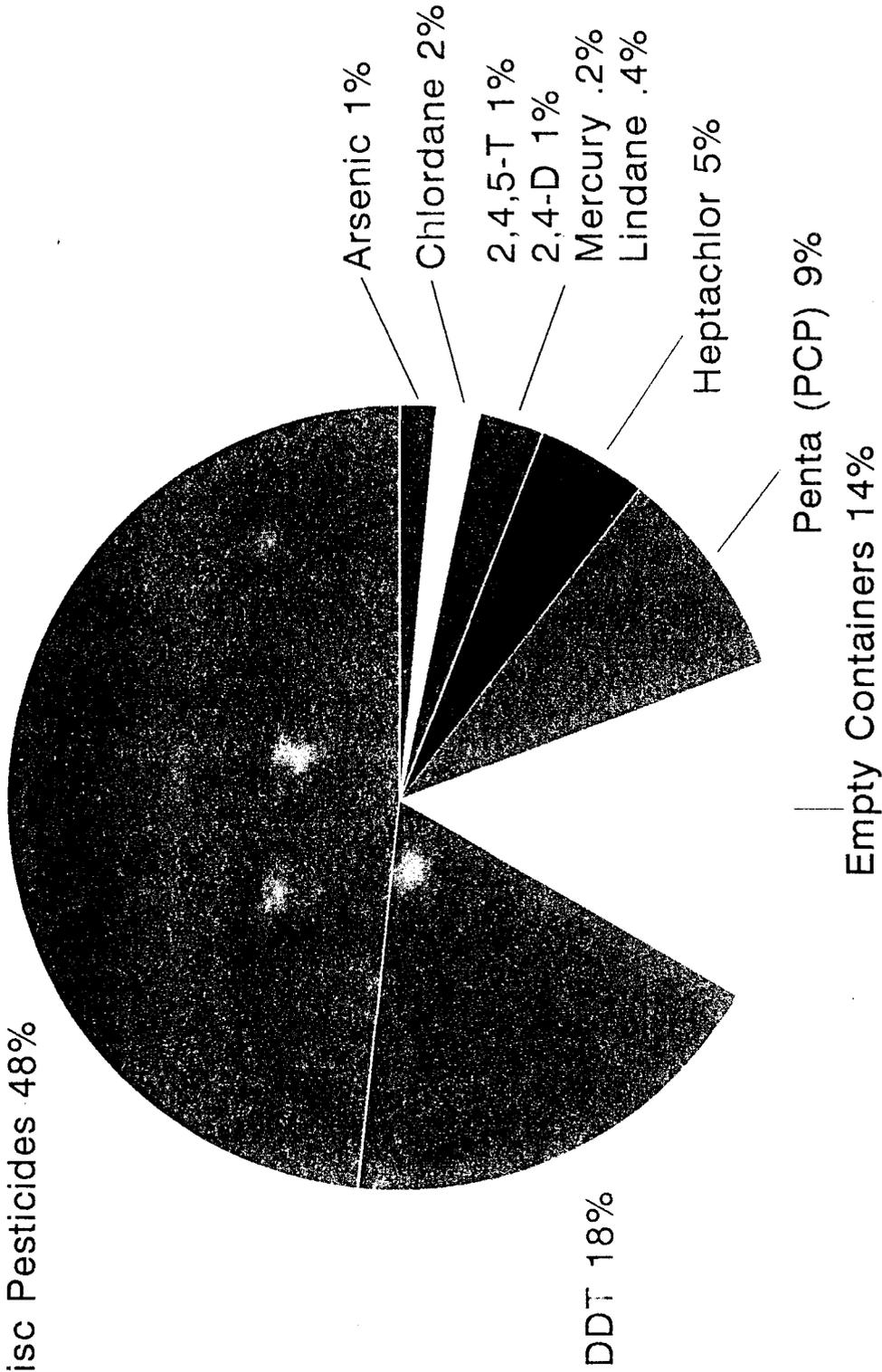


# Montana Department of Agriculture PESTICIDE LICENSE DISTRICTS

# MONTANA DEPARTMENT OF AGRICULTURE

## District 1 Pesticide Collection Program - 1994

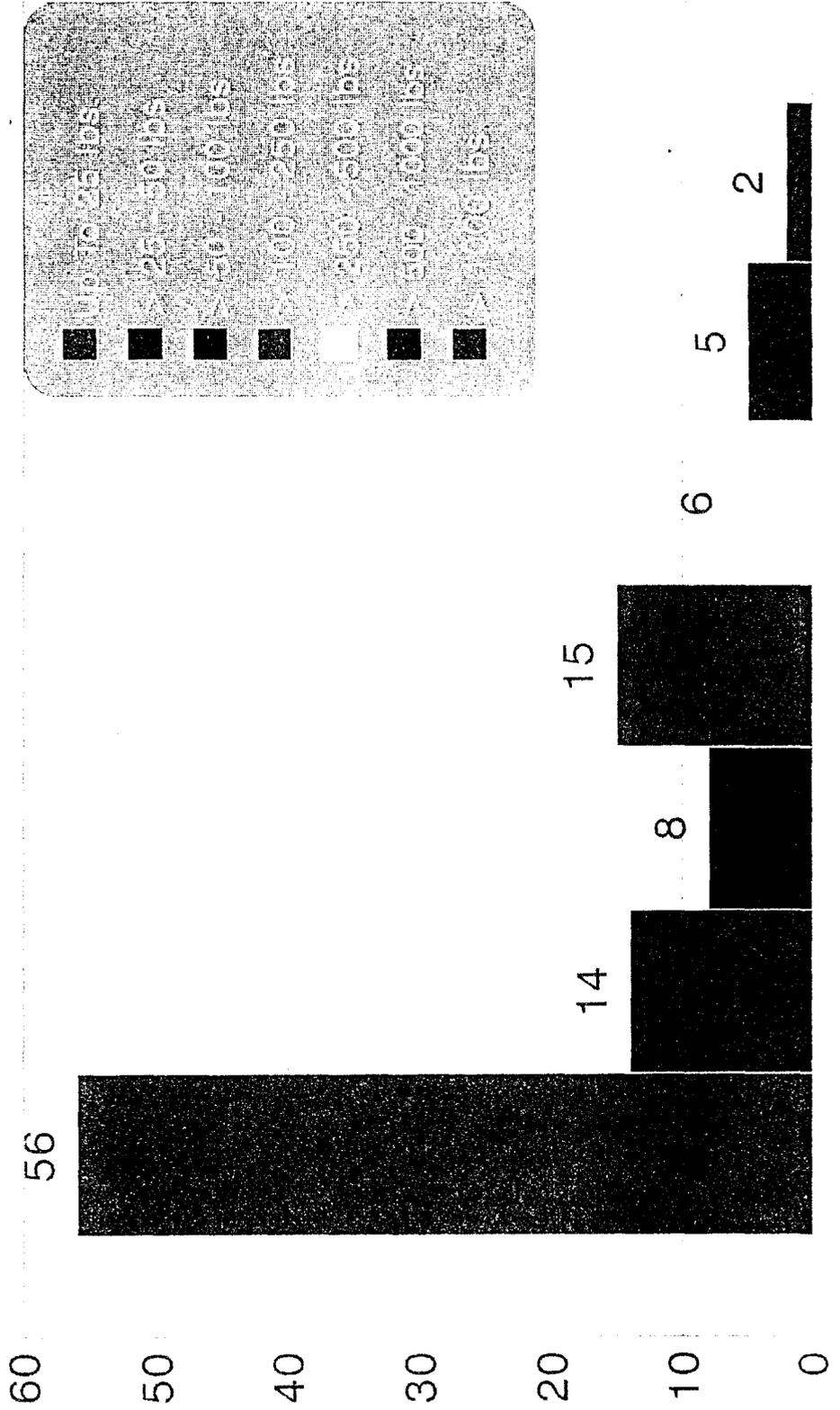
Organophosphates  
& Misc Pesticides 48%



TOTAL POUNDAGE COLLECTED = 13,197 lbs.

# MONTANA DEPARTMENT OF AGRICULTURE PESTICIDE COLLECTION PROGRAM

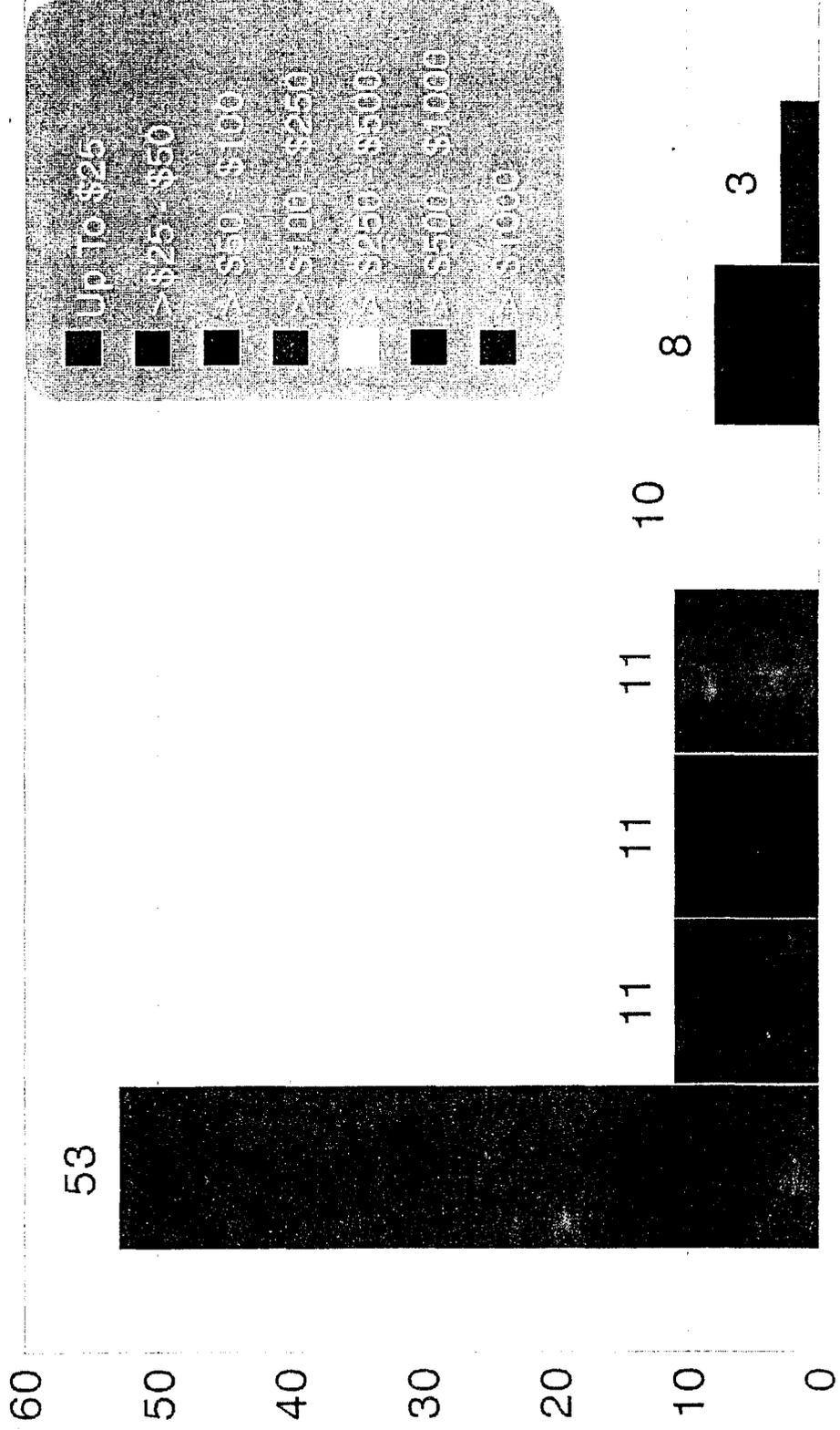
## Pesticide License District 1 - 1994



Number of Participants by Weight Range of Pesticide Collected

EXHIBIT 1  
DATE 1-11-95  
X

MONTANA DEPARTMENT OF AGRICULTURE  
 PESTICIDE COLLECTION PROGRAM  
 Pesticide License District 1 - 1994



Number of Participants by Range of Disposal Fee Paid

PROPOSAL FOR ADDITIONAL WAREHOUSE AUDITOR

**Justification:**

Due to workload the present warehouse auditor's duties are limited to auditing and liquidation of grain companies which are at the point of bankruptcy or foreclosure. Most of the auditing time is spent on remediation of warehouse shortages and commodity dealer liquidations. Very little time is available for routine auditing which would prevent many of the foreclosures.

The department currently licenses 210 commodity dealers and 92 public warehouse facilities. In the past six years the department resolved 13 grain company bankruptcies and liquidations. These resulted in payments to producers ranging from 28% to 100% of their claims. Failure of the companies resulted from poor management, paying more for grain than what it could be sold for, sale of warehouse receipted grain before the producers were paid, embezzlement of company funds, and management using company funds for personal reasons. In most cases considerable losses have been absorbed by grain producers and warehouse receipt holders.

The addition of another auditor position would allow the department to audit licensed commodity dealers and public warehousemen on a regular scheduled basis, thus preventing most grain company closures or economic losses to producers. The employment of this auditor will allow the department to conduct routine audits of all commodity dealers and public warehousemen at least once every two years.

The auditor position will also be responsible for conducting financial and compliance audits of financial data related to the Division's feed, fertilizer, produce, and nursery programs. The auditor will audit the records of the appropriate licensed agribusiness' relating to receiving, shipping, and sales. These audits will be conducted to evaluate and determine compliance with licensing, fees assessment, and financial requirements related to these programs. It is anticipated that these additional non-grain auditing responsibilities will occupy 25% of the position's time.

**Office location:** It is recommended that this position be stationed in Helena, Montana. After a training period of one to two years it is anticipated that this position may be assigned to one of the district offices.

**Grade recommendation:** It is recommended that this position be hired at a grade 14. Hopefully a grade 14 would attract an applicant with experience, training and education.

Expenditures:

**Personal Services**

	<u>FY 96</u>	<u>FY 97</u>
Salary:	\$24,295	\$24,295
Benefits:	<u>6,803</u>	<u>6,803</u>
<b>TOTAL</b>	<b>\$31,098</b>	<b>\$31,098</b>

**Operating Expenditures**

2200 Supplies	\$ 800	\$ 800
2300 Communications	1,000	1,000
2400 Travel	12,992	12,992
2500 Rent		
2600 Utilities		
2700 Repair & Maintenance	400	400
3100 Equipment	\$ 2,500	
Total Operating	<u>17,692</u>	<u>15,192</u>
<b>TOTAL EXPENDITURES</b>	<b>\$48,790</b>	<b>\$46,290</b>

NOTES:

2400 Travel includes 40 weeks @ \$7,632 per diem & lodging and 20,000 miles @ \$.28 per mile for the first 12,000 miles and the remaining miles at \$.25.

Funding Sources\*:

**FY 1996**

<u>Program</u>	<u>RC#</u>	<u>Percent</u>	<u>Per. Ser.</u>	<u>Oper.</u>	<u>Equip.</u>	<u>Total</u>
Grain	33066	37.5%	\$11,662	\$ 5,697	\$ 938	\$18,297
General Fund	33011	37.5%	11,662	5,697	938	18,297
Feed & Fert.	33020	12.5%	3,886	1,898	312	6,096
Nursery	33067	6.25%	1,944	950	156	3,050
Produce	33068	6.25%	1,944	950	156	3,050
		100%	\$31,098	\$15,192	\$ 2,500	\$48,790

**FY 1997**

<u>Program</u>	<u>RC#</u>	<u>Percent</u>	<u>Per. Ser.</u>	<u>Oper.</u>	<u>Equip.</u>	<u>Total</u>
Grain	33066	37.5%	\$11,662	\$ 5,697	\$ 0	\$17,359
General Fund	33011	37.5%	11,662	5,697	0	17,359
Feed & Fert.	33020	12.5%	3,886	1,898	0	5,784
Nursery	33067	6.25%	1,944	950	0	2,894
Produce	33068	6.25%	1,944	950	0	2,894
		100%	\$31,098	\$15,192	\$ 0	\$46,290

\*Note: Existing special revenues and general funds will be used to support this position.

## MONTANA DEPARTMENT OF AGRICULTURE

## Agricultural Sciences Division

## Justification of Training and Development Specialist

CV	Position #	Title	FTE	Grade
30100	00342	Ag Specialist	1.0	13
Funding: EPA Grant		Amount: FY96 - \$29,086 FY97 - \$29,158		

This position was not filled in January, 1994. The position was filled 7/1/94. This position is funded with EPA pesticide grant funds. It was not filled earlier because of the late receipt of EPA grant funds, reorganization of the Plant Industry division and Agricultural Sciences Division into one division and the time spent assessing program and personnel needs. This position will assist in over-seeing the state pesticide disposal project scheduled to be conducted each year through FY99. The position is also needed to conduct education and training activities throughout the state on worker protection, new certification standards, ground water and endangered species.

adm/general/funding.342



MONTANA DEPARTMENT OF AGRICULTURE  
Agricultural Sciences Division

Justification of Chemist III Position

CV	Position #	Title	FTE	Grade
30100	00340	Ag Specialist	1.0	13
Funding:	EPA Grant		Amount:	FY96 - \$27,501 FY97 - \$27,502

The position was not classified or filled in January. The position was classified in March, 1994, and was filled 5/31/94.

This position is funded with EPA pesticide grant funds. The position was not filled earlier because of the late receipt of EPA grant funds, reorganization of the Plant Industry Division and the Agricultural Sciences Division into one division and assessment of program and personnel needs. Delay also occurred because the Department of Administration, Personnel Bureau was reevaluating the laboratory chemist and technician classification series.

The chemist position is needed because of the anticipated significant increase in worker protection program samples and analytical work. The number of samples to be analyzed will range from 80 - 120 per year involving not only soils and vegetation but clothing, tissues and possibly body wastes. The worker protection program will be fully implemented in FY96-97.



number 0049 and the FTE assigned to the Field Services Bureau would be assigned position number 00607

The Field Services Bureau needs a full time FTE who will continue to be assigned pesticide program (30100) responsibilities (0.5 FTE) under current level pesticide operations and budgets and for the ground water program 0.5 FTE. The addition of 0.5 FTE from position number 00607 is needed for the following responsibilities:

- (1) to assist in agricultural chemical ground water compliance and enforcement program;
- (2) increases in the number of ground water cases and their complexity is being experienced and existing personnel can not accomplish all their current pesticide and ground water responsibilities;
- (3) to conduct more comprehensive investigations monitoring and assessments of agricultural chemical ground water issues and problems;
- (4) to prepare and evaluate plans and orders for clean-up of soils and ground water contamination;
- (5) to prepare compliance plans and procedures; and
- (6) to assist in preparing EPA required pesticide ground water plans on all leachable pesticides setting forth "BMP's" and other requirements for the use of such pesticides.

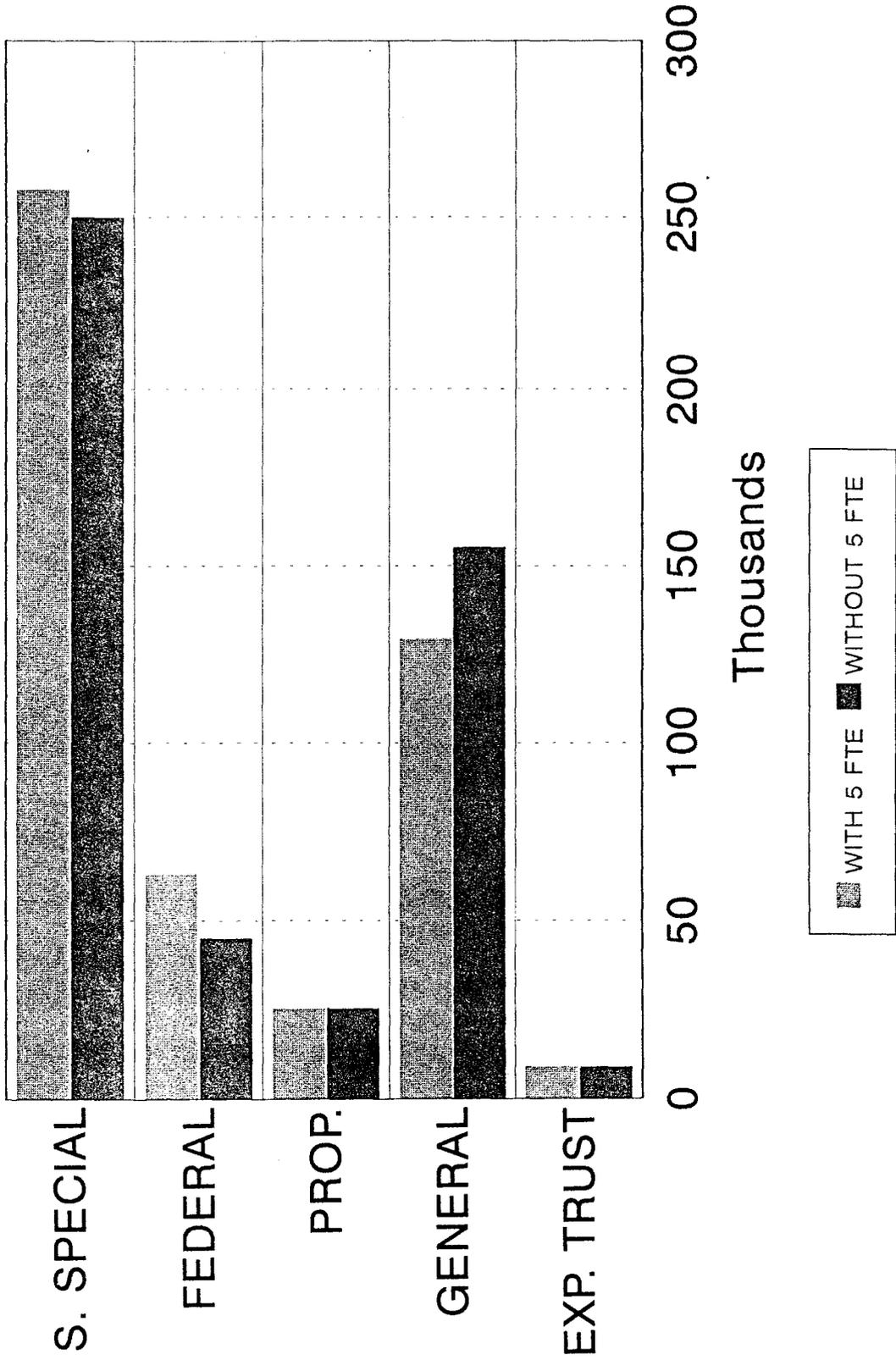
The Noxious Weed Management Program needs the service of a full time Agricultural Specialist for the following reasons:

- (1) the number and complexity of grant applications and grants issued has increased;
- (2) considerable time and effort is needed to evaluate each grant application for compliance with the Montana Environment Policy Act. (An environmental assessment must be prepared and approved for each noxious weed grant);
- (3) the number of operational grants approved and being conducted in the field need to be audited for compliance with contract operational and budget requirements; and
- (4) the department has a need to assess the success of the noxious weed program, including the use of biological control and educational programs.



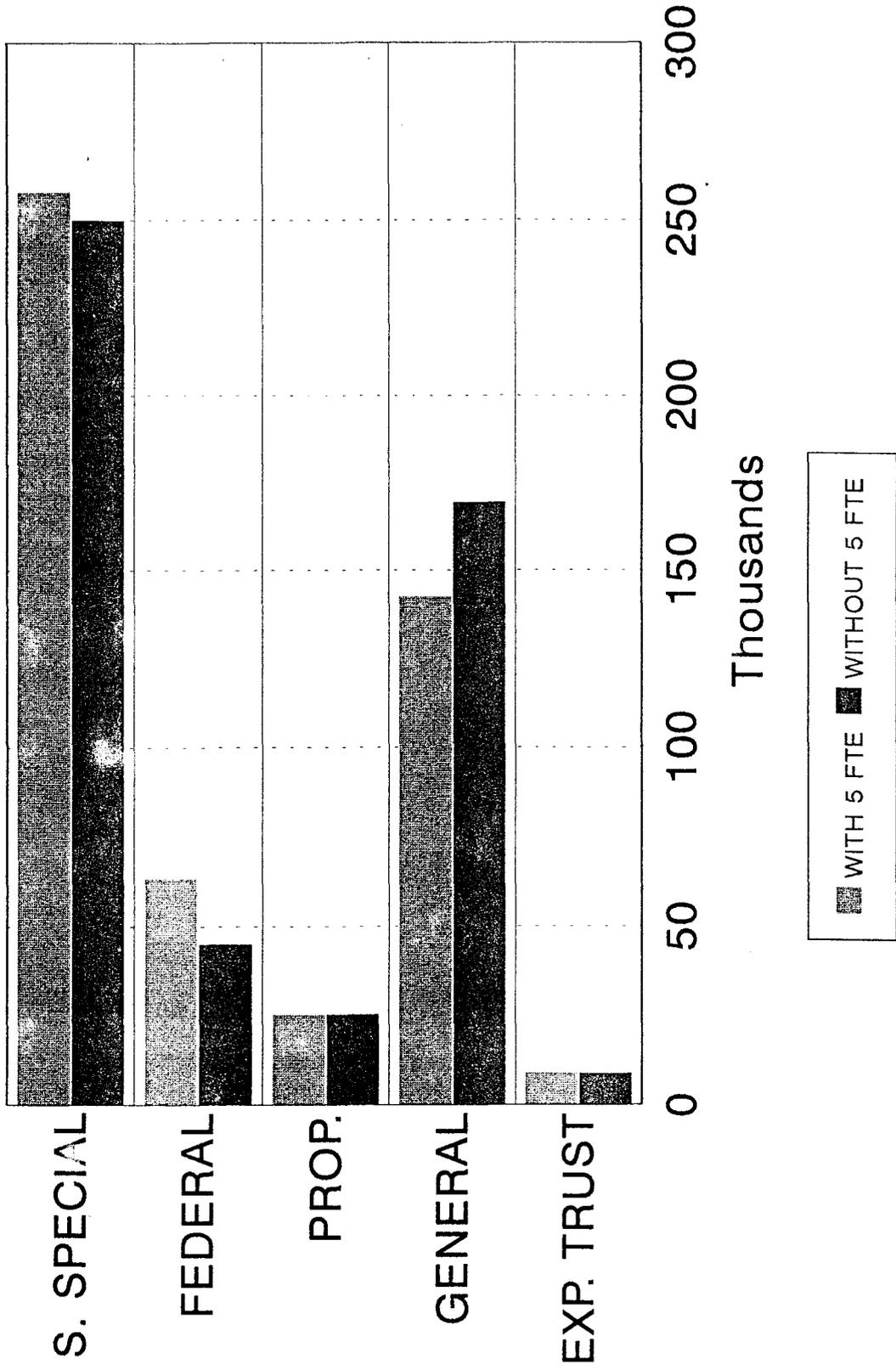
# MONTANA DEPARTMENT OF AGRICULTURE

FY 96



# MONTANA DEPARTMENT OF AGRICULTURE

FY 97



January 11, 1994

Joint Natural Resources Subcommittee

Appropriations - Finance & Claims Committee

CENTRAL MANAGEMENT DIVISION

My name is Sandra Kuchenbrod and I am the Administrator of the Central Management Division.

This Division performs technical, fiscal, personnel and administrative support functions of the department's internal programs. Responsibilities include accounting, budgeting, payroll, personnel administration, purchasing and property control, computer system analysis, design and programming.

The Director's office is also included within Central Management Division budget and includes 3.75 FTE and related expenses.

For your information, we are providing a funding chart. (This funding chart is for CMD's budget, not the total Department of Ag funding)

As indicated on Page C-121, this division receives funding assessed against the department programs we support at a rate of approximately 18%.

Federal indirect costs are budgeted in CMD at a 20.69% rate against total budgeted federal personal services. The rate varies each FY and is based and received from actual personal services expenditures. General fund finances the balance above the assessments.

Historically, CMD is funded by assessing indirects to each current level (or "present law") program. As the department's FTE reduction (referred to on Page C-127) is considered a "new proposal" and positions are funded by both federal and state special funds, indirect funding to CMD was not reduced during the August biennium budget process.

EXHIBIT 6  
DATE 1-11-95

Due to this reduction of 5 FTE in the Agricultural Sciences Division, federal indirects would be reduced \$18,332 in '96 and \$18,347 in '97 and state special funding reduction of \$5,406 in each FY.

*Page C-127*

Based on prior legislative direction of allocation of indirect costs, we would be required to replace the reduction with general funds. *under the current funding structure*

Should you have any questions, I will be glad to answer them.

# MONTANA

## Noxious Weed Trust Fund Summary Report Update



Leafy Spurge



Canada Thistle



St. Johnswort

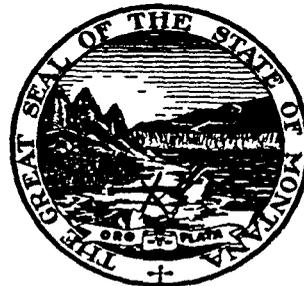
Fiscal Years  
1993 and 1994



Spotted Knapweed

January 1995

The original of this document is stored at the Historical Society at 225 North Roberts Street, Helena, MT 59620-1201. The phone number is 444-2694.



Field Bindweed

Department of Agriculture  
Leo A. Giacometto, Director

HOUSE OF REPRESENTATIVES

VISITOR'S REGISTER

NAT. RESOURCES & B COMMITTEE

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

DATE 1/11/95 SPONSOR(S) \_\_\_\_\_

PLEASE PRINT

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NAME AND ADDRESS	REPRESENTING	BILL	OPPOSE	SUPPORT
Leo Giannetto	Dept of Agriculture			X
Sandra Kucherbod	"			X
Gary Gingery	"			X
Pam Langley	Montana AgriBusiness Assn.			
John Semple	Assoc MT Aerial Applicators			X
RANDY JOHNSON	MT. GRAIN GROWERS ASSN			X

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.