

MINUTES OF THE APPROPRIATIONS COMMITTEE
HOUSE OF REPRESENTATIVES

March 3, 1977

The Chairman called the meeting of the Appropriations Committee to order at 7:00 P.M. Roll call was taken, with all members present except Representatives Lund, Marks and Moore, who were excused. (Roll call attached). Also present were Mr. Dave Lewis, Office of Budget and Program Planning, and Mr. John LaFaver, Legislative Fiscal Analyst. Speaker of the House, John Driscoll, was present for part of the meeting.

H.B. 637: To provide for a 2% credit to special fuel dealers.
The Chairman stated this bill has passed the House, and is before this committee because of fiscal impact.

Representative Carl A. Seifert, sponsor of the bill, spoke briefly as to the nature of the bill, stating that special fuel dealers have particular problems relative to record keeping and licensing, which enables the state to ensure that the fuel dealers are collecting the taxes for fuel. Every sale has to be recorded. The dealers pay tax on gross gallonage, and loose fuel due to filling and breathing. The intent of the bill is to compensate dealers for loss from transferring fuel, and though it has been overly amended in Representative Seifert's view, it is more than they have had in the past. The fiscal impact showing \$96,000 decrease in revenue the first year and \$98,000 to approximately \$101,000 the second year is in error, as that was based on a tax of 9-3/4¢, and a 2% credit, and the amended bill allows 1% credit on the first 6¢.

Larry Huss, registered lobbyist for truck stop operators, spoke in support of the bill, and distributed an information sheet, which is attached. He stated this bill was prepared after consultation with the Department of Revenue, and fixed at 2% of special fuels tax. In the hearing in the Taxation Committee, the Department of Highways said they never liked to see a reduction in income, but felt to be fair, special fuel dealers should be put on a parity with gasoline dealers, who receive a credit of 2% of the first 6 cents of the gasoline tax. The Taxation Committee gave a 1% credit on the first 6 cents. "We don't have much left, and would like to keep what we have." The paper work in keeping required records is excessive and expensive, but in addition, taxes are paid by special fuel dealers on fuel that is lost by shrinkage spillage and evaporation, and the tax can't be recovered because the fuel just disappears. As the bill is amended, the credit barely covers the tax on fuel that is lost.

In reply to a question by the Chairman, Mr. Huss replied that the fiscal impact of the bill as amended would be slightly less than \$33,000 per year.

There being no opponents, nor further questions from the committee, the hearing was closed.

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H.B. 531: Strip-mined land reclamation research account.

Representative Edward Lien, sponsor of the bill, stated that the purpose of the bill is to establish a reclamation research account in the State Land Department. The money will be used to contract out projects to obtain answers to reclamation problems. This money will enable the State Land Department to obtain objective answers, without the strings attached that industry research and federal research might have. Will give them unbiased answers as to what is reclamation and what isn't. State Land Department has this responsibility, and without research, this is a difficult job. Representative Lien further stated industry supports this concept.

Mr. C.C. McCall, Head of the Reclamation Department of the State Land Department was introduced. Commissioner Leo Berry rose in support of the bill, submitting written testimony, which is attached.

In reply to a question by Representative Hansen regarding research headed in three directions, Representative Lien stated that industry research is single-mindedly aimed; federal funds are granted for region-wide research, not to Montana's problems; this money is needed so that State Land Department can get answers to on-site specific problems needed to make decisions. We are starting about two years late. The possibility of matching federal funds was mentioned, and in response to a question by the Chairman, Commissioner Berry stressed the need for specific projects that could be addressed to Montana's reclamation needs - rooting depth study is needed - there is a list of 13 studies needed which have been prioritized. Representative Lien responded to a question by the Chairman that the bill was amended on second reading, and that the appropriation would now be a flat \$100,000 for each year of the biennium, and appropriates these funds only for the coming biennium. Hiring of additional staff is not anticipated, the studies would be contracted out.

Representative Manuel asked if it isn't the responsibility of industry to reclaim this land, and was told yes. Representative Ageson asked if the bonds could be withheld till the studies are completed to the department's satisfaction and was told that this could not be done. The Department of State Lands is having to make long range decisions on reclamation, and needs information to make those decisions. The Chairman asked if they would make available results of these studies to mining companies, and was told they would. Representative Lynch asked if this work is duplicated by the Bureau of Mines in Bozeman and Butte, and was told no, they are doing hydrological studies.

There being no more questions, and no opponents to the bill, the hearing was closed.

H.B. 142: Funds to the University of Montana Law School - MONTCLIRC.

Representative Earl C. Lory, co-sponsor of the bill with Representative Hunnekens, explained briefly that the bill's purpose is to provide

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a criminal law information research center to support the judiciary. The bill as written appropriates the money to the law school, and should be amended as follows:

1. Amend page 2, section 1, line 3.

Following: "the"

Strike: "University of Montana Law School"

Insert: "Department of Justice, to be used in contracting for the services of the Criminal Law Information Center at the University of Montana."

Dean Sullivan, Dean of the School of Law, University of Montana, was then introduced, and stated in support of the bill that various plans to provide this needed research had been considered, and it was the consensus of all that this is the most effective approach. County law libraries, law clerks for District Judges, a computerized research system, the Supreme Court library, all had been considered and found not equal to the task due to lack of funding, expense, inadequate libraries, etc. Hiring lawyers is too expensive, so the committee studying the matter decided the law school was the appropriate place for MONTCLIRC. The School of Law put in a grant to start the project. Senior law students are used to do the briefing and research, and supplements their studies and pays them \$4.00 per hour. The service is free to anyone involved in the criminal law system with one caveat - it is available to defense counsel only if the defendant is indigent. This is a requested service which they would like to continue.

Thomas H. Mahan, President of Montana State Bar Association spoke in support, stating this service is available to judges, public defenders, and prosecutors, all of whom benefit tremendously from this service, and that the service will help to cut down on the backlog of cases in the criminal justice system.

Donald McDonald, attorney from Missoula rose in support, stating briefly how the system works, and that it is a cost-effective method of dealing with inadequate legal libraries.

James T. Ranney, Director of MONTCLIRC, spoke in support of the bill, mentioning that the University of Montana law library is excellent in the area of criminal law, and that the resources available in the form of senior law students to prepare the briefs make this a logical location for the service.

Fred Van Valkenberg, President of the Montana Criminal Defense Lawyers, rose in support, as did Mike McGrath, Attorney General's office, James M. Driscoll, Public Defender, Helena, and Louis Forsell, Counsel of the Commissioner of Higher Education's office. (Visitors' list attached)

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There being no opponents, the hearing was opened to questions from the committee. It was brought out that indirectly the law school library will receive some of the funds requested in this bill; and that with the requested amendment, the appropriation will go to the Department of Justice. Representative South asked how the \$77,000 figure was arrived at. Dean Sullivan explained that it was computed on the basis of starting funding October 1, 1977 and continuing through June 30; then be picked up July, 1978, and run through June 1979. Most of the money goes to salaries, collect calls, rental of equipment, etc. Months of July, August, and September, 1977 would be funded by federal funds, so the request was pared down by those amounts. No further questions or discussion, the hearing was closed.

H.B. 502: Montana's participation in the medal of honor grove program. Representative Joe Brand, sponsor of the bill, explained that the money requested would fund Montana's participation in the Medal of Honor Grove Program in Valley Forge, Pennsylvania. Covers cost of purchasing the site and \$5,000 for "perpetual maintenance."

Hugh Cumming, State Adjutant of the American Legion, passed out material showing the site and giving explanation of the purpose, which is attached to these minutes. There are 52 acres; each acre is designated to the state purchasing it, honoring those from each state who have received the Medal of Honor. There are six from Montana.

Bob Durkee, VFW, also spoke in support.

The Chairman mentioned that the bill refers to "soldiers", and it was suggested that it should be amended to read "servicemen" as the wording might be interpreted to be exclusive. Representative South asked about the \$5,000 maintenance - it was explained that only the interest would be used for this, and it is a one-time request. Representative Gerke asked why was this budgeted to the lieutenant governor's office, and was told that seemed to be agreeable to all, and that the state of Washington handles it this way. Representative Gunderson asked why not have a memorial site in Montana, and it was explained that this is in the nature of a national memorial, which only seven states, of which Montana is one, have not supported. Having such a site in Montana would cost considerably more. The Chairman mentioned that the concept is that people from all over America would see it.

There being no further discussion, and no opponents to the bill, the hearing was closed.

H.B. 781: Money to city of Boulder for expenses of housing employees of Boulder River School and Hospital. Representative Marks, sponsor of the bill, was unable to attend this evening. The Chairman asked if there were any witnesses present to give testimony, which we would be glad to hear. There being none, hearing on this bill was passed to be rescheduled at a later date.

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H.B. 572: Noxious plant management program. Representative Manuel, sponsor of the bill, spoke briefly and introduced Eldron R. Fastrup, Department of Agriculture, Director of the program. Mr. Fastrup stated in effect this bill would enable the Department to provide assistance and service to agencies as recommended by council. The Department of Agriculture does not anticipate now or in the future having a state-operated weed program, but believes it is a local function that needs only state-wide assistance.

Mr. Gary Gingery, Pesticide Division of Department of Agriculture, said there are three areas of concern - weed management on federal, state, and railroad right-of-way lands. The major effort would be to obtain federal funds. To do this, plans and programs have to be worked out, taken to Washington, then to Congress who decides to appropriate the funds. This takes almost a year. Chemicals used must meet federal guidelines. The Department of Agriculture will receive none of these funds - they will go directly to the counties once an approved plan is developed. With the railroads - some counties get cooperation, some don't. They would like to establish a 5-10 year plan so the railroads know what they will be able to do. There are problems of weed control on fish and game lands. A survey was conducted last year to determine what weed districts are doing. Twenty-seven counties reported back (45%-50% of those contacted) and stated they want this type of assistance. About one-third asked for help to develop better management in their counties.

There being no opponents, Representative Manuel closed by stating this bureau had done a fine job in all counties; the subcommittee felt they are a conservative department and handle funds in a good manner; he recommended that the \$58,000 be approved.

Representative South asked Speaker John Driscoll concerning the bill he has introduced for a biological noxious weed program - is there duplication? Speaker Driscoll replied that he had put in a request for funds to hire and finance biological weed control. He felt the bill being discussed is more a planning bill.

There being no further discussion, hearing on H.B. 572 was closed.

EXECUTIVE SESSION

H.B. 637: Representative South moved that House Bill 637 DO PASS. Representative Lynch seconded. Question called. Representative Estenson voted no, all others voted aye. Motion carried.

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Representative Lynch then questioned if MONTCLIRC (H.B. 142) should be put in the Department of Justice budget, which might be easier than coming in with a separate bill. Representative South stated that it is a new program, and should stand by its own on the floor of the House. The Chairman stated we will follow Representative South's suggestion and let H.B. 142 stand on its own.

Meeting adjourned at 8:50 p.m.

A handwritten signature in cursive script, reading "Francis Bardanouve".

FRANCIS BARDANOUE, CHAIRMAN

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ADDENDUM TO MINUTES OF MARCH 3, 1977

Due to an unavoidable delay on the part of the chief sponsor of House Bill 728, Representative John Vincent, hearing on H.B. 728 will be rescheduled for another date.