

MINUTES OF THE APPROPRIATIONS COMMITTEE
HOUSE OF REPRESENTATIVES
State Capitol, Room 225

April 18, 1977 ;

The Chairman called the meeting of the Appropriations Committee to order at 12:45 p.m. Roll call was taken, and a quorum was present (roll call attached). Also attending the meeting was Mr. Les Simpkins, Office of Budget and Program Planning, and Mr. Dave Lewis, Deputy Director of Budget.

House Bill 841: Appropriating \$25,000 for an economic feasibility study of the conversion of wheat and barley into alcohol and related by-products. Senator Harold Dover presented the bill to the committee on behalf of Representative Thomas Conroy, Sponsor.

Senator Dover explained that he had appeared previously before the committee as sponsor of Senate Joint Resolution 42. H.B. 841 is the appropriation for S.J.R. 42. There is a lot of potential in this conversion, he stated. Studies have previously been made; what we need is to look into the economic feasibility of what can be done with this conversion. He feels there is a need to determine what Montana can do in this area along with other states that are conducting this research. Senator Dover explained that research has been done in Nebraska; and that in Australia a plant has been built and they have sold the first seven years of their production from this plant to various countries in Europe. We have an overabundance of grain and a shortage of fuel, Senator Dover said. He would urge that the feasibility study be funded.

Questions:

Representative Gunderson said he is interested in the resolution, but he had thought Senator Dover indicated in the hearing on S.J.R. 42 that money would be available from the Old West Regional Commission and he had said so on the floor. Senator Dover replied that he had talked to the Governor about this, and there might be a small amount of money for this and other studies that have to be finished by July 1, 1979, but not sufficient money to fund the study.

Representative Ellis asked if private enterprise would not take this on when it became economically feasible. Senator Dover responded probably, but it requires such a large investment that they might be slow to do so. The Chairman asked concerning the facility in Australia, how large is that facility and is it government owned? According to news clipping in his possession, the plant is owned by a farm group, and there is no information as to its size, Senator Dover responded.

In reply to a question from Representative Hansen, Senator Dover told the committee that the hope is that the study will be used to develop something with private enterprise. Representative Gunderson noted that in Nebraska they are putting 2¢ adjustment on grain to put up a \$2 million plant; farmers are backing this, which is one of the better features.

Hearing closed on H.B. 841.

House Bill 708: To appropriate money to the Department of Administration for various projects under the renewable resource development program. Representative Carroll South reported from the Long-Range Building Subcommittee on H.B. 708. That subcommittee decided to go with the Boulder River project, the West Bench Irrigation project, and the solid waste management project of the proposals submitted in H.B. 708. The other projects are not recommended. The committee decided if we are to use renewable resource funds we should have some good sized state projects and use state money where there would be no state project if we did not use this money.

Representative South further explained that the amendments have been added to fund H.J.R. 81, which provides for a Water Rights Study. The amounts are \$20,000 in FY 78 and \$40,000 in FY 79. A new section has also been added clarifying the conditions of grants and loans under this act.

The Chairman explained that the Department of Natural Resources has stated that in 1979 they will have a complete, carefully put-together study to present for use of these funds.

Representative Gerke moved that the \$20,000 in FY 78 and \$40,000 in FY 79 to fund H.J.R. 81 be adopted. VOICE VOTE: The motion carried unanimously (Representatives Halvorson and Lynch, absent).

Representative Bradley moved that \$100,000 for the biennium be reinstated to fund the stream preservation study.

Discussion: Representative South said he had trouble equating that with renewable resources. Representative Bradley explained this is for the grants to landowners who want to improve streambeds and can't afford to do this on their own. Doesn't this duplicate the \$200,000 to conservation districts for this type or project, the Chairman asked? No, Representative Bradley replied, nothing we have appropriated would help the landowners. Representative Manuel commented that the amount of money proposed in the motion would not be enough.

VOTE: The motion failed with a vote of 12-3, Representatives Halvorson and Lynch absent. Roll call vote attached.

Representative Estenson moved that the amendments to H.B. 708 as submitted by Long Range Building be adopted. (These are attached to the voting sheet.)

VOTE: The motion carried 14-1, Representative Bradley voting NO, and Representatives Halvorson and Lynch absent.

Representative Moore moved that H.B. 708 AS AMENDED DO PASS.

VOTE: The motion carried unanimously. (Representatives Halvorson and Lynch absent.)

House Bill 799: After brief discussion, Representative Estenson moved that the amendments to H.B. 799 be adopted (attached) and that the appropriation be reduced from \$100,000 to \$50,000.

VOTE: The motion carried with 14-1 (Representative Manuel voting NO; Representatives Halvorson and Lynch, absent).

Representative Gerke moved that H.B. 799 AS AMENDED DO PASS.

VOTE: The motion carried unanimously by voice vote. (Representatives Halvorson and Lynch absent.)

House Bill 841: Representative Estenson moved that H.B. 841 DO NOT PASS.

VOTE: The motion carried 8-6. (Representatives Bradley, Halvorson, and Lynch were absent.) Roll call vote attached.

Meeting adjourned to be reconvened at the call of the Chair.

Francis Bardanouve, Chairman