

MINUTES OF THE MEETING
LEGISLATIVE SUBCOMMITTEE ON APPROPRIATIONS FOR EDUCATION

January 30, 1979
8:15 a.m.
Room 104
State Capitol Building
Subject: Bureau of Mines
Work Session

The meeting was called to order by Chairman Carroll South, with the following members being present:

Sen. Larry Fasbender
Sen. Harold Nelson
Rep. Jack Moore
Rep. Oscar Kvaalen
Rep. Esther Bengtson

Also in attendance were: Miral Gamradt and Judy Rippingale, Fiscal Analysts; Mr. Fred DeMony, President, Montana Tech; Mr. Sid Groff, Director of the Montana Bureau of Mines and Geology; Dr. E. C. Bingler, Deputy Director, MBMG; Dr. Marvin Miller, Chief of Hydrology Division, MBMG; Dr. Frank Abercrombie, Chief of Analytical Division, MBMG. Tom Crosser and Glen Leavitt from the Governor's Office were also present.

President DeMony gave introductory comments about the Bureau. In response to the Regents' request for budget amendments, the Bureau prepared a list of a number of different areas which are modifieds or new programs. Of the modifieds presented, the Regents approved the Cooperative Ground Water Study, amounting to around \$128,000 for the biennium.

Mr. Sid Groff, Director of the Montana Bureau of Mines and Geology, distributed handouts. The letter from a Mr. Fitzpatrick results in his challenge to a statement Mr. Groff made in the newspaper that every dollar that is appropriated to the Bureau would be returned 1,000 fold. Mr. Groff introduced Dr. E. C. Bingler who is the Deputy Director of the Bureau.

Mr. Groff stated that Montana's real gross state profit is derived from total mineral production; it is estimated that the entire gross value of the mineral industry is more than half the total state gross value. He believes that the Bureau of Mines and Geology is the only entity in the state that works so closely with federal agencies. Referring to a world map, Mr. Groff pointed out some key areas, explained how the United States and Montana are affected, and showed how the Bureau of Mines is actually involved.

In answer to Rep. Bengtson's inquiry about how subdivisions are evaluated and what governmental entity invites them in to do this, Mr. Groff replied that they work through the Department of Community Affairs Clearing House; this Department sends a copy of materials and asks the Bureau to evaluate it.

In support of the development of ground water studies, Mr. Groff stated there is increased competition for ground water resources. Energy production in Montana is also insufficient to handle the industrial expansion necessary to provide enough jobs and revenue to meet future demands.

Dr. Bingler made a presentation on maps, and described two new initiatives for which they are requesting funding support. The first is an expansion of the U. S. Geological Survey. The second is to move ahead with the state-wide atlas program for Montana.

The cooperative agreement between the U. S. Geological Survey and the Bureau has been an effective instrument for over 20 years. The critical element is the matching commitment in appropriating dollars which are passed through to the U. S. Geological Survey for the conduct of ground water studies; they are matched by the Bureau's support program. The federal government in turn matches that double effort and returns \$4.00 for every \$1.00 appropriated. The federal government's research for ground water resources also requires a fairly large number of high-quality water analyses each year, and those samples are done in the Bureau's laboratories. The USGS has requested a slight expansion of the co-op program. They would like an extension of the program where they would bring federal dollars to the state, pass them to the Bureau, and the Bureau would arrange to conduct their research in designated areas. The Bureau is asking for \$10,000 in this area.

The Bureau would also like to move ahead with the state-wide map atlas program. The existing map is 25 years old. It would be put in the framework of full color maps. An index map was distributed. There was further explanation of the map atlas program, and it was stated that there would be twenty-two different folios, each folio containing four maps.

Dr. Marvin Miller, Chief of Hydrology Division, gave a presentation on the Bureau of Mine's studies on ground water resources in Montana as authorized by House Joint Resolution 54 passed four years ago. He stated that the study showed that from the 900 wells inventoried and examined in the field, there was an annual wasting of about 7,500 acre feet of water. Of the wells inventoried, only about 50-70% have been filed on, and of those on file, about 40% are grossly mislocated. He feels it is necessary to study locations of these aquifers prior to their development to minimize the wasting and maximize their beneficial use. They have seed money to start on two new artesian basins in Central and Western Montana. Through the Department of Geothermal Energy, the Bureau has a possibility of going in and starting inventories of a few of the wells. Additional monies are needed to do detailed ground water studies. Dr. Miller discussed several areas in the state where monies could be used to do detailed studies of existing operations. A state-wide observation well would be beneficial to

tie all the programs together for saline-seep research and hydrology. It would emphasize the shallow ground water supplies across Northern Montana. The subdivisions around Billings, Missoula and Great Falls would also be reoriented and the Poplar River program would be studied.

In summary, it is hoped that the State will continue the program to provide seed money, matching money and a continuity of the overall ground water program.

Dr. Frank Abercrombie from the Bureau gave a detailed explanation of a specialized piece of equipment costing \$100,000 which the Bureau is requesting an appropriation for; its significance to the Bureau was detailed. It would reduce the amount of time required to analyze samples from 14 days to 1 day; in addition, the new instrument would analyze 14 elements in addition to the 7 already investigated.

Mr. Groff commended the LFA on its budget analysis. He felt that the seed money previously appropriated was very beneficial in working with the USGS in their programs for the benefit of Montana, especially in the ground water studies area. He supported an appropriation of an additional \$5,000 over the LFA recommendation to give the USGS cooperative program a nominal increase.

Mr. Groff requested that the FTE's not be cut.

He supported the concept that if the State spends money for the additional funds requested now, it will save the state substantial amounts in the future in court costs and ground water shortages.

Mr. Groff stated that the Bureau uses their out-of-state travel to send people to meetings only when they are required to attend. The capital projections are about in accordance with the LFA recommendation.

In comparing the budget he prepared with that of the LFA, Mr. Groff stated he has tried to pick up the 3% vacancy from the general fund and add \$3,000 per year for out-of-state travel. The \$170,000, which is an increase each year of \$78,518, would give the Bureau the authority to return money to the State. They anticipate more sales and service in analytical work this year. Mr. Groff would like \$20,000 on the USGS co-op rather than \$15,000; and on the federal program which is part of the co-op, he is asking for \$10,000 seed money per year.

Chairman South inquired about the number of FTE; the Bureau has 33.96 FTE plus graduate research assistants, making the total approximately 37. The LFA did not reduce FTE except in the ground water area. Mr. Groff would like personnel to be maintained at its previous level.

Chairman South questioned why the overall personal services increase was 6%, but on the budget document it is 10.6% for fewer employees during the second year of the biennium. An explanation was given that the Bureau has historically been underpaid, especially for persons with academic rank; an adjustment to achieve some type of equity has been attempted in recent years. The 1.22 method is utilized when trying to equate the Bureau's personnel with academic rank with those of the college. Montana Tech has a salary committee and the Bureau has a representative on that committee. Fourteen employees have academic rank in the Bureau, and nine are tenured.

Chairman South addressed the transfer of \$18,000 from the Bureau to Tech, and Mr. Burt from Montana Tech gave an explanation, stating that the Bureau transfers earmarked funds.

Representative Bengtson inquired whether the Bureau operates on a fee basis with the city-county planning representatives; Mr. Groff replied that they do not--that they are a state agency and if they need evaluations, the Bureau does them.

With regard to the new analytical instrument, Chairman South inquired whether efficiency would be increased enough to repay the general fund. Mr. Groff stated that the state agencies requiring service would be supplied at a lower cost and greater efficiency, and the state would be repaid in this manner.

At Senator Fasbender's request, the Bureau would supply the names of state agencies requiring service from the Bureau; private sectors and federal agencies would also be provided.

The 'reason the dollar value of the instrument is down over previous years' requests is because it is a new instrument and is more suitable for the Bureau's purposes than those previously requested. Representative Moore inquired whether the instrument would generate fees in the amount of \$25,000-50,000 per year. Dr. Abercrombie felt that \$25,000 could be generated.

Representative Moore requested that the Bureau supply the catalog price of the system, cost of delivery, and cost of installation before a decision was made by the committee. Dr. Abercrombie was to supply this information.

Mr. Groff stated that the ground water studies were the number one priority for the Bureau.

Representative Bengtson inquired how the ground water studies would fit into the water adjudication program to be addressed in the legislature; Mr. Groff believed that after the adjudication system was organized, the Bureau would supply the data for the adjudication of ground water, so eventually the surface and ground water surveys would come together.

The Committee reconvened after a five minute recess and took executive action on several proposals. The following agencies were discussed:

Fire Services Training School

The LFA recommendation for this agency is \$122,379; the fiscal 1979 recommendation was \$131,384, the reasons for the decrease being a reduction in out-of-state travel in the amount of \$2,275 and some non-recurring expenses. The school now feels they need \$1,300 per year in contracted services.

Senator Fasbender made a motion that \$1,300 contracted services be added to the LFA's recommendation of \$122,379 for both years of the biennium. Mr. Gamradt explained that this expense would be to bring an instructor in from the Air National Guard to the annual Fire Chiefs' Convention to teach an air crash and rescue course to the firefighters.

The motion passed unanimously.

This would bring the LFA appropriation for fiscal 1980 to \$123,679. Senator Fasbender moved that a letter of intent signifying that the Fire Services Training School's rent is included in the Vo-Tech budget be sent to the Vo-Tech Center.

The motion passed unanimously.

Representative Moore moved that \$3,750 be appropriated in fiscal year 1980 for a federal grant.

The motion passed unanimously.

Board of Public Education

There was some discussion about what the non-recurring expenses were.

Representative Moore moved that the Board of Public Education accept the LFA's recommendation of \$59,775 in FY 1980 and \$60,249 in FY 1981.

Senator Fasbender made a substitute motion that \$5,700 be appropriated in FYs 1980 and 1981 for the .5 FTE secretarial position.

The motion passed. Representatives Kvaalen and Moore opposed the motion.

Representative Moore made a motion that there be a letter of intent written to the Board of Regents stating that the Board of Public Education would like to continue to be housed in the Commissioner of Higher Education's facilities.

School for the Deaf and Blind

Senator Fasbender moved that \$25,000 per year be appropriated directly to the School of Deaf and Blind for the transportation of students home on specific weekends.

The motion passed unanimously.

Senator Fasbender moved that money be appropriated for the purchase of a car in 1980, the amount and size of the car being contingent on the school's needs.

The motion passed, with Representative Bengtson opposing the motion.

Representative Moore moved that the \$5,000 supplemental request not be approved.

The motion passed unanimously.

Montana Arts Council

Representative Bengtson moved that an additional \$5,000 for General Fund Grants in each year of the biennium and \$14,198 in FY 1980 and \$15,275 in FY 1981 for General Fund support of operations be appropriated as a line item for grants.

The motion was segregated at the request of Representative Moore.

The first motion in which the \$5,000 per year would be reinstated passed unanimously.

The second portion of the motion reinstating \$14,198 in FY 1980 and \$15,275 in FY 1981 failed. Representatives South and Kvaalen and Senator Nelson opposed the motion.

Library Commission

Chairman South explained why the committee was obligated to appropriate \$317,000 per year to this agency; it is necessary to get federal grant money. There were brief explanations of the funding options relating to the LFA budget. With regard to the consolidation of the DNR and DCA Libraries, Mr. Gamradt stated the Director of the Department of Natural Resources was violently opposed to the move; he was under the impression that they would not move the facilities but would simply consolidate the services. The Director of the Department of Community Affairs is not totally opposed to the move; he feels that he must keep some of the necessary materials at his department, although some of the materials can be moved to the State Library. The 2 librarians would be maintained as 2 FTE, changing the position titles. One additional librarian would be hired at the State Library.

Chairman South felt that not all the pay-plan increases should come out of the federal dollars, but the legislature would appropriate to the budget office enough general fund for the pay-plan increases, as the general fund is a portion of the entire operational budget.

Representative Moore moved that the supplemental in the amount of \$17,474 be granted. The motion passed unanimously. The supplemental would be recommended to the full committee.

The meeting adjourned.



CARROLL V. SOUTH, CHAIRMAN

Transcribed by Linda Berg

Yvonne Borgmann
Yvonne Borgmann, Acting Secretary