

THE MINUTES OF THE MEETING OF THE HOUSE APPROPRIATIONS COMMITTEE  
MARCH 5, 1981

DEPARTMENT OF AGRICULTURE: HEARINGS.

REP. STOBIE stated that the subcommittee recommended that 6.5 FTE's be added to the budget for the Dept. of Agriculture, creating an increase of 14.2% in general funds and 19.6% in other funds. (EXHIBIT ATTACHED)

CHAIRMAN LUND asked about the Old West Regional Council funds.

MR. BOB ROBINSON, LFA, stated that there was no increase in staff and that the OWRC funds were supplemented by the General Fund.

REP. STOBIE stated that Centralized Services would be generally funded and that \$50,000 was added to the budget for wheat research.

REP. BENGSTON asked why FTE's were increased.

REP. STOBIE stated that, in the past there was an Administrative Assistant position which had been vacant for two years and that the position was put back in the budget. He stated that a grain sample analyst was also added.

DEPARTMENT OF COMMERCE.

REP. STOBIE stated that the general funding for the Dept. of Commerce was increased 63.4% and that other funds would be increased by 50.3%. (EXHIBIT ATTACHED) He added that there were not general funds in Rail Planning for matching private funds from Burlington Northern.

REP. WALDRON asked about the cut in the Travel Promotion budget.

REP. STOBIE stated that only \$300,000 was cut and that the effectiveness of the Unit is very difficult to assess in terms of the return to the State. He stated that the concern now is that the Unit is currently generally funded.

REP. MANUEL stated that tourism is the second largest employer in the State of Montana at 67% of gross income for the State.

REP. CONROY asked about language for the Coal Board.

MR. ROBINSON, LFA, stated that a common base was computed, using counties of similar size and demographic conditions.

He stated that the Coal Board has access to this data for comparison purposes and that only a few local governing bodies would be impacted by this language.

REP. CONROY stated that he feels the language heavily penalizes some areas. He added that he would pursue the matter further in executive session.

REP. BENGSTON stated that she was under the impression that indirect impact grants would also be available but that the language did not reflect this.

REP. BARDANOUE asked why increased business in a town was described as impact.

REP. QUILICI stated that many Consumer Protection complaint calls are transferred from the Consumer Council.

REP. STOBIE stated that most of the complaints received by Consumer Protection are from Helena and that few are received from outlying areas. He stated that he felt county attorney's could handle the problems.

REP. QUILICI stated that county attorney's are referring the problems to Consumer Protection.

REP. STOBIE stated that he felt this was a county attorney's responsibility.

REP. DONALDSON asked how a major complaint was determined from that of a minor matter.

REP. STOBIE stated that a major complaint would be one affecting the entire or major portion of the State.

#### FISH, WILDLIFE AND PARKS.

REP. STOBIE stated that the subcommittee recommended the Department initiate the Conservation Officer concept. He stated that most positions eliminated by the subcommittee were vacant.

REP. DONALDSON introduced a bill to change fishing access funds to allow for maintenance of these areas.

REP. STOBIE stated that the budget recommendation was based on the fee schedule in HB 200. (EXHIBIT ATTACHED)

REP. BENGSTON asked if the landowner/hunter ad hoc committee were still active.

REP. CONROY stated that the final report of this committee's action was received at the beginning of the legislative session.

REP. SHONTZ asked if the subcommittee addressed landowners who close their land during hunting season and later received game damage funds. He added that he felt this practice was unfair.

REP. MANUEL stated that the funds are not received by the landowner, but that they were provided by the Department of FW&P for damage prevention.

REP. SHONTZ stated that he was concerned that the benefit was still inappropriate to such landowners.

#### STATE LANDS.

REP. STOBIE stated that funds must be used for strip mine bills.

REP. LUND stated that they could be used for mine shaft reclamation. (EXHIBIT ATTACHED)

#### LIVESTOCK.

(EXHIBIT ATTACHED) There was no discussion of the Livestock budget by the committee at this time.

#### DEPARTMENT OF NATURAL RESOURCES.

REP. LORY asked if Water Judges had been transferred to DNR.

CHAIRMAN LUND stated that he would check this.

REP. THOFT stated that a bill was in to add an additional \$180,000 to transfer the Daley Ditch to the local water users association. He added that the committee might want to add this amount to the \$29,000 appropriated by the subcommittee.

MR. BOB ROBINSON, Senior Fiscal Analyst, LFA, stated that currently, there is one dam safety inspector on staff and that the subcommittee recommended \$225,000 annually for dam repairs. He stated that \$75,000 of these funds would be general funds and that \$75,000 would be Resource funds. He added that

there are some critical - need areas, but that not all are funded and that it would cost between \$20,000,000 and \$30,000,000 for all projects.

REP. CONROY asked if any of the \$180,000 appropriated for fire fighting equipment would be for operating expenses.

REP. STOBIE stated these funds are for nine new counties, for a total of 40 counties in the program within the Forestry Division.

REP. BARDANOUVE asked how many DNR positions are generally funded.

REP. STOBIE stated that there were four in the Forestry Division.

MR. ROBINSON, LFA, stated that there was no duplication in Hydraulics relative to the Bureau of Mines.

REP. BARDANOUVE asked how allocations were made for Conservation Districts and what the funds were used for.

CHAIRMAN LUND stated that Federal Funding fell off, \$2,200,999 which is being picked up by the general fund.

REP. SHONTZ stated that the State requires funds for surplus property to be retrofit and that the counties must maintain the equipment thereafter.

REP. STOBIE stated that DNR still maintains equipment in some counties.

REP. SHONTZ stated that in Richland County, the Rural Fire District, bills the State for fire fighter services on State Lands.

MR. ROBINSON, LFA stated that the \$1,400,000 in Federal Funds dropped to \$774,000 for general forestry use.

REP. SHONTZ asked if the 11 FTE's were added in the Energy Division because they were needed or because Federal funds were available.

MR. ROBINSON, LFA, stated that 3 FTE's were added by the subcommittee for expanded timber sales and that the positions were initiated by budget amendment in FY80 and

continued into FY 81. He stated that the FTE's were for commercial and solar production, geothermal development, and energy extension surveyors, who would be working with local communities to educate local officials regarding energy conservation.

REP. QUILICI asked how the Fuel Assistance Bureau is funded.

REP. STOBIE stated that it was generally funded.

REP. QUILICI asked if the subcommittee considered HB 16, which puts additional duties in the Bureau. He added that he would take this up in executive session.

REP. BARDANOUE asked how much revenue is generated by the Water Funds.

MR. ROBINSON, LFA, stated that he would get this information.

REP. BENGSTON asked why there was expansion on the High Plains Experiment Weather modification.

MR. ROBINSON stated that nine staff members were involved in a cloud seeding project and that 12 FTE's were to be added. He stated that there were approximately 30 Federal employees in Miles City, working on the project.

REP. CONROY asked where the 11 FTE's in the Energy Division were located.

CHAIRMAN LUND stated that he would check this.

#### PUBLIC SERVICE COMMISSION.

REP. STOBIE presented the committee with the subcommittee recommendations for the PSC.

REP. CONROY stated that by adding four professional staff members, the subcommittee is, in essence, adding more commissioners.

REP. STOBIE stated that the staff was needed for information on rate cases.

#### AGRICULTURE.

MR. GORDON MCOMBER, Director, Department of Agriculture, stated

that he feels the level of appropriation will allow the Department to do its job fairly well. He stated that the staff funded by grants were notified at the time of their hire that when the grants were terminated, the positions would also be terminated. He stated that the problem was that the termination of grant funds would decrease funding for Central Services.

REP. BARDANOUVE asked what the loss was in Central Services.

Mr. McOmber stated that of the \$60,000 annually in other grants and the \$45,000 received annually in EPA grants, 10% was used to fund Central Services.

REP. BARDANOUVE stated that he feels there will be some offset in Central Services with less FTE's.

Mr. McOmber stated that the Old West contracts will expire June 30, 1981.

REP. STOBIE stated that the subcommittee added \$42,000 to offset the OW grants.

#### DEPARTMENT OF COMMERCE.

Mr. GARY BUCHANAN, Acting Director of the Department of Business Regulation, and coordinator for the Department of Commerce, stated that the Department of Professional & Occupational Licensing, Business Regulations, Department of Community Affairs, and portions of the Department of Highways, Governor's Office and Community Development would make up the new Department of Commerce.

Mr. Buchanan, stated that POL would like the committee to consider two FTE's for attorneys and that the Department currently has 1.5 FTE's for attorneys. He stated that the total number of attorneys within the new Department of Commerce was reduced in the coordination effort.

Mr. Buchanan, stated that one FTE was eliminated by the subcommittee recommendation for Consumer Protection. He requested that the FTE be added, in addition to 6.5 he requested, which the subcommittee reduced to 3 FTE's. Mr. Buchanan appealed to the committee to reconsider the request. He added that the Department request was under both the LFA and OBPP recommendations for Consumer Protection.

Mr. Buchanan stated that there was an overall reduction of FTE's in tourism through the consolidation effort. He appealed to the committee to consider the Governor's proposal for tourism, which requires matching funds for the program from private industry, of \$700,000 in FY82 and \$700,000 in FY83, plus \$200,000 in general funds for a 1 for 2 match. The subcommittee appropriated \$600,000 in FY82 and \$700,000 in FY83.

Mr. Buchanan stated that he concurred with the cut from 9.5 FTE's to 715 FTE's in travel promotion. He stated that he feels strongly that support of the tourism industry is necessary.

MS. JUDY RIPPINGALE, LFA, stated that the LFA recommendation for the Department of Community Affairs was at current level and that the LFA did not scrutinize the budget for the Department of Commerce.

REP. BARDANOUE asked what the analysis of net savings was in the consolidation of the new Department. Mr. Buchanan, stated that based on subcommittee action, the actual net reduction is 10 FTE's.

MR. BRIAN MCCULLOUGH Administrator, Centralized Services, DCA, stated that there were \$1,700,000 in general funds for FY82 received by the Governor's budget for the Department of Commerce and that the total budget for the Department was \$2,250,000 in FY82 and that \$600,000 in general funds were dropped to reflect a total of \$1,650,000 for the Department of Commerce in general funds, (less than the Governor's recommendation).

CHAIRMAN LUND stated that the committee needed a report on general fund figures for the Department of Commerce excluding travel promotion.

Mr. Buchanan stated that he would show the original Governor's budget recommendation, and the impact on a number of programs from President Reagan's actions, which could result in a decrease in FTE's for the Department.

REP. CONROY asked what the percentage of cases successfully prosecuted and resolved by Consumer Affairs Division was.

MR. DICK DISNEY, Administrator, stated that there were 963

open cases, which were investigated. He stated that most problems are with non-delivery of mail-order items, inter-state.

Mr. Buchanan stated that tourism was put in the Division of Economic Development for a specific reason.

REP. STOBIE stated that the subcommittee felt that contracted services for one attorney in POL was more appropriate than hiring a FTE in Helena, as the caseload is distributed state-wide.

MR. HAROLD PAULSON, Montana Highway Users Association, stated that tourism, should be generally funded and that highway earmarked funds should not be used to promote tourism in Montana.

MS. BETTY BABCOCK, Colonial Inn, Helena, MT, stated that a study of tourism in the U.S. showed that an average of two persons visited Montana in one vehicle and spent \$66 per day in 1980. She added that 6% of visitors to Montana responded to ads and that she feels promoting tourism in Montana is a good business.

MR. PETER WALLS, Alberta, Canada, spoke to the committee regarding tourism in Canada. He stated that Alberta began its travel promotion program in 1972 on the basis that tourism was a renewable resource and that the program was removed from Tourism and Industry to form Tourism Alberta. He stated that in 1975, the program was brought back into the Business Development and Tourism Program and that in 1980, the Department of Tourism and Small Business was created.

Mr. Walls stated that in 1972, general revenue budget was \$600,000 and that there were 29 staff members. He stated that in 1971, the budget was \$300,000 with a staff of 12 and that in 1980, the budget was \$6,200,000 with a staff of 70, and a temporary staff for project positions.

Mr. Walls stated that tourism is the most labor intensive industry in Canada and the most highly competitive industry in the world. He stated that Alberta has two major cooperative programs, one on a grant basis as a dollar for dollar match grant provided to industry for travel promotion.



MR. WALLS stated that \$550,000 was distributed in grants in 1980, which is about 25-30% of that spent by the industry, and that there were other cooperative programs in marketing. Mr. Walls stated that the theory of the program is to approach industry to bring in tourists and that the agency will assist the private sector with approximately 10% of actual expenditures.

Mr. Walls stated that the program was split into supplies and marketing, to identify potential in an area and to get private industry to develop the potential. He stated that since 1972, less than 15% of tourists fail to stop in Alberta and that general revenue from tourism has grown to \$357,000,000, creating a total of \$1.2 billion in revenue in 1980 for Canada.

Mr. Walls stated that tourism touches almost every element of the economy and that the program established in Alberta has been highly successful.

REP. STOBIE asked how funds are collected for the match.

Mr. Walls stated that there were no collections and that the funds were paid to industry for promotional purposes.

Mr. Walls stated that staff had increased, as there were six staff members in other countries for promotional purposes and developmental purposes. He stated that other staff members gather statistics and that there was a research branch in the program. He added that funds spent in advertising are much less than that spent by Montana and that Alberta utilizes trade advertising at the consumer level, via 19 travel information centers at border points. Mr. Walls stated that Alberta has a travel information center in St. Mary's Glacier Park.

MR. DALE DUFF, Whitefish Chamber of Commerce, stated that the Chamber of Commerce in Kalispell, Columbia Falls, Bigfork and Whitefish support Governor Schwinden's proposal for the Travel Promotion Unit. He provided the committee with letters (attached), from area residents and read a letter from Mr. Norm Kertz, Big Mountain, Whitefish, MT. Mr. Duff added that \$6,000,000 cash flow was generated in the Flathead Valley from tourism in 1980.

MR. JOHN BELGIUM, Holiday Inn, Bozeman, Mt stated that he supported the promotion recommendation of the Governor.

MR. EARL ROSELL, Billings, Mt., stated that he was speaking for Indians and State residents who have reaped benefits from movies made in Montana, adding over \$30,000,000 in Montana since 1970.

MS. DIXIE LEE ELLIOT, Billings, Mt., owner of Thrifty Scot Motel, stated that she supported Governor Schwinden's proposal for tourism in Montana.

REP. JOHN HARP, Kalispell, Mt., stated that he feels funds should be spent in Contracted Services and Communications for Travel Promotion Bureau and asked the committee to support the Governor's proposal for travel in Montana. He stated that Montana is behind 10 other western states in travel and that travel would generate additional income tax and gas tax for Montana.

MR. JACK WEMPLE, President, Montana Guides and Outfitters, urged the committee to support the Governor's proposal.

MR. FOREST BOLES, Montana Chamber of Commerce, stated that the State Association has 12 CB base stations in Montana as a joint effort with Highways in promoting travel in Montana. He requested that the committee consider \$100,000 on a 1 for 1 match basis.

MR. STEVE ENGEL, Whitefish, Mt, requested that the committee support the Governor's proposal for travel promotion.

MR. BRUCE VANICA, Northwest Airlines, stated that he feels the committee should approve \$1,000,000 toward Governor Schwinden's proposal. He stated that more persons from foreign countries were coming to the U.S. for vacations and that fewer persons were vacationing in foreign countries. He added that Northwest Airlines works on a 14-1 return and gets its return.

MS. LINDA BENJAMIN, Billings Area Visitor and Convention Bureau, stated that the Bureau feels that conventions are not promoted effectively for Montana.

MR. C.B. RICH, Seeley Lake, Secretary-Treasurer, Montana Guides and Outfitters, stated that he supported Governor Schwinden's proposal.

CONSUMER PROTECTION.

REP. DONALDSON stated that there is a 2-1 recovery ratio in complaints referred to the Consumer Affairs Division. Mr. Dick Disney, Division Administrator stated that Montana established the Unfair Practices Act in 1935. He added that the 1979-1980 were the last years that earmarked revenue was used for the Act and that \$175,000 was then transferred to the general fund with the provision that the Act would be generally funded from thereon. Mr. Disney stated that \$591,000 was appropriated in general funds, and that \$537,000 was spent, the balance reverting to the general fund in the amount of \$54,000.

REP. QUILICI asked if any of the 1,497 complaints were from Butte-Silver Bow.

Mr. Disney stated that the Division processed 35 complaints from Butte-Silver Bow in 1980 and that in the past seven years over \$100,000 had been collected for the area.

DEPARTMENT OF FISH, WILDLIFE AND PARKS.

MR. JIM FLYNN, Director, stated that he was concerned with the field cost figure, as a base figure of 97 cents per gallon was used and 20 cents per gallon was added for FY82 and FY83. (Projection of \$1.38 per gallon in FY83).

Mr. Flynn stated that 280,000 gallons were anticipated to be used and that 4,000,000 miles were anticipated to be driven in the 83 biennium.

Mr. Flynn stated that if the committee used \$2.16 per gallon in FY83, the budget would be short \$500,000 that year.

Mr. Flynn stated his concern with the number of FTE's authorized by the subcommittee. He stated that the base budget would not allow the agency to do its job during the next biennium, as the budget was based on revenue and not on program analysis.

Mr. Flynn stated that 32.75 FTE's were cut by Mr. Colbo in the Department budget recommendation for the 83 biennium. He added that these positions were authorized by the past legislative session and that the subcommittee had reduced the request by an additional 23.49 FTE's for a total re-

duction of 52.14 FTE's. Mr. Flynn stated that he feels 10.4 FTE's should be rehired to the subcommittee recommendation. He added that with 2 additional FTE's in Central Services there would still be a reduction of 9 FTE's.

Mr. Flynn stated that there could be a problem with Federal funding sources reductions in addition to the subcommittee reductions, and that the FTE's for property management and equipment mechanics may need to be deleted. He stated that these positions were needed to outfit vehicles, rebuilding game-damaged fences, transportation vehicles, in addition to electric and carpentry work.

Mr. Flynn requested that 1.8 FTE's be returned to the Fisheries Division, which is still under the 1979 authorization. He stated that Law Enforcement would be \$37,030 short each year of the 83 biennium for salaries.

In Conservation and Education Division, the subcommittee recommended 20 FTE's. Mr. Flynn requested that 3.5 additional FTE's be rehired and stated that this amount was still under the 1979 Legislative Appropriation. Mr. Flynn advised the subcommittee that one of the FTE's is a Graphic Arts Position in printing.

Mr. Flynn stated that the Division now spends \$80,000 annually for printing and that one of the FTE's requested to be rehired is a Secretary-Subscription Services Position, and that 1.5 are three summer positions filled by teachers for youth camps, 4-H, etc., for seminars on wildlife, outdoors, etc. Mr. Flynn added that .5 FTE was for Orphan Animals Program and requested that the program be continued.

Mr. Flynn stated that to rehire the requested FTE, the cost would be \$150,000 annually. He stated that there would still be 52 fewer FTE's in FY83 than in FY81.

Mr. Flynn requested that 3 additional FTE's be rehired in the Administrative Division in FY81, citing 14.94 FTE's currently in the Division. He advised the committee that the subcommittee recommended 8 FTE's for the Division.

REP. STOBIE stated that the Law Enforcement budget was increased by the subcommittee in the amount of \$62,000 for gas and that he feels the Administrative Secretary was left in the budget and that he would check this.

REP. SHONTZ asked why the print shop was not eliminated and printing in Administration was not used.

Mr. Flynn stated that he feels the FW&P Printshop is cheaper and more cost-efficient.

REP. SHONTZ requested that the agency reevaluate its fuel price estimates for the 83 biennium.

#### LIVESTOCK.

DR. JAMES W. GLOSSER, D.V.M., Administrator of Livestock and State Veterinarian, stated that there had been an unprecedented increase in animal rabies this year, (1981) of 26 cases. He stated that for the first time in the history of the State, rabies was found west of the Continental Divide. Dr. Glosser stated that he would be short in the budget for rabies control, which runs in 5-7 year cycles.

#### DEPARTMENT OF NATURAL RESOURCES.

MR. LEO BERRY, Director, stated that there was a problem with the Alternative Energy Program, and requested Coal Tax Trust Fund monies via SB 141 passage for full funding.

Mr. Berry requested \$1.6 million in FY82 and \$1.9 million in FY83 to be added to current level. He stated that the subcommittee approved these amounts, but not at current level and that the figure needs to be revised.

Mr. Berry requested that 3 additional FTE's be added for grants for commercialization of the program and that 2 FTE's would be in Energy. Mr. Berry stated that currently, contracted services are used to monitor grants and that he doesn't want contracted employees. He added that no additional funds would be required.

Mr. Berry stated that HB 16, sponsored by REP. QUILICI, a Fuel Assistance Bill, gives the Department the authorization not noted by the subcommittee.

REP. CONROY asked about the 11 FTE's in the Energy Division.

Mr. Berry stated that there were 3.5 FTE's in Western Sun, 5 FTE's in Energy Extension Service in Helena and 2.5 FTE's in Geothermal Energy.

REP. SHONTZ asked what the statistics were for Oil and Gas Conservation Division.

Mr. Berry stated that he would pursue this and report back to the committee. He stated that 13.6 FTE's charge \$8.00 per 1,000 board feet on cuts on State lands, which is put into State Lands Funds to improve timber stands and that these are earmarked funds.

REP. MOORE stated that HB 908 would appropriate \$500,000 for MHD in Montana and asked why this was appropriated again.

Mr. Berry stated that this is the same \$500,000 appropriated in the past legislative session and that it has never been spent. He stated that Resources 89 and Montana Power in Great Falls, Mt., have become interested in working on the MHD proposal and that the Federal Government has called this program, causing funds to be needed now.

MR. GARY FRITZ, ADMINISTRATOR, WATER RESOURCES DIVISION, addressed the Daley Ditch situation. He stated that the water users were to create an irrigation project to take over the Ditch and that the irrigation district can't be funded until FY84, while the Daley Ditch funds terminate in FY83. He advised the committee that funds were needed to begin the irrigation district and requested that the committee consider REP. THOFT's bill for this purpose.

REP. BARDANOUVE stated that the State took over the Ditch from Marcus Daley when it was tied into a low-interest, long-range contract and that the State has lost money on the project over the years. He stated that he supported the bill sponsored by REP. THOFT.

MR. RAY BECK, Montana Association of Conservation Districts, stated that 75% was needed to offset costs of the SB on this matter and that 25% was needed for division of funds by the Director in FY81.

PUBLIC SERVICE COMMISSION.

MR. BILL OPITZ, requested that the \$40,000 modified request of the PSC, which was cut by the sumcommittee, be returned. He stated that in the last four years, \$225,000,000 had been granted per year in rate increases and that he feels there is a need for the four professional FTE's to study rate increase requests in depth.

Mr. Opitz stated that between \$650,000 and \$700,000 in revenue is generated annually for the General Fund from the \$5.00 stamp fee for trucks and that the fines go to school districts for a total of \$125,000 annually.

REP. LORY stated that the PSC is not on computer and that it should be. He stated that the PSC requested \$15,000 in FY82 and \$25,000 in FY83 for this purpose, but that the subcommittee approved much less.

REP. BARDANOUE asked what the operating costs are for the \$5.00 stamp for trucks.

Mr. Opitz stated that the Administrative expenses amount to 1.5 to 2 FTE's annually.

Mr. Opitz stated that a bill had been introduced to allow 15% increase in water and sewer rates for municipalities and that 2 out of 3 cases now go through without hearings and that the remaining cases still need hearings.

MR. GULLICKSON, United Transportation Union, stated that a budget amendment for PSC was requested in the amount of \$23,400 to be matched by Federal Railroad Administration. He stated that the Union feels track inspection is needed for railroads in Montana.

MR. KEN CLARK, United Transportation Union, stated that he feels there is a need for track inspection to ensure \$8,000,000 invested is used properly.

MR. JIM MALAR, State Director, Brotherhood of Railway and Airline Workers, stated that HB 503 was passed for safety, but was never funded. He stated that he feels if this had been recieved in 1974 and 1977, the Milwaukee Railroad would not have gone under and that he also feels an inspector is desperately needed. Mr. Malar stated that inspections

are the only way to determine accurate information on tracks  
and to ensure public health and safety.

MR. MALAR added that the Federal Government trains inspectors  
at 100% of the cost and bears 50% of ongoing costs for inspections.

The meeting was adjourned at 4:00 p.m.

  
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REP. ART LUND, CHAIRMAN

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# DEPARTMENT OF MILITARY AFFAIRS

3-58



TED SCHWINDEN, GOVERNOR

P.O. BOX 4789

## STATE OF MONTANA

OFFICE OF THE ADJUTANT GENERAL

HELENA, MONTANA 59604

### REPAIR & MAINTENANCE PROGRAM ARMY NATIONAL GUARD

The Montana National Guard has Sixty Three (63) Facilities located throughout Montana. At present there is no regular scheduled Repairs and Maintenance program.

The following list describes some of the projected Repair and Maintenance projects to keep the present facilities operating.

A. Interior painting of 10 - 12 facilities per year.

1. Walls, woodwork, doors etc.

2. Most Armories have not received any new paint since construction in early 1960's.

B. Boiler maintenance contract.

1. 7 Armories - provides commercial contracted maintenance and periodical inspections, servicing, and minor repairs. This will reduce wear and repairs in the future, and extend life of boiler.

C. General repair and maintenance to Montana Military Academy facilities (3 buildings) Ft. Harrison.

1. Includes painting, glazing, door and window repairs.

D. Roof repair and seal-coat Armories and shops.

1. Roof should receive a seal coat each 4 to 5 years, to extend the life of the roof.

E. Exterior painting general repairs, Armories and shops.

1. Painting around windows, soffit, and doors.

F. Energy conservation of Armories and shops.

1. Insulation of offices and classrooms.
2. Calking around windows and doors.

G. General repair and maintenance of facilities.

1. Electrical.
2. Plumbing.
3. Overhead doors.
4. Appliance - commercial type stoves and refrigerators, etc.
5. Grounds equipment, lawnmowers, etc.

This agencies justification for Army National Guard Repair and Maintenance funding is based upon a 5 per cent per-year increase in funds using FY 76 actual expenses as a base. FY 76 is the last year this program had enough funds available to meet the Repair and Maintenance program established by this department to maintain its facilities. Each year since FY 76 the Repair and Maintenance budget has been robbed of funds in order to fund those categories which cannot be cut back; i.e. utilities. In FY 76 the Department of Military Affairs spent \$61,400 for Repair and Maintenance.

In FY 80 the Dept. spent \$47,709 for Repair and Maintenance. The reduction of expenditures during a period of 20% inflation in the construction industry has caused the need to defer an extensive amount of needed maintenance. The figures recommended by the agency, \$78,365 for FY 82 and \$82,280 for FY 83, will not be enough to achieve funding the full Repair and Maintenance program, but would substantially reduce the amount of maintenance that would otherwise be deferred.

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A. LEGISLATIVE, JUDICIAL, AND ADMINISTRATIVE AGENCIES

HB 500 All departments within the section A shall purchase low-band radio equipment only on an emergency basis. The department director shall certify on the purchase order the nature of the emergency.

Amounts line itemed for audits may be transferred between fiscal years.

	--Fiscal Year 1982---		--Fiscal Year 1983---	
	General <u>Fund</u>	Other Appropriated <u>Funds</u>	General <u>Fund</u>	Other Appropriated <u>Funds</u>
LEGISLATIVE AUDITOR	859,666	861,675	1,266,805	783,425
LEGISLATIVE FISCAL ANALYST	456,224		473,685	
LEGISLATIVE COUNCIL	1,970,349	318,200	2,022,408	42,000
ENVIRONMENTAL QUALITY COUNCIL	160,068		175,265	
CONSUMER COUNSEL		460,752		479,237
JUDICIARY				
1. Supreme Court Operations	1,065,923		1,047,716	
2. Boards and Commissions	141,182		145,269	
3. Law Library	275,644		335,543	
4. District Courts	1,537,532		1,545,622	
5. Moving Expenses			31,342	
6. Moving Expenses: Rent Increase			130,301	

7. Montana Reports	<u>80,000</u>	<u>42,000</u>
Total Judiciary	3,100,281	3,277,793

#### GOVERNOR'S OFFICE

1. Executive Office	827,232	150,000	822,138	100,000
2. Mansion Maintenance	78,986		70,721	
3. Air Transportation	160,124		99,969	
4. Office of Budget and Program Planning	648,126		659,446	
5. Legal Jurisdiction	83,248		89,568	
6. Lieutenant Governor	173,141		179,332	
7. Citizens' Advocate	65,864		68,654	
8. Board of Visitors	<u>56,783</u>	<u>        </u>	<u>60,575</u>	<u>        </u>
Total Governor's Office	2,093,504	150,000	2,050,403	100,000

Federal indirect costs reimbursements shall be reverted to the general fund.

#### SECRETARY OF STATE

1. Records Management	557,047		624,556	
2. Administrative Code	141,740	25,000	146,095	27,000
3. Microfilming: Records Management	<del>85,000</del>		<del>85,000</del>	
4. Microfilming: Secretary of State	<del>35,508</del>		<del>19,208</del>	
5. Systems Development	<u>116,641</u>	<u>        </u>	<u>124,310</u>	<u>        </u>
Total Secretary of State	<del>950,936</del> 811,220	25,000	<del>999,169</del> 875,753	27,000

Item 3 may be spent only if the microfilming is done at records management, the state microfilming facility. Item 4 includes two clerk positions and support costs within the secretary of state's office for document preparation. These positions will terminate June 30, 1983. Expediency of the microfilming project is important and progress on this project should be carefully evaluated by the next legislature.

Item 5 is for automation of information related to the uniform commercial code, corporations, and trademarks. It includes costs for development, data entry and equipment rental. The secretary of state is directed to contract with the information systems division (ISD) for system development if systems development and data entry can be completed by the end of the 1983 biennium. If this time frame cannot be met by ISD the secretary of state is authorized to undertake and complete this project in-house only if the time frame can be met by doing so.

A budget amendment increasing the administrative code's revolving fund spending authority in item 2 may be approved only for additional printing expenses and related supplies.

COMMISSIONER OF POLITICAL  
PRACTICES

124,574	124,100
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STATE AUDITOR

1. State Auditor	1,569,291	125,000	1,603,859	150,000
2. Contracted Services: Insurance Division	<u>25,042</u>	<u>          </u>	<u>27,081</u>	<u>          </u>
Total State Auditor	1,594,333	125,000	1,630,940	150,000

DEPARTMENT OF JUSTICE

1. General Operations	12,617,267	3,710,700	12,342,543	3,739,316
2. Case Travel:				
Legal Services Division				
	12,000		13,000	
3. Contracted Services:				
Antitrust				
	41,816		45,161	
4. Severance Pay	4,900			
5. Hearings Officer		5,000		5,000
6. Audit	37,000	4,000		
7. Moving Costs		1,713	25,000	
8. Out-of-State Travel:				
Forensic Science	1,600		1,600	
9. County Attorney Payroll	602,395		602,395	
10. Transportation of Prisoners	112,314		129,115	
11. Radio Equipment	<u>32,000</u>	<u>          </u>	<u>25,000</u>	<u>          </u>
Total Department of Justice	13,461,292	3,721,413	13,183,814	3,744,316

Appropriated amounts within item 2 are for case-related travel only.

Any fund balance remaining within the motor vehicle account at the end of a fiscal year shall revert to the general fund.

Any collections made by the county prosecutor services program or antitrust enforcement efforts will be deposited to the general fund.

Item 4 contains \$4,900 for the biennium for severance pay of James Spall, to be paid upon his request from the county prosecutor program.

The hourly rate charged by the agency legal services program will not exceed \$30 in 1982 and \$35 in 1983.

Collections made from hearings conducted by the motor vehicle division on dealer franchises will be deposited to the general fund. (Subject to HB694)

Funds remaining within the 1981 biennium appropriation for coal tax defense at June 30, 1981 are reappropriated for the 1983 biennium for the same purpose. These funds are approved for legal-related costs only.

#### BOARD OF CRIME CONTROL

1. General Operations	219,400	404,100	217,900	404,400
2. Grants	<u>          </u>	<u>1,100,000</u>	<u>          </u>	<u>2,100,000</u>
Total Board of Crime Control	219,400	1,504,100	217,900	2,504,400

#### DEPARTMENT OF HIGHWAYS

1. General Operations Division	7,512,225	7,557,086
2. Low Band Radio Equipment	74,000	74,000
3. Construction Division	122,363,389	118,836,522
4. Maintenance Division	36,011,400	37,854,616
5. Preconstruction Division	12,435,358	12,198,196
6. Service Revolving Division	2,426,004	2,537,543
7. Motor Pool Division	1,036,727	1,160,844
8. Equipment Division	11,369,034	12,113,491
9. Stores Inventory	13,341,876	14,518,052
10. Capital Outlay	570,072	571,153
11. Audit	<u>22,000</u>	<u>66,000</u>
Total Department of Highways	207,162,085	207,487,503

During the 1983 biennium the department of highways shall:

1. Develop and institute a comprehensive construction project planning system. This system will be the basis for:

- project scheduling,
- project monitoring,
- manpower planning,
- work measurement and evaluation,
- cash flow projections,
- long and short range construction goals, and
- budget preparation.

2. Utilize the partial funding method for construction projects.

3. Institute a cash forecasting system to minimize cash reserves.

4. Maintain a surplus of completed construction plans in order to obligate and expend the maximum amount of federal dollars available for construction during the biennium.

5. Submit to the 1983 legislature a construction workplan for the 1985 biennium which ties directly to the 1985 biennium budget request. This workplan will specify by road system or project area; projects on which a million dollars or more would be spent during the 1985 biennium, and an aggregate cost for projects with anticipated expenditures of less than a million dollars. Costs will be detailed by year, fund, and project phase.

6. Institute a maintenance management system for the maintenance division which incorporates equipment needs and usage.

7. Conduct a thorough assessment of equipment needs based on maintenance needs by geographic area.

8. Submit to the 1983 legislature a maintenance workplan which ties directly to the maintenance division budget request for the 1985 biennium.

9. Report quarterly to the legislative finance committee regarding the progress of the above mentioned items and obtain their direction for budget submission.



Should additional federal money become available during the 1983 biennium for highway construction, highway earmarked funds shall be budget amended to the extent of matching requirements.

Earmarked revenue within the equipment division will be reduced dollar for dollar by revenue collected from auction of equipment. This is contingent upon passage of SB169.

The Helena headquarters van pool project administered by the department of highways may continue in operation and is to be operated on a self-supporting basis.

Funds may be transferred between line items 1, 3, 4, 5, 6, 7 and 8 to reflect actual personal service expense. No other transfers between line items may be made. This is not to be construed as permitting the transfer of full-time equivalent employees between programs, nor will there be an increase in the total number of appropriated full-time equivalent employees.

#### REVENUE

1. General Operations	12,545,915	1,325,313	12,712,253	1,359,671
2. Audit Costs	16,500	8,500	49,500	25,500
3. Legal Fees: Director's Office	25,000		25,000	
4. Recovery Services Division	<u>197,718</u>	<u>593,153</u>	<u>199,603</u>	<u>598,807</u>
Total Department of Revenue	12,785,133	1,926,966	12,986,356	1,983,978

Should the recovery services division return \$1.05 in collections per \$1.00 expended in 1982, the appropriation in item 4 may be increased a maximum of \$16,000 general fund and \$48,000 in federal funds for fiscal 1983.

Cash within the central supply revolving account at 1981 fiscal year-end will be deposited to the general fund. Collections from liquidation of inventory during the 1983 biennium will also be deposited to the general fund.

In addition to those amounts appropriated above, there is appropriated to the liquor division funds necessary to maintain adequate inventories of liquor and wine and to operate the state liquor monopoly. The division shall deposit not less than \$13 million of liquor profits to the general fund during the 1981 biennium. During the 1983 biennium profits from the liquor merchandising system will not be less than 15 percent of net liquor sales and not less than \$14,383,675. Fifteen percent of net sales exceeding \$14,383,675 will be deposited to the general fund. Net liquor sales are gross liquor sales less discounts and all taxes collected. Merchandising profits are defined to be net liquor sales reduced by product and freight costs and operational costs of the liquor merchandising system.

The 1983 biennium liquor merchandising profits shall be reduced by the liquor licensing bureau appropriation and support divisions' appropriations. In addition, these profits may be reduced by an amount equal to the increase in inventory value which shall be proportionate to the annual net liquor sales increase. Remaining profits shall be distributed to the general fund.

The operational expenses of the liquor merchandising system shall not exceed 15 percent of net liquor sales. Operational expenses shall not include product or freight costs. The liquor division has full authority to determine store operating hours, numbers and locations of stores and employees and may raise or lower the liquor pricing formula. Pricing formula increases shall be no greater than the mark-up on June 30, 1981,

plus an amount equal to any percentage decrease in net liquor sales from the previous 12-month period rounded up to the nearest whole percent. Such adjustments may be made twice each fiscal year starting July 1, 1981.

Nonprofitable state stores should be closed or converted to agency stores in an orderly manner. A nonprofitable store is one that shows a net loss or is less profitable than if run at agency store status after reducing gross revenues by all state excise and license taxes and by deducting therefrom all normal operating expenses, which includes a pro rata share, based on gross sales, of central administrative office expenses.

#### DEPARTMENT OF ADMINISTRATION

1. General Operations	4,318,298	14,310,415	4,349,038	14,549,565
2. Communication Expense - Communications Division		2,970,940		2,894,739
3. Insurance Expenses - Insurance Division	175,000	1,789,195	192,500	1,919,888
4. Audit Fees	15,000	60,000		
5. Equipment - Duplicating Services		152,799		61,500
6. Systems Development - Merit System		25,000		27,100
7. Systems Development - Purchasing Division	120,000		55,500	
8. Systems Development - Teachers' Retirement System		140,000		
Total Department of Administration	4,568,298	19,448,349	4,597,038	19,452,792

The agency shall charge those divisions not supported by general fund for legal services provided by the attorney in the central office and such income shall be deposited in the general fund.

An additional accountant is provided in the architecture and engineering division for the 1983 biennium only.

The state may continue to use its own printing facilities.

The graphic arts bureau of the publications and graphics division shall establish a separate revolving fund and shall become a self-supporting operation.

The budget office will assure reimbursement to the general fund for all management studies or systems support needs assessments provided by the consulting services bureau to non-general funded agencies if those agencies have sufficient funding available.

The board of housing and the board of investments shall operate under an earmarked fund.

As of July 1, 1981, interest generated on the \$2.5 million loan to the self-insurance fund shall be deposited to the sinking fund that loaned the funds. Repayment of the loan should occur at such time as the invested funds reach par.

All employees working under the direction of the workmens' compensation judge shall be classified.

In the local government services division, general fund is provided only for administrative support which includes six full-time employees and related support costs. Auditing services are expected to be self-supporting.

The budgeting, accounting, and reporting system (BARS), which is being implemented state-wide by local governmental entities, is expected to be completed no later than June 30, 1984.

#### MILITARY AFFAIRS

##### 1. Adjutant General

795,281	680,116	843,969	738,055
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2. Disaster and Emergency  
Services

	<u>162,161</u>	<u>277,906</u>	<u>162,093</u>	<u>280,982</u>
Total Military Affairs	957,442	958,022	1,006,062	1,019,037

TOTAL LEGISLATIVE, JUDICIAL,  
AND ADMINISTRATIVE

43,361,500	236,661,562	44,011,738	237,773,896
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## A. LEGISLATIVE, JUDICIAL, AND ADMINISTRATIVE AGENCIES

All departments within the section A shall purchase low-band radio equipment only on an emergency basis. The department director shall certify on the purchase order the nature of the emergency.

Amounts line itemed for audits may be transferred between fiscal years.

	--Fiscal Year 1982---	Other Appropriated Funds	--Fiscal Year 1983---	Other Appropriated Funds
	<u>General Fund</u>		<u>General Fund</u>	
LEGISLATIVE AUDITOR	859,666	861,675	1,266,805	783,425
LEGISLATIVE FISCAL ANALYST	456,224		473,685	
LEGISLATIVE COUNCIL	1,970,349	318,200	2,022,408	42,000
ENVIRONMENTAL QUALITY COUNCIL	160,068		175,265	
CONSUMER COUNSEL		460,752		479,237
 JUDICIARY				
1. Supreme Court Operations	1,065,923		1,047,716	
2. Boards and Commissions	141,182		145,269	
3. Law Library	275,644		335,543	
4. District Courts	1,537,532		1,545,622	
5. Moving Expenses			31,342	
6. Moving Expenses: Rent Increase			130,301	

7. Montana Reports	<u>80,000</u>		<u>42,000</u>	
Total Judiciary	3,100,281		3,277,793	

#### GOVERNOR'S OFFICE

1. Executive Office	827,232	150,000	822,138	100,000
2. Mansion Maintenance	78,986		70,721	
3. Air Transportation	160,124		99,969	
4. Office of Budget and Program Planning	648,126		659,446	
5. Legal Jurisdiction	83,248		89,568	
6. Lieutenant Governor	173,141		179,332	
7. Citizens' Advocate	65,864		68,654	
8. Board of Visitors	<u>56,783</u>	<u>        </u>	<u>60,575</u>	<u>        </u>
Total Governor's Office	2,093,504	150,000	2,050,403	100,000

Federal indirect costs reimbursements shall be reverted to the general fund.

#### SECRETARY OF STATE

1. Records Management	<sup>57</sup> 552,839		<sup>78</sup> 605,348	
2. Administrative Code	141,740	25,000	146,095	27,000
3. Microfilming: Records Management	85,000		85,000	
4. Microfilming: Secretary of State	35,508		19,208	
5. Systems Development	<u>116,641</u>	<u>        </u>	<u>124,310</u>	<u>        </u>
Total Secretary of State	931,728	25,000	979,961	27,000
	811,220		875,753	

Item 3 may be spent only if the microfilming is done at records management, the state microfilming facility. Item 4 includes two clerk positions and support costs within the secretary of state's office for document preparation. These positions will terminate June 30, 1983. Expediency of the microfilming project is important and progress on this project should be carefully evaluated by the next legislature.

Item 5 is for automation of information related to the uniform commercial code, corporations, and trademarks. It includes costs for development, data entry and equipment rental. The secretary of state is directed to contract with the information systems division (ISD) for system development if systems development and data entry can be completed by the end of the 1983 biennium. If this time frame cannot be met by ISD the secretary of state is authorized to undertake and complete this project in-house only if the time frame can be met by doing so.

A budget amendment increasing the administrative code's revolving fund spending authority in item 2 may be approved only for additional printing expenses and related supplies.

#### COMMISSIONER OF POLITICAL PRACTICES

124,574	124,100
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#### STATE AUDITOR

1. State Auditor	1,569,291	125,000	1,603,859	150,000
2. Contracted Services: Insurance Division	<u>25,042</u>	<u>          </u>	<u>27,081</u>	<u>          </u>
Total State Auditor	1,594,333	125,000	1,630,940	150,000



# DEPARTMENT OF JUSTICE

1. General Operations	12,539,017	3,710,700	12,342,543	3,739,316
2. Case Travel: Legal Services Division	12,000		13,000	
3. Contracted Services: Antitrust	41,816		45,161	
4. Severance Pay	4,900			
5. Hearings Officer		5,000		5,000
6. Audit	37,000	4,000		
7. Moving Costs		1,713	25,000	
8. Out-of-State Travel: Forensic Science	1,600		1,600	
9. County Attorney Payroll	602,395		602,395	
10. Transportation of Prisoners	112,314		129,115	
11. Radio Equipment	32,000		25,000	
Total Department of Justice	13,383,042	3,721,413	13,183,814	3,744,316

Appropriated amounts within item 2 are for case-related travel only.

Any fund balance remaining within the motor vehicle account at the end of a fiscal year shall revert to the general fund.

Any collections made by the county prosecutor services program or antitrust enforcement efforts will be deposited to the general fund.

Item 4 contains \$4,900 for the biennium for severance pay of James Spall, to be paid upon his request from the county prosecutor program.

The hourly rate charged by the agency legal services program will not exceed \$30 in 1982 and \$35 in 1983.

Collections made from hearings conducted by the motor vehicle division on dealer franchises will be deposited to the general fund. *HB 684*

Funds remaining within the 1981 biennium appropriation for coal tax defense at June 30, 1981 are reappropriated for the 1983 biennium for the same purpose. These funds are approved for legal-related costs only.

#### BOARD OF CRIME CONTROL

1. General Operations	219,400	404,100	217,000	404,400
2. Grants	<u>          </u>	<u>1,100,000</u>	<u>          </u>	<u>2,100,000</u>
Total Board of Crime Control	219,400	1,504,100	217,000	2,504,400

#### DEPARTMENT OF HIGHWAYS

1. General Operations Division	7,512,225	7,557,086
2. Low Band Radio Equipment	74,000	74,000
3. Construction Division	122,363,389	118,836,522
4. Maintenance Division	36,011,400	37,854,616
5. Preconstruction Division	12,435,358	12,198,196
6. Service Revolving Division	2,426,004	2,537,543
7. Motor Pool Division	1,036,727	1,160,844
8. Equipment Division	11,369,034	12,113,491
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10. Capital Outlay	570,072	571,153
11. Audit	<u>22,000</u>	<u>66,000</u>
Total Department of Highways	207,162,085	207,487,503

During the 1983 biennium the department of highways shall:

1. Develop and institute a comprehensive construction project planning system. This system will be the basis for:

Should additional federal money become available during the 1983 biennium for highway construction, highway earmarked funds shall be budget amended to the extent of matching requirements.

Earmarked revenue within the equipment division will be reduced dollar for dollar by revenue collected from auction of equipment. This is contingent upon passage of SB 69. 169

The Helena headquarters van pool project administered by the department of highways may continue in operation and is to be operated on a self-supporting basis.

Funds may be transferred between line items 1, 3, 4, 5, 6, 7 and 8 to reflect actual personal service expense. No other transfers between line items may be made. This is not to be construed as permitting the transfer of full-time equivalent employees between programs, nor will there be an increase in the total number of appropriated full-time equivalent employees.

#### REVENUE

1. General Operations	12,545,915	1,325,313	12,712,253	1,359,671
2. Audit Costs	16,500	8,500	49,500	25,500
3. Legal Fees: Director's Office	25,000		25,000	
4. Recovery Services Division	<u>197,718</u>	<u>593,153</u>	<u>199,603</u>	<u>598,807</u>
Total Department of Revenue	12,785,133	1,926,966	12,986,356	1,983,978

Should the recovery services division return \$1.05 in collections per \$1.00 expensed in 1982, the appropriation in item 4 may be increased a maximum of \$16,000 general fund and \$48,000 in federal funds for fiscal 1983.

Cash within the central supply revolving account at 1981 fiscal year-end will be deposited to the general fund. Collections from liquidation of inventory during the 1983 biennium will also be deposited to the general fund.

In addition to those amounts appropriated above, there is appropriated to the liquor division funds necessary to maintain adequate inventories of liquor and wine and to operate the state liquor monopoly. The division shall deposit not less than \$13 million of liquor profits to the general fund during the 1981 biennium. During the 1983 biennium profits from the liquor merchandising system will not be less than 15 percent of net liquor sales and not less than \$14,383,675. Fifteen percent of net sales exceeding \$14,383,675 will be deposited to the general fund. Net liquor sales are gross liquor sales less discounts and all taxes collected. Merchandising profits are defined to be net liquor sales reduced by product and freight costs and operational costs of the liquor merchandising system.

The 1983 biennium liquor merchandising profits shall be reduced by the liquor licensing bureau appropriation and support divisions' appropriations. In addition, these profits may be reduced by an amount equal to the increase in inventory value which shall be proportionate to the annual net liquor sales increase. Remaining profits shall be distributed to the general fund.

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plus an amount equal to any percentage decrease in net liquor sales from the previous 12-month period rounded up to the nearest whole percent. Such adjustments may be made twice each fiscal year starting July 1, 1981.

Nonprofitable state stores should be closed or converted to agency stores in an orderly manner. A nonprofitable store is one that shows a net loss or is less profitable than if run at agency store status after reducing gross revenues by all state excise and license taxes and by deducting therefrom all normal operating expenses, which includes a pro rata share, based on gross sales, of central administrative office expenses.

#### DEPARTMENT OF ADMINISTRATION

1. General Operations	4,258,298	14,310,415	4,349,038	14,549,565
2. Communication Expense - Communications Division		2,970,940		2,894,739
3. Insurance Expenses - Insurance Division	175,000	1,789,195	192,500	1,919,888
4. Audit Fees	15,000	60,000		
5. Equipment - Duplicating Services		152,799		61,500
6. Systems Development - Merit System		25,000		27,100
7. Systems Development - Purchasing Division	120,000	-	55,500	
8. Systems Development - Teachers' Retirement System		140,000		
Total Department of Administration	4,568,298	19,448,349	4,597,038	19,452,792

The agency shall charge those divisions not supported by general fund for legal services provided by the attorney in the central office and such income shall be deposited in the general fund.

An additional accountant is provided in the architecture and engineering division for the 1983 biennium only.

The state may continue to use its own printing facilities.

The graphic arts bureau of the publications and graphics division shall establish a separate revolving fund and shall become a self-supporting operation.

The budget office will assure reimbursement to the general fund for all management studies or systems support needs assessments provided by the consulting services bureau to non-general funded agencies if those agencies have sufficient funding available.

The board of housing and the board of investments shall operate under an earmarked fund.

As of July 1, 1981, interest generated on the \$2.5 million loan to the self-insurance fund shall be deposited to the sinking fund that loaned the funds. Repayment of the loan should occur at such time as the invested funds reach par.

All employees working under the direction of the workmens' compensation judge shall be classified.

In the local government services division, general fund is provided only for administrative support which includes six full-time employees and related support costs. Auditing services are expected to be self-supporting.

The budgeting, accounting, and reporting system (BARS), which is being implemented state-wide by local governmental entities, is expected to be completed no later than June 30, 1984.

#### MILITARY AFFAIRS

##### 1. Adjutant General

795,281	680,116	843,969	738,055
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2. Disaster and Emergency  
Services

	<u>162,161</u>	<u>277,906</u>	<u>162,093</u>	<u>280,982</u>
Total Military Affairs	957,442	958,022	1,006,062	1,019,037

TOTAL LEGISLATIVE, JUDICIAL,  
AND ADMINISTRATIVE

43,204,042	236,661,562	43,991,630	237,773,688
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# LEGISLATIVE OFFICES

	<u>1981 Biennium</u>	<u>1983 Biennium</u>	<u>% Increase</u>
<u>Legislative Auditor</u>			
General Fund	\$2,870,498	\$2,126,471	(25.9)
Other Funds		<u>1,645,100</u>	<u>100.0</u>
Total	<u>\$2,870,498</u> =====	<u>\$3,771,571</u> =====	<u>31.4</u> =====

1170 954. Pay Plan		<u>510,960</u>	
REVISED TOTAL	<u>\$2,870,498</u> =====	<u>\$4,282,531</u> =====	<u>49.2</u> =====

FTE 50.00 64.00

## Legislative Fiscal Analyst

General Fund	\$814,204	\$ 929,909	14.2
(not on fig. may chg.) Pay Plan		<u>120,032</u>	
REVISED TOTAL	<u>\$814,204</u> =====	<u>\$1,049,941</u> =====	<u>29.0</u> =====

FTE 14.0 14.0

## Legislative Council

(excl. plugged in) General Fund	\$3,062,794	\$3,992,757 <sup>A</sup>	30.4
Other Funds	<u>354,312</u>	<u>360,200<sup>B</sup></u>	<u>1.7</u>
Total	<u>\$3,417,107</u> =====	<u>\$4,352,957</u> =====	<u>27.4</u> =====
FTE	61.83	57.75	

<sup>A</sup> Includes 10 percent pay raise each year for a total of \$311,093.

<sup>B</sup> Income received for sales of Montana Codes Annotated.

## Consumer Counsel

Other Funds	\$802,430	\$939,989 <sup>A</sup>	17.1
FTE	4.00	4.00	

<sup>A</sup> Includes 12 percent pay raise for a total of \$24,273.



	<u>1981</u> <u>Biennium</u>	<u>1983</u> <u>Biennium</u>	<u>%</u> <u>Increase</u>
<u>Environmental Quality Council</u>			
General Fund	\$278,547	\$335,333 <sup>A</sup>	20.4
FTE	4.00	4.00	

<sup>A</sup> Includes a 10 percent pay raise for a total of \$17,348.

#### LEGISLATIVE AUDITOR

Additional staff, including six financial audit officers and one support staff, are included in the recommendation. This increased staff will allow the agency to provide complete audit coverage, entailing a two year span of financial activity for each agency every two years.

Revolving fund authority is recommended so that the agency may charge for the audit service.

#### LEGISLATIVE FISCAL ANALYST

Rental of a copier for \$2,500 in 1983 is included for session use. This expense was previously included in the feed bill.

Pre-session costs of \$23,800 are also included for 1983.

Travel expenses are less in 1983 as fewer committee meetings are held during a session year.

#### LEGISLATIVE COUNCIL

Personal services reflect a ten percent cost of living increase and \$22,000 for session-related overtime. Also, an additional \$50,000 is approved each year for salary adjustments. A reduction in proofreaders and terminal operators is also approved as requested.

Increased data-processing expenses, including systems enhancements, are approved.

Dues expenses of \$53,000 and \$58,000 in 1982 and 1983 respectively are approved for the National Conference of State Legislators (NCSL) and Council of State Governments (CSG). Related travel expenses are also allowed.

Additional publication expenses of \$100,00 in 1981 for the Con-Con project are allowed as well as an additional \$25,700 for the reapportionment study.

This budget is 5.9 percent more than the budget originally submitted.

#### ENVIRONMENTAL QUALITY COUNCIL

The budget was approved as requested with additional compensation of \$2,000 per year for board members, contingent upon the passage of HB 23(?)

#### CONSUMER COUNSEL

The budget was approved as requested, including a 12 percent increase for pay raises.

# JUDICIARY

	1981 <u>Biennium</u>	1983 <u>Biennium</u>	% <u>Increase</u>
General Fund	\$4,962,765	\$6,378,074	28.5
Other Funds	<u>92,396</u>	<u>-0-</u>	<u>(100.0)</u>
Total	\$5,055,161 =====	\$6,378,074 =====	26.2 =====
Pay Plan		<u>807,851</u>	
REVISED TOTAL	\$5,055,161 =====	\$7,185,925 =====	42.2 =====
FTE	60.00	72.50	

The recommended appropriation includes \$164,700 for the Montana criminal law information research center (MONTCLIRC), which was previously ~~funded~~ in the crime control board.

Federally funded expenses, including data-processing costs and training costs for courts of lower jurisdiction, are also included in this recommended appropriation.

Increased contracted service fees in boards and commissions have also been allowed.

A secretary position is approved for the law library and \$158,300 in 1982 and \$194,600 in 1983 for library acquisitions. Also recommended in the library budget is \$20,000 in 1983 for Westlaw, a computer-generated research service.

Printing expenses of \$80,000 in 1982 and \$42,000 in 1983 for the Montana Reports will permit the court to become current in these publications.

Rental expenses for two additional word-processing machines (one appropriated for initially in 1981) are also included.

# GOVERNOR'S OFFICE

	<u>1981 Biennium</u>	<u>1983 Biennium</u>	<u>% Increase</u>
General Fund	\$3,838,661	\$4,143,907 <sup>A</sup>	7.9
Other Funds	<u>801,252</u>	<u>250,000</u>	<u>(68.8)</u>
TOTAL	<u>\$4,648,912</u>	<u>\$4,393,907</u>	<u>(5.5)</u>
Pay Plan		<u>446,823</u>	
REVISED TOTAL	<u>\$4,648,913</u>	<u>\$4,840,730</u>	<u>4.3</u>
FTE	60.00	56.00	

<sup>A</sup> Represents federal funds for administration of old west regional commission program only. Technical assistance and economic research grants as well as economic development grants and loans have been transferred to the department of commerce.

The recommended appropriation includes expenses related to maintenance of the Duke airplane and one full-time pilot. The 1982 recommendation of \$160,120 includes replacement of engines for \$70,000. The 1983 recommendation is \$99,900. The governor's travel budget has been reduced approximately 30 percent each year as a result of this new air service. (may be used in 83)

## Executive Office

Two additional administrative assistants are included. Organizational dues payments of \$95,540 in 1982 and \$121,980 in 1983 are allowed. This expense includes \$105,000 for Old West Regional Commission dues for the biennium.

Additional consultant services of \$20,000 (1982) and \$22,100 (1983) are added.

#### Office of Budget and Program Planning

Five positions, including two administrative and three budget analysts, have been deleted from this budget as requested.

Additional data-processing expenses of \$20,000 per year are included for further systems development and enhancements.

#### Legal Jurisdiction

A current Missoula-based attorney is placed on contracted services and a Helena-based attorney is added (grade 17).

#### Board of Visitors

Travel expenses are increased 135 percent above the LFA recommendation to allow the board to make statutorily required visits to such remote areas as Glendive and Miles City.

#### Summary

The general fund recommended appropriation is \$420,250 more than the LFA recommendation and \$328,890 above the executive recommendation, as revised by the Schwinden administration, but \$701,253 less than the original executive recommendation.

# STATE AUDITOR

	1981 <u>Biennium</u>	1983 <u>Biennium</u>	% <u>Increase</u>
General Fund	\$2,711,788	\$3,225,273	18.9
Other Funds	<u>185,908</u>	<u>275,000</u>	<u>47.9</u>
TOTAL	\$2,797,696 =====	\$3,500,273 =====	25.1 =====
Pay Plan		<u>354,107</u>	
REVISED TOTAL	\$2,797,696 =====	\$3,854,380 =====	37.8 =====
FTE	52.00	59.00	

The following new positions are recommended for the 1983 biennium:

1. Central payroll - one systems coordinator to coordinate the functions of all three components of the new integrated payroll/personnel/position control (P/P/P) system.
2. Administrative support - one payroll clerk.
3. Insurance - one para-legal, one investigator, and one clerk-typist to provide support to current level operations.
4. Securities - one investigator and one administrative assistant.

Data-processing expenses, including systems support of \$174,555 for 1982 and \$228,568 for 1983 are included. This expense increases 124 percent over the 1981 biennium data-processing expenses. This increase is largely due to the new P/P/P system.

Operating expenses in the insurance division increase 63 percent. This increase relates to travel expenses associated with a new consumer education program, approval of additional space and equipment for new personnel, as well as major equipment purchases. Actuarial fees have also been increased to \$10,000 per year from \$2,500 in 1980.

Two additional lektreivers are also recommended within the agency's budget.

#### Summary

The recommended general fund budget is \$607,800 more than the LFA recommendation and \$82,750 more than the executive budget.

# COMMISSIONERS OF POLITICAL PRACTICES

	<u>1981 Biennium</u>	<u>1983 Biennium</u>	<u>% Increase</u>
General Fund	\$199,905	\$248,674	24.4
Pay Plan		<u>33,281</u>	
REVISED TOTAL	<u>\$199,905</u> =====	<u>\$281,955</u> =====	<u>41.0</u> =====
FTE	5.0	5.50	

Included in this recommendation is \$5,990 in 1982 and \$6,280 in 1983 for increased personal services and operating expenses related to Initiative 85. This recommendation is contingent upon the court ruling the initiative constitutional.

Audit fees of \$3,000 are included in 1982.

## Summary

The recommended appropriation is \$20,850 more than the LFA and \$11,540 more than the executive recommendation.



# SECRETARY OF STATE

	1981 Biennium	1983 Biennium	% Increase
General Fund	\$1,195,631	\$1,950,105	63.1
Other Funds	<u>-0-</u>	<u>52,000</u> <sup>A</sup>	<u>100.0</u>
TOTAL	<u>\$1,195,631</u> =====	<u>\$2,002,105</u> =====	<u>67.5</u> =====
Pay Plan		<u>182,448</u>	
REVISED TOTAL	<u>\$1,195,631</u> =====	<u>\$2,184,553</u> =====	<u>82.7</u> =====
FTE	28.17	<sup>3</sup> <del>32</del> .17	

<sup>A</sup> Income received from sales of Administrative Code Manual.

The recommended appropriation includes increased current level personal services as requested to change fourteen classified positions to exempt positions and provide merit increases of \$11,700 each year.

## Records Management

Five additional positions, a corporate documents worker and a clerk, are recommended to relieve workload increases. Additional operating expenses of \$10,000 per year are also included.

Microfilming expenses of \$85,000 per year are also recommended. It is the committee's intent that these funds be used to contract with the state's centralized microfilming facility. ~~Two clerks are also recommended to prepare documents in-house.~~

The committee recommends \$240,900 for systems development of corporations, uniform criminal code, and trademark information. It is the committee's intent that this expenditure be contracted out to the state's centralized service if the project can be done within the \$240,900 limit.

### Administrative Code

Three additional FTE and more than \$10,000 per year in operating expenses is recommended so that indexation of the Montana Administrative Manual may be accomplished.

### Summary

The recommended general fund appropriation is \$695,916 more than the LFA recommendation and \$50,184 less than the executive recommendation.

1981 is to be deposited to the general fund. Collections from the liquidation of inventory during the 1983 biennium are as well to be deposited to the general fund.

The operations division receives over \$20,000 for mailing equipment.

Through reorganization, an administrative position and a secretary are removed from the investigation division. This small division will be merged with the legal division.

Research and information staff was increased by two analysts. The committee was concerned about the efficiency of this division, identifying several developmental needs within the department which have not been met. Increased staff, equipment and operating expenses are expected to meet the department's needs.

The miscellaneous tax and inheritance tax divisions are kept at current level.

### Summary

The appropriation of general fund is \$1,376,816 higher than the LFA recommendation and \$37,865 below the executive.



*The Big Sky Country*

MONTANA STATE SENATE

Jean A. Turnage  
District 13  
President of the Senate

OFFICE OF THE PRESIDENT  
Capitol Building  
Helena, Montana 59620

Home Address  
P.O. Box 450  
Polson, Montana 59850

January 22, 1981

Representative Earl C. Lory,  
Chairman, Subcommittee on Elected Officials  
Committee on Appropriations

Dear Representative Lory:

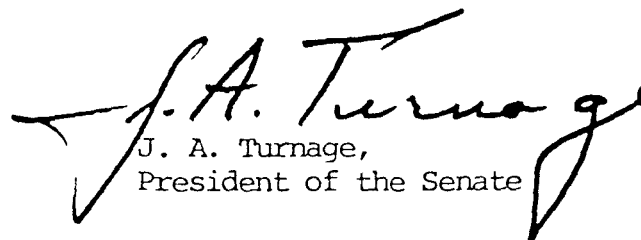
Secretary of State Waltermire, is appearing before you January 30 to seek an appropriation to his office sufficient to compile a general index to the Administrative Rules of Montana.

This is a desirable project, very much in the public interest. The practicing attorney whose work involves state agency rules -- and that is most attorneys sooner or later -- finds the lack of a general index one of the frustrating aspects of dealing with the Administrative Rules. If he knows which agency has made a particular rule, he may be lucky enough to find something in that agency's index. But just knowing which department or departments regulate a given sphere of activity is no mean feat these days.

You may recall, when we both served on the Administrative Code Committee in the 1975-76 interim, that this topic was discussed. As I recollect, I moved during a committee meeting in 1976 that the Secretary of State undertake to compile a general index to the rules as soon as this was feasible and fundable. I believe the motion was unanimously approved.

I urge your favorable consideration of Mr. Waltermire's request for this project.

Sincerely,

  
J. A. Turnage,  
President of the Senate

JAT:MAW

copies to: Senator Harold L. Dover  
Senator Thomas F. Keating  
Senator Fred Van Valkenburg  
Representative John M. Shontz  
Representative Joe Quilici

WITNESS STATEMENT

NAME Bill Critz BILL No. Approp. Bill  
ADDRESS 2 Wood Ct. Helena DATE 3/5/81  
WHOM DO YOU REPRESENT PSC  
SUPPORT X OPPOSE \_\_\_\_\_ AMEND \_\_\_\_\_

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

- (1) Support the Sub-Comm. level of appropriations
- (2) Increases in rates for major utilities over the past 4 years (1977-1980) \$225 million
- (3) PSC will still need expertise in water & sewer rate cases because criteria in HB-765 is too restrictive in many of the municipalities.

PUBLIC SERVICE COMMISSION'S BUDGET

March 5, 1981

MR. CHAIRMAN AND COMMITTEE MEMBERS:

I AM MORRIS GULLICKSON OF THE UNITED TRANSPORTATION UNION, REPRESENTING THE RAIL BROTHERHOODS. WE FEEL THAT THERE IS A NEED FOR A STATE TRACK INSPECTOR IN THE PUBLIC SERVICE COMMISSION OF MONTANA.

WE FEEL THAT WITH THE PRESENT SITUATION OF RAIL TRANSPORTATION IN MONTANA, AND THE INSTITUTING OF THE STAGGERS ACT, THERE WILL BE A FLOOD OF BRANCH LINE ABANDONMENTS. THIS TRACK INSPECTOR COULD BE AN IMPARTIAL PARTY TO VERIFY OR TESTIFY AS TO THE TRACK UPKEEP AND EXPENSES.

AT PRESENT THERE IS NO OTHER INFORMATION AVAILABLE TO THE PUBLIC EXCEPT THE RAILROAD'S OWN TESTIMONY ON COST AND CONDITIONS WHEN IT COMES TO HEARINGS ON ABANDONMENTS OR AN INVESTIGATION INVOLVING A WRECK OR DERAILMENT.

THE TOTAL COST TO THE STATE OF MONTANA WOULD BE \$23,400. THIS AMOUNT WOULD BE DOUBLED BY THE FEDERAL RAILROAD ADMINISTRATION.

IN THE INTEREST OF RAIL SAFETY TO THE MEN AND THE FUTURE RAIL ABANDONMENTS IN MONTANA, WE URGE YOU TO PLEASE CONSIDER THE POSITION OF TRACK INSPECTOR IN THE PUBLIC SERVICE COMMISSION BUDGET.

MORRIS W. GULLICKSON

UNITED TRANSPORTATION UNION

# WITNESS STATEMENT

Name Ray Beck Date 3/5/81  
 Address 7 Edwards, Helena Support ? X  
 Representing Mont. Assoc. of Conservation Dist. Oppose ?         
 Which Bill ? MDRC Appropriation, Conservation Amend ?         
 Comments: Districts 100,000/year budget

The Montana Association of Conservation Districts would like to be shown in the record as in support of the Dept. of Natural Resources Budget, especially for the 100,000 per year to go to Conservation Districts for their operation and special projects.

The money was broken down by the legislative body to go 75% ~~average~~ and 25% need.

The 75%, to the best of my knowledge, was given to districts to offset expenses incurred by districts for the implementation of SIB 310 Streambed and Land Conservation Act and for expenses incurred by other legislation.

The 25% was provided for special projects. Many more requests are filed each year than can be funded.

Please leave prepared statement with the committee secretary.

# DEPARTMENT OF HIGHWAYS

	<u>1981 Biennium</u>	<u>1983 Biennium</u>	<u>% Increase</u>
Other Funds	\$416,107,039	\$414,649,588	(.35)
Pay Plan		<u>14,366,216</u>	
REVISED TOTAL	<u>\$416,107,039</u> =====	<u>\$429,015,804</u> =====	<u>3.1</u> ===
FTE	2,298.18	2,154.60	

The overall reduction in funds and FTE relates directly to the accelerated interstate project of the 1981 biennium. The reduction in funding of .35 percent is understated by approximately \$27.8 million. A new stores inventory program is anticipated for the 1983 biennium. A revolving account program which will not increase direct expenditures, adds \$13.3 million and \$14.5 million to the highway budget in revolving authority for the 1983 biennium.

Aside from internal transfers of FTE in and out of the general operations division an expanded level of FTE occurs. Funding allows for 17 additional GVW officers and related costs, 11 FTE for a microwave bureau which was transferred from the department of administration, and the continuation of the conservation and education program (one FTE) which was added through budget amendment in 1980.

The anticipated construction level decreases by 18.7 percent from last biennium as accelerated interstate funds, available this current biennium, will not be available in 1982 and 1983. Contractor payments of \$105 million in 1982 and \$101 million in 1983 are present. Coal tax improvement funds of \$8 million in 1982 and \$2 million in 1983 are included. A request for \$10 million per year in coal interest funds to resurface primary and secondary roads is not included. This issue will be brought to the legislature in a separate bill.



The maintenance division's increase is 23 percent over the 1981 biennium. Significant increases in cost of road oil products in 1980 are continued into the 1983 biennium. Staff increases by four truck drivers and one administrative officer.

The division is directed to establish a separate account for the expense of repair of damaged structures and related insurance collections.

Preconstruction activity drops eight percent in relation to accelerated interstate activities present in the 1981 biennium. Expenditures related to the rail planning unit have been removed as this unit has been transferred to the new department of commerce. Included is \$3.4 million per year for right of way purchases.

A new program, services revolving, reflects the transfer of five bureaus transferred from general operations and construction. It was felt these service bureaus: printing, photo, data processing, air pool and materials lab could better meet needs of the department if operated on an enterprise-like basis. Concern was raised that charges for these services be competitive with other state agencies and private vendors.

The motor pool is funded 100 percent from revolving funds. A current level expenditure base is reflected. A requested 4¢ rate increase to obtain the difference between depreciated and replacement value of equipment was denied.

The equipment division receives a 53 percent increase over the 1981 biennium. This increase is reflected in two areas. Major price hikes in gasoline and repair parts have significantly increased operational costs and consequently affect the rental rates which are charged to other divisions, mainly maintenance. Also, a significant equipment fleet upgrade is included. \$3,977,000 per year for equipment purchases is recommended as compared

# DEPARTMENT OF REVENUE

	1981 <u>Biennium</u>	1983 <u>Biennium</u>	% <u>Increase</u>
General Fund	\$22,393,444	\$25,771,489	13. 1
Other Funds	<u>4,201,139</u>	<u>3,910,944</u>	<u>(6.9)</u>
Total	\$26,629,583 =====	\$29,682,433 =====	11.5 =====
Pay Plan		<u>3,884,598</u>	
REVISED TOTAL	\$26,629,583 =====	\$33,567,031 =====	26.1 =====
FTE	733.42	737.92	

Other funds decrease slightly due to the elimination of the central supply revolving account and the revolving account within the research and information division.

FTE within the audit and accounting division increase by 1.5 FTE as a part-time cashier and a full-time bad debt collector are added.

The recovery service division, which administers the child support enforcement effort, receives three lawyers to replace private legal counsel. A savings of \$20,000 per year should be realized.

In fiscal 1980, this program returned to the state \$1.01 for every \$1.00 spent. Should this program return \$1.05 per \$1.00 of expense in 1982, the program may increase staff by four investigators with a maximum appropriation increase of \$16,000 in general fund and \$48,000 in federal funds in 1983.

The responsibilities of the legal division were expanded in 1980 with the transfer of the medicaid fraud unit from SRS. These additional four FTE (lawyer, auditor, investigator, paralegal) and related operating expenses are included within the current level.

to \$1.4 million per year in the 1981 biennium. Though a revolving fund agency, historically, approximately \$1 million per year in highway earmarked funds has been appropriated to aid in the purchase of equipment. This figure was increased to \$2.6 million in 1982 and \$2.5 million in 1983. These amounts should be offset dollar for dollar by revenue collected from auction of equipment which will be deposited to the revolving fund if SB 169 passes. The committee urges the department to consider merging this division with the maintenance division for improved efficiency.

At the suggestion of the legislative auditor and state accounting, a revolving fund will be established for inventory. A separate program, stores inventory, is established for this purpose. Revolving fund authority of \$13.3 million<sup>(82)</sup> and \$14.5 million<sup>(83)</sup> reflects anticipated needs.

The travel promotion bureau was transferred from the highway department to the new department of commerce.

#### Committee Concerns

The committee was concerned with several aspects of the department:

- inadequate justification behind budget submission,
- funding practices,
- construction levels,
- maintenance capabilities, and
- apparent inefficiencies in operational practices.

Language is included in the appropriation bill which speaks to these concerns by requiring certain expectations to be met in the coming 1983 biennium.

The liquor division is again given blanket spending authorization for purchase of adequate inventories as well as operating expenses. A profit goal of \$14,383,675 for the 1983 biennium is established with a requirement that not less than \$13 million be deposited for the 1981 biennium. Costs not related to the liquor merchandising division and paid from the liquor revolving account will, dollar for dollar, reduce the \$14,383,675 profit goal. Pricing formulas may be increased but only in the event of a decrease in net liquor sales. Language within the bill details further operational expectations of the division.

The income tax division staff was increased by six FTE over the 1981 biennium. Four FTE will increase the compliance effort, checking for employer compliance and following up on delinquent accounts. Two FTE will work in the collection area. Presently over \$4 million in collections are present in backlogged cases. Ten thousand dollars per year for prosecution of tax violations is also included.

Additional travel funds were included for the corporation tax division. The majority of travel is out-of-state in high-cost areas. It is recommended that the department explore the possibility of a career ladder in order to retain corporation auditors. The department is to present its fundings to the next legislature.

The recommended operating level of the property valuation division reflects only a current level base of \$7.8 million in 1982 and \$7.9 million in 1983. A request for an additional \$5 million per year to finish reappraisal over the next four years will be presented to the legislature in a separate bill.

The central supply store which is within the operations division is recommended to be closed. Purchases are to be made from the state central supply. All cash within the revolving account at the end of fiscal

1981 is to be deposited to the general fund. Collections from the liquidation of inventory during the 1983 biennium are as well to be deposited to the general fund.

The operations division receives over \$20,000 for mailing equipment.

Through reorganization, an administrative position and a secretary are removed from the investigation division. This small division will be merged with the legal division.

Research and information staff was increased by two analysts. The committee was concerned about the efficiency of this division, identifying several developmental needs within the department which have not been met. Increased staff, equipment and operating expenses are expected to meet the department's needs.

The miscellaneous tax and inheritance tax divisions are kept at current level.

### Summary

The appropriation of general fund is \$1,376,816 higher than the LFA recommendation and \$37,865 below the executive.

# DEPARTMENT OF ADMINISTRATION

	<u>1981</u> <u>Biennium</u>	<u>1983</u> <u>Biennium</u>	<u>%</u> <u>Increase</u>
General Fund	\$ 8,898,876	\$10,325,336	15.3
Other Funds	<u>30,616,877</u>	<u>38,901,141</u>	<u>27.1</u>
TOTAL	\$39,516,753 =====	\$49,266,477 =====	24.6 =====
Pay Plan		<u>3,256,533</u>	
REVISED TOTAL	\$39,516,753 =====	\$52,483,010 =====	32.8 =====
FTE	464.9	508.4	

This recommended appropriation includes three programs transferred from the department of community affairs: local government, accounting and management systems, and research and information. These program transfers increase the agency's total budget \$2.649 million for the biennium. Of this amount \$1,139,700 is general fund.

General fund support has been eliminated in two areas: the insurance division (office operations only) and records management. Earmarked funding is recommended for the board of housing and board of investments in lieu of revolving fund authority.

Additional positions are recommended for the following divisions:

1. Central office - one attorney.
2. Architecture and engineering - one accountant for this biennium only.
3. Publications and graphics - continuation of five positions that were added by budget amendment in 1980 to establish the graphic arts bureau plus an additional graphic arts technician and a duplicating machine operator.

4. General services - one maintenance worker and one painter to cover additional buildings.
5. Purchasing division - continuation of three positions added by budget amendment in 1980 to establish the central stores operation.
6. Board of housing - continuation of one comptroller added by budget amendment in 1980 as well as two additional accounting technicians.
7. Board of investments - continuation of one systems analyst added by budget amendment in 1981 plus two portfolio managers and three security analysts.
8. Personnel division - one handicapped services coordinator.
9. Insurance division - continuation of one investigator and one legal secretary added by budget amendment in 1980.
10. Public employees retirement system - continuation of a public information officer that was added for the last biennium only. A systems analyst is also recommended.
11. State tax appeals board - one half time clerical position to replace services previously contracted.
12. Workmen's compensation judge - one law clerk is recommended instead of using consulting services.

Increased travel funds are approved for the board of investments, workmen's compensation judge, and the surplus property bureau.

A grade 17 attorney is recommended for the central office to provide agency-wide legal services. This additional position will relieve the insurance division legal staff from providing legal services to the agency as occurred in 1980 and 1981.

The upgrading of three accounting positions in the accounting division is recommended. This will allow the division to implement generally accepted accounting principles in regards to financial statements without adding more positions.

The committee requests that the graphic arts bureau in the publication and graphics division establish a separate revolving account to insure that it maintains a self-supporting operation.

Adjustment of the division's fee schedule is also recommended so that the duplicating services fund balance may be reduced to a 45-day operating reserve.

The treasury division receives additional funds to provide daily armored guard service for transferring money to local banks. This coverage is required under the existing insurance policy.

In the information systems division, continuation of general fund support is recommended for the consulting services bureau which conducts management studies and also does needs assessments for system development. The budget office may require non-general fund agencies receiving such services from this bureau to pay for the services received. These funds would be deposited in the general fund.

The general services division provides janitorial and maintenance of all buildings in the Capitol complex. The service charge (per square foot) is recommended at \$2.62 in 1982 and \$2.69 in 1983. The charge in 1983 is offset by the inclusion of the new justice building, which will generate additional income at less cost.

An automated purchasing management information system is recommended for the purchasing division at a cost of \$200,515. Funding is from the general fund. A full year's funding for supplies and equipment rental related to the system are included for each year of the biennium.



*Possibly  
delete  
Dept.  
Commerce*

The board of housing receives increased operating expenses of \$96,600 in 1982 and \$98,600 in 1983. These increased operating expenses are related to SB 91, which would significantly increase the board's bonding authority.

Audit fees of \$75,000 have been included in the central office budget.

Maintenance of a higher level of operating expenses is recommended for the state tax appeals board due to the large number of impending appeals.

#### Summary

The recommended budget is \$2,070,178 higher than the LFA recommendation and \$223,970 lower than the executive recommendation. This comparison does not include the three programs transferred from the department of community affairs.

# DEPARTMENT OF MILITARY AFFAIRS

<u>Adjutant General</u>	<u>1981 Biennium</u>	<u>1983 Biennium</u>	<u>% Increase</u>
General Fund	\$1,343,239	\$1,639,250	22.0
Other Funds	<u>738,796</u>	<u>1,418,171</u>	<u>91.9</u>
TOTAL	<u>\$2,082,035</u>	<u>\$3,057,421</u>	<u>46.8</u>
Pay Plan		<u>199,763</u>	
REVISED TOTAL	<u>\$2,082,035</u>	<u>\$3,257,184</u>	<u>56.4</u>
FTE	33.42	35.30	
<u>Disaster and Emergency Services</u>			
General Fund	\$289,185	\$324,254	12.1
Other Funds	<u>494,921</u>	<u>558,888</u>	<u>12.9</u>
TOTAL	<u>\$784,106</u>	<u>\$883,142</u>	<u>12.6</u>
Pay Plan		<u>119,514</u>	
REVISED TOTAL	<u>\$784,106</u>	<u>\$1,002,656</u>	<u>27.9</u>
FTE	18.00	18.00	

## Adjutant General

The recommended appropriation for the adjutant general includes two additional positions:

1. A secretary for the administration program
2. A grounds maintenance worker for the Air National Guard facility in Great Falls.

The committee accepted the executive recommendation for repair expenses for the armories, allowing \$160,600 for this expense in the coming biennium.

The executive recommendation for utilities in the administrative program was also accepted.

An additional \$20,000 in general fund is included in the air national guard program to provide state control of this federally funded program.

#### Summary

The recommended appropriation for general fund is \$227,740 more than the LFA recommendation and \$105,030 less than the executive recommendation.

#### Disaster and Emergency Services

Additional communication expenses, related to the newly installed Horizon communications system and the LETS terminal, are included.

#### Summary

The recommended appropriation is \$30,790 above the LFA recommendation and \$3,050 more than the executive recommendation if grant disbursements recommended by the executive are not included.

# DEPARTMENT OF JUSTICE

	1981 <u>Biennium</u>	1983 <u>Biennium</u>	% <u>Increase</u>
General Fund	\$ 3,679,135	<sup>8 087 289</sup> \$26,570,856	622.2
Other Funds	<u>25,368,028</u>	<u>7,460,016</u>	<u>(70.6)</u>
Total	<u>\$29,047,163</u>	<u>\$34,030,872</u>	<u>17.2</u>
Pay Plan		<u>3,451,284</u>	
REVISED TOTAL	<u>\$29,047,163</u>	<u>\$37,482,156</u>	<u>29.0</u>
FTE	507.75	528.35	

General fund increases 622 percent from the 1981 biennium. This increase of \$22.9 million is directly related to several funding changes.

1. Movement of the highway patrol off of highway earmarked funds *HE-1* and onto general funds: \$18,483,567.

2. Movement of several programs off of the motor vehicle account and onto general fund:

Crime Lab	\$ 542,207
Law Enforcement Network	933,622
Law Enforcement Academy	879,386
Central Services	638,033
Data Processing	375,225
Forensic Science	<u>383,826</u>
Total	\$3,752,299

3. The antitrust program, funded from federal funds and revolving funds is now funded from the general fund: \$339,477.

The justice department is a major user of gasoline as many of their functions require travel. The committee acknowledged that the average price of gasoline in 1980 was \$1.00 per gallon. Therefore, dollars spent in 1980 equaled gallons used. The committee, desiring current level services

and 1983. A price of \$1.80 per gallon in 1982 and \$2.16 per gallon in 1983 was projected and applied to gallonage amounts to determine gasoline costs.

One secretarial position was added to the legal services division. Travel was increased significantly for case-related activities. These amounts are line itemed and are to be used only for case travel.

The antitrust division was reduced by one lawyer and approximately \$50,000 a year from the agency request. The committee recommends that in-state activities become the main focus of antitrust enforcement efforts. The antitrust bureau is recommended to be transferred to the legal services division. Funding is from the general fund, any collections are to be deposited to the general fund.

Funding for the county-prosecutor services program is 100 percent general fund. The previous revolving fund is eliminated with collections deposited directly to the general fund. Fees of \$25.00 per hour in 1982 and \$30.00 per hour in 1983 will be charged.

Agency legal services is kept at current level. Charges are not to exceed \$30.00 in 1982 and \$35.00 in 1983.

The recommended appropriation for the motor vehicle division administrator is based on passage of HB 684 which transfers the responsibility of providing hearings for car dealers whose franchise is terminated from business regulations to the motor vehicle division. Five thousand dollars a year for a hearings officer and costs related to hearings is line itemed. As provided by statute, parties involved in the hearing process are to bear the cost. These collections made by the division are to be deposited to the general fund.

This division employs one FTE who is responsible for administering liability car insurance requirements as established last session. Should

proposed legislation pass which would eliminate these responsibilities, this program should be re-evaluated.

Patrol operations receives \$98,832 in 1982 to put on a highway patrol recruit school for 27 students. Seven of these students are for anticipated increases in the highway patrol. Concern was expressed over administrative travel in state cars to and from work. Such usage is to be minimized.

Eight gas efficient cars are added in 1982 to the driver licensing program. Anticipated gas consumption and related costs were decreased based on this purchase. Not recommended was \$16,000 and \$10,000 to automate and improve the driver history system. It was felt sufficient funds existed in the current level budget to accomplish this task.

Major gas increases are recommended for the field services program increasing gas costs from \$489,000 in 1980 to \$912,000 in 1982 and \$1,063,000 in 1983. Increases reflect increasing gas prices, not an increase in usage. Seventy cars a year for replacement are recommended along with other equipment needs. In 1982, \$14,000 is included to replace a base station.

Seven new patrolmen and support costs are included at an approximate cost of \$265,000 in 1982 and \$190,000 in 1983.

Four additional terminals and related costs will allow the motor vehicle registration program to automate four more counties.

Two additional forensic scientists are added to the criminal investigation lab along with support costs. The division is requested to explore the benefits of leasing lab equipment as compared to purchasing.

Communication increases of over 100 percent are anticipated for the law enforcement network system. These communication costs which may approach \$400,000 in 1982 (1980 = \$187,000) will drop to \$236,000 in 1983,

due to a recommended one time purchase of 46 terminals in 1982. Four additional terminals and support costs are included to allow four more counties onto the system.

One regional training coordinator previously funded with federal funds is added to the law enforcement academy bureau. A new charge of \$5.00 per student per regional school will be instituted. Funding is from the general fund and collection of student fees.

Major increases for staff and operating expenses are included for the identification bureau in response to the passage of the Montana criminal justice information act of 1979. One latent finger print examiner, two fingerprint technicians and one clerk are added to current staff. For the biennium, \$56,000 will allow development and automation of the bureau's records.

The forensic science division is reduced by one FTE, lab director. These responsibilities have been assumed by the present chief of the criminal investigation lab. An assistant administrator, salaried at \$36,000 is replaced with an administrative assistant with a salary of \$13,500.

Funds remaining in the coal tax defense appropriation at the end of the 1981 biennium are reappropriated for the 1983 biennium to continue the defense effort. These funds are to be spent only for costs related to the legal effort.

The highway safety program is transferred from the department of community affairs (DCA). One position is added to supply accounting and auditing services previously supplied by the centralized services of DCA. Operating costs are kept at current level.

Department of justice programs kept at current level are law enforcement services, county attorney payroll, fire marshal, criminal investigations, central services, data processing and transportation of prisoners.

# DEPARTMENT OF HIGHWAYS

	1981 <u>Biennium</u>	1983 <u>Biennium</u>	% <u>Increase</u>
Other Funds	\$416,107,039	\$414,649,588	(.35)
Pay Plan		<u>14,366,216</u>	
REVISED TOTAL	\$416,107,039 =====	\$429,015,804 =====	3.1 ==
FTE	2,298.18	2,154.60	

The overall reduction in funds and FTE relates directly to the accelerated interstate project of the 1981 biennium. The reduction in funding of .35 percent is understated by approximately \$27.8 million. A new stores inventory program is anticipated for the 1983 biennium. A revolving account program which will not increase direct expenditures, adds \$13.3 million and \$14.5 million to the highway budget in revolving authority for the 1983 biennium.

Aside from internal transfers of FTE in and out of the general operations division an expanded level of FTE occurs. Funding allows for 17 additional GVW officers and related costs, 11 FTE for a microwave bureau which was transferred from the department of administration, and the continuation of the conservation and education program (one FTE) which was added through budget amendment in 1980.

The anticipated construction level decreases by 18.7 percent from last biennium as accelerated interstate funds, available this current biennium, will not be available in 1982 and 1983. Contractor payments of \$105 million in 1982 and \$101 million in 1983 are present. Coal tax improvement funds of \$8 million in 1982 and \$2 million in 1983 are included. A request for \$10 million per year in coal interest funds to resurface primary and secondary roads is not included. This issue will be brought to the legislature in



The maintenance division's increase is 23 percent over the 1981 biennium. Significant increases in cost of road oil products in 1980 are continued into the 1983 biennium. Staff increases by four truck drivers and one administrative officer.

The division is directed to establish a separate account for the expense of repair of damaged structures and related insurance collections.

Preconstruction activity drops eight percent in relation to accelerated interstate activities present in the 1981 biennium. Expenditures related to the rail planning unit have been removed as this unit has been transferred to the new department of commerce. Included is \$3.4 million per year for right of way purchases.

A new program, services revolving, reflects the transfer of five bureaus transferred from general operations and construction. It was felt these service bureaus: printing, photo, data processing, air pool and materials lab could better meet needs of the department if operated on an enterprise-like basis. Concern was raised that charges for these services be competitive with other state agencies and private vendors.

The motor pool is funded 100 percent from revolving funds. A current level expenditure base is reflected. A requested 4¢ rate increase to obtain the difference between depreciated and replacement value of equipment was denied.

The equipment division receives a 53 percent increase over the 1981 biennium. This increase is reflected in two areas. Major price hikes in gasoline and repair parts have significantly increased operational costs and consequently affect the rental rates which are charged to other divisions, mainly maintenance. Also, a significant equipment fleet upgrade is included. \$3,977,000 per year for equipment purchases is recommended as compared

to \$1.4 million per year in the 1981 biennium. Though a revolving fund agency, historically, approximately \$1 million per year in highway earmarked funds has been appropriated to aid in the purchase of equipment. This figure was increased to \$2.6 million in 1982 and \$2.5 million in 1983. These amounts should be offset dollar for dollar by revenue collected from auction of equipment which will be deposited to the revolving fund if SB / 69 passes. The committee urges the department to consider merging this division with the maintenance division for improved efficiency.

At the suggestion of the legislative auditor and state accounting, a revolving fund will be established for inventory. A separate program, stores inventory, is established for this purpose. Revolving fund authority of \$13.3 million and \$14.5 million reflects anticipated needs.

The travel promotion bureau was transferred from the highway department to the new department of commerce.

#### Committee Concerns

The committee was concerned with several aspects of the department:

- inadequate justification behind budget submission,
- funding practices,
- construction levels,
- maintenance capabilities, and
- apparent inefficiencies in operational practices.

Language is included in the appropriation bill which speaks to these concerns by requiring certain expectations to be met in the coming 1983 biennium.

# DEPARTMENT OF REVENUE

	1981 <u>Biennium</u>	1983 <u>Biennium</u>	% <u>Increase</u>
General Fund	\$22,393,444	\$25,771,489	13. 1
Other Funds	<u>4,201,139</u>	<u>3,910,944</u>	<u>(6.9)</u>
Total	\$26,629,583 =====	\$29,682,433 =====	11.5 =====
Pay Plan		<u>3,884,598</u>	
REVISED TOTAL	\$26,629,583 =====	\$33,567,031 =====	26.1 =====
FTE	733.42	737.92	

Other funds decrease slightly due to the elimination of the central supply revolving account and the revolving account within the research and information division.

FTE within the audit and accounting division increase by 1.5 FTE as a part-time cashier and a full-time bad debt collector are added.

The recovery service division, which administers the child support enforcement effort, receives three lawyers to replace private legal counsel. A savings of \$20,000 per year should be realized.

In fiscal 1980, this program returned to the state \$1.01 for every \$1.00 spent. Should this program return \$1.05 per \$1.00 of expense in 1982, the program may increase staff by four investigators with a maximum appropriation increase of \$16,000 in general fund and \$48,000 in federal funds in 1983.

The responsibilities of the legal division were expanded in 1980 with the transfer of the medicaid fraud unit from SRS. These additional four FTE (lawyer, auditor, investigator, paralegal) and related operating expenses are included within the current level.

The liquor division is again given blanket spending authorization for purchase of adequate inventories as well as operating expenses. A profit goal of \$14,383,675 for the 1983 biennium is established with a requirement that not less than \$13 million be deposited for the 1981 biennium. Costs not related to the liquor merchandising division and paid from the liquor revolving account will, dollar for dollar, reduce the \$14,383,675 profit goal. Pricing formulas may be increased but only in the event of a decrease in net liquor sales. Language within the bill details further operational expectations of the division.

The income tax division staff was increased by six FTE over the 1981 biennium. Four FTE will increase the compliance effort, checking for employer compliance and following up on delinquent accounts. Two FTE will work in the collection area. Presently over \$4 million in collections are present in backlogged cases. Ten thousand dollars per year for prosecution of tax violations is also included.

Additional travel funds were included for the corporation tax division. The majority of travel is out-of-state in high-cost areas. It is recommended that the department explore the possibility of a career ladder in order to retain corporation auditors. The department is to present its fundings to the next legislature.

The recommended operating level of the property valuation division reflects only a current level base of \$7.8 million in 1982 and \$7.9 million in 1983. A request for an additional \$5 million per year to finish reappraisal over the next four years will be presented to the legislature in a separate bill.

The central supply store which is within the operations division is recommended to be closed. Purchases are to be made from the state central supply. All cash within the revolving account at the end of fiscal

# BOARD OF CRIME CONTROL

	1981 Biennium	1983 Biennium	% Increase
General Fund	\$ 518,883	\$ 437,300 <sup>A</sup>	(15.7)
Other Funds	1,330,720	808,500	(39.2)
Other Grants	<u>5,553,008</u>	<u>3,200,000</u>	<u>(42.4)</u>
Total	<u>\$7,402,611</u>	<u>\$4,445,800</u>	<u>(39.9)</u>
Pay Plan		<u>138,207<sup>A</sup></u>	
REVISED TOTAL	<u>\$7,402,611</u>	<u>\$4,584,007</u>	<u>(38.1)</u>
FTE	32.0	18.0	

<sup>A</sup>The federal funds noted above are the maximum amount anticipated. Therefore, the federal share of pay plan increase would be paid from available funds.

The reduction in the program's operating level is due to the anticipated reduction in federal funds.

The recommended appropriation includes 100 percent general fund support for two programs: uniform crime reporting system and the criminal justice data center. These programs required only ten percent general funding in the last biennium.

## Summary

The recommended general fund appropriation is \$1,430 more than the executive recommendation. The LFA did not make a recommendation pending more information concerning the status of federal funds.

proposed legislation pass which would eliminate these responsibilities, this program should be re-evaluated.

Patrol operations receives \$98,832 in 1982 to put on a highway patrol recruit school for 27 students. Seven of these students are for anticipated increases in the highway patrol. Concern was expressed over administrative travel in state cars to and from work. Such usage is to be minimized.

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# DEPARTMENT OF JUSTICE

	<u>1981 Biennium</u>	<u>1983 Biennium</u>	<u>% Increase</u>
General Fund	\$ 3,679,135	\$26,570,856	622.2
Other Funds	<u>25,368,028</u>	<u>7,460,016</u>	<u>(70.6)</u>
Total	\$29,047,163 =====	\$34,030,872 =====	17.2 =====
Pay Plan		<u>3,451,284</u>	
REVISED TOTAL	\$29,047,163 =====	\$37,482,156 =====	29.0 =====
FTE	507.75	528.35	

General fund increases 622 percent from the 1981 biennium. This increase of \$22.9 million is directly related to several funding changes.

1. Movement of the highway patrol off of highway earmarked funds and onto general funds: \$18,483,567.

2. Movement of several programs off of the motor vehicle account and onto general fund:

Crime Lab	\$ 542,207
Law Enforcement Network	933,622
Law Enforcement Academy	879,386
Central Services	638,033
Data Processing	375,225
Forensic Science	<u>383,826</u>
Total	\$3,752,299

3. The antitrust program, funded from federal funds and revolving funds is now funded from the general fund: \$339,477.

The justice department is a major user of gasoline as many of their functions require travel. The committee acknowledged that the average price of gasoline in 1980 was \$1.00 per gallon. Therefore, dollars spent in 1980 equaled gallons used. The committee, desiring current level services to continue, directed that 1980 gallonage amounts remain constant for 1982



and 1983. A price of \$1.80 per gallon in 1982 and \$2.16 per gallon in 1983 was projected and applied to gallonage amounts to determine gasoline costs.

One secretarial position was added to the legal services division. Travel was increased significantly for case-related activities. These amounts are line itemed and are to be used only for case travel.

The antitrust division was reduced by one lawyer and approximately \$50,000 a year from the agency request. The committee recommends that in-state activities become the main focus of antitrust enforcement efforts. The antitrust bureau is recommended to be transferred to the legal services division. Funding is from the general fund, any collections are to be deposited to the general fund.

Funding for the county-prosecutor services program is 100 percent general fund. The previous revolving fund is eliminated with collections deposited directly to the general fund. Fees of \$25.00 per hour in 1982 and \$30.00 per hour in 1983 will be charged.

*elim. revolving acct.*  
Agency legal services is kept at current level. Charges are not to exceed \$30.00<sup>hr</sup> in 1982 and \$35.00<sup>hr</sup> in 1983.

The recommended appropriation for the motor vehicle division administrator is based on passage of HB 684 which transfers the responsibility of providing hearings for car dealers whose franchise is terminated from business regulations to the motor vehicle division. Five thousand dollars a year for a hearings officer and costs related to hearings is line itemed. As provided by statute, parties involved in the hearing process are to bear the cost. These collections made by the division are to be deposited to the general fund.

*Committee will vote 4-0*

This division employs one FTE who is responsible for administering liability car insurance requirements as established last session. Should

LEGISLATIVE FUNDS - DISTRIBUTION - "NEED" -

SPECIAL PROJECTS - FY 1980

<u>AMOUNT</u>	<u>CONSERVATION DISTRICT</u>	<u>AMOUNT</u>	<u>PROJECT</u>
8/23/79	Carbon CD	\$2,500	Photography - Physical inventory Clarks Fork River
8/23/79	Cascade CD	\$5,000	Muddy Creek
8/23/79	Lincoln CD	\$2,500	Soil Survey
9/10/79	Madison CD	\$2,500	Determine groundwater levels Harrison & Pony and Valley
1/4/80	Flathead CD	\$1,000	Publication of Homesite Planning Book
1/4/80	Prairie County CD	\$4,500	Implement Water Reservation Plan
1/4/80	Upper Musselshell CD	\$2,500	Youth Range Camp - 1980
1/23/80	Teton CD	\$ 300	Assist in saline seep research
2/15/80	Cascade CD	\$2,000	Muddy Creek
3/20/80	Carbon CD (for all CDs)	\$ 500	Membership dues to Western Water Users Foundation
4/30/80	* Ruby Valley CD	\$1,700	East Bench project
		<hr/> \$25,000	

\* Paid \$3,000 - \$1,700 ("need" funds)  
\$1,300 (unused "acreage" funds)

LEGISLATIVE FUNDS - REQUESTS BASED ON "NEED"  
SPECIAL PROJECTS - FY 1981

<u>PAID</u>	<u>CONSERVATION DISTRICT</u>	<u>AMOUNT</u>	<u>PROJECT</u>
8/28/80	Blaine County	\$5,000	Irrigation lining project
10/31/80	Upper Musselshell	\$ 660	Supplement funds to operate office
12/15/80	Eastern Sanders	\$6,066	208 and 310 programs
12/15/80	Teton County	\$2,500	Muddy Creek
12/15/80	Cascade County	\$2,500	Muddy Creek Project
12/15/80	Dawson County	\$1,700	Youth Camp
12/15/80	Hill County	\$3,000	To pay add'l support to MACD in order to operate office full-time during December

\$21,426

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Total funds available	\$25,000
Granted to date	\$21,426
Balance available	<u>\$ 3,574</u>

New requests received

12/1/80	Deer Lodge Valley Aerial photography Upper Clark Fork	\$ 700
12/29/80	Lincoln Aerial photography Libby & Big Cherry Creek	\$ 1,000

*app. made 1/10 pd 2/16/81*  
*app. made 1/10 warrant mailed 2/1/81*  
*K.*

LEGISLATIVE FUNDS - REQUESTS BASED ON "NEED"  
SPECIAL PROJECTS - FY 1981

<u>DATE</u>	<u>ACTION</u>	<u>CONSERVATION DISTRICT</u>	<u>AMOUNT</u>	<u>PROGRAM</u>
11/25/80	Tabled	Prairie County	\$4,000	1½ Mill Levy inadequate
11/25/80	Tabled	Teton County	\$2,000	Teton River (Water Quality)
11/25/80	Denied	Sheridan County	\$ 887	To continue sediment control on 208 program
11/25/80	Tabled	Carbon	\$5,000	Bluewater (Priority No. 2)
			\$1,500	Water Reservation
11/25/80	Denied	Richland County	\$5,000	208
			\$ 602	Supplement budget
11/25/80	Tabled	Jefferson Valley	\$2,000	Aid district in completing programs, long range, 310, etc
11/25/80	Tabled	Ruby Valley	\$2,000	Pay technician (cost- share program)

DEPARTMENT OF AGRICULTURE

	<u>1981 Biennium</u>	<u>1983 Biennium</u>	<u>% Increase</u>
General Fund	\$1,549,349	\$1,769,385	14.2
Other Funds	<u>5,586,996</u>	<u>6,680,935</u>	<u>19.6</u>
Total	<u>\$7,136,345</u> =====	<u>\$8,450,320</u> =====	<u>18.4</u> =====
Pay Plan		<u>627,893</u>	
REVISED TOTAL	<u>\$7,136,345</u> =====	<u>\$9,078,213</u> =====	<u>27.2</u> =====
FTE	90.83	97.58	

The subcommittee recommendation adds 6.75 FTE to the department. In the centralized services division there is added an assistant administrator and .25 FTE secretary. The assistant administrator position is added to assist the director in meeting some of the requested public speaking engagements and to represent the department at numerous meetings and conferences they are requested to attend. Other general administrative duties will also be the responsibility of the position.

Three FTE are added in the environmental division. One position replaced a current personal services contract and the other two FTE are to provide services related to rodent control on a contract with the department of livestock. The two FTE related to the livestock department contract will eliminate duplication between the departments in rodent control.

Two additional FTE are recommended in the grain laboratory to process the increasing number of grain samples submitted for grain quality and protein evaluation. The grain laboratory is financed entirely by earmarked sampling fees.

Wheat research and marketing earmarked funds are to provide approximately 50 percent of the support of the rail transportation effort within

the transportation unit. Approximately 50 percent of the rail related workload directly benefits the grain producing industry. Fifty thousand dollars of wheat research and marketing funds are appropriated each year for support of the transportation unit.

General fund support of the centralized services division has been increased to offset an anticipated decline in federal and private revenues. In past years administrative support charges have been levied against old west regional commission grants and general fund appropriations have been reduced by a like amount. There is some question as to whether old west funds will continue in the 1982-83 biennium. If old west grants are eliminated indirect charges will also cease creating a shortage in central services as no positions will be eliminated. The general fund appropriation has been increased \$48,458 over the 1982-83 biennium to replace the federal funds. It is the intention of the subcommittee that if the old west funds do continue all administrative charges should be levied and all collections be deposited in the general fund.

# DEPARTMENT OF COMMERCE

	<u>1981 Biennium</u>	<u>1983 Biennium</u>	<u>% Increase</u>
General Fund	\$ 2,783,602	\$ 4,548,840	63.4
Other Funds	<u>30,921,441</u>	<u>46,468,581</u>	<u>50.3</u>
Total	\$33,705,043 =====	\$51,017,421 =====	51.4 =====
Pay Plan		<u>1,124,910</u>	
REVISED TOTAL	<u>\$33,705,043</u> =====	<u>\$52,308,331</u> =====	55.2 =====
FTE	164.16	151.83	

The new department of commerce is a consolidation of the former department's of business regulation, professional and occupational licensing, the rail planning and travel promotion units of the highway department, the board of housing, the governor's office of commerce and most of the department of community affairs.

The recommended appropriation is essentially the executive proposal with the exception of the business regulation department.

Most of the FTE reduction results from consolidating the director's offices and central services of the business regulation, community affairs and professional licensing departments.

Centralized services and the director's office will be operated on a revolving account with earmarked and federal funds assessed a proportional share of the cost of administration and support.

Federal economic development grant funds (EDA 304) are anticipated to be available for fiscal 1982 only. EDA funds must be matched by a 25 percent state contribution. Grants are made to communities as seed money for economic development projects. A general fund appropriation of \$59,000 will match \$235,000 of federal EDA funds in fiscal 1982.

### Travel Promotion

The travel promotion unit was previously funded with highway earmarked funds. The executive proposes to shift the funding to the general fund at a biennial cost of \$1.6 million. The recommendation is for a biennial appropriation of \$1.3 million of general fund and requires the tourist industry to provide \$300,000 of private funds over the biennium.

### Coal Board

The coal board is appropriated its full share of the estimated coal severance tax. Language is included requiring that impact grants be given only to local government units that are trying to provide for their own needs.

### Consumer Protection

Consumer protection staffing has been reduced from 6.5 FTE to 3 FTE. It is the recommendation of the committee that the emphasis of the bureau be to address major consumer problems rather than minor complaints.

### Milk Control

A butterfat tester is eliminated from the milk control division. Milk control will contract with the department of livestock for butterfat testing in the future. Currently both the milk and egg bureau of the department of livestock and the milk control division of business regulation have field staff collecting milk samples. Under the new arrangement the number of milk samples will be increased from eight to 12 per year per producer at a cost savings of approximately \$9,500 per year.

The appropriation consolidates the former business regulation and professional licensing departments into one division reducing administrative expenses \$74,587 per year.



### Rail Planning

The rail planning unit is appropriated \$8,961,786 over the biennium of federal railway improvement funds to match Burlington Northern funds to rehabilitate key sections of the former Milwaukee Road. The federal government provides 80 percent of the cost to repair approved rail projects.

# DEPARTMENT OF FISH, WILDLIFE AND PARKS

	1981 <u>Biennium</u>	1983 <u>Biennium</u>	% <u>Increase</u>
General Fund	\$ 1,057,296	\$ 1,203,894	13.9
Other Funds	<u>30,653,676</u>	<u>30,403,044</u>	<u>(.8)</u>
Total	\$31,710,972 =====	\$31,606,938 =====	(.3) =====
Pay Plan		<u>2,977,298</u>	
REVISED TOTAL	\$31,710,972 =====	\$34,584,236 =====	9.1 =====
FTE	495.11	439.12	

The subcommittee recommendation will reduce 55.99 FTE from the currently authorized level.

The FTE reduction is listed below:

Centralized Services	10.00 FTE
Ecological Services	17.68 FTE
Fisheries	2.00 FTE
Law Enforcement	3.99 FTE
Wildlife	5.33 FTE
Recreation & Parks	.93 FTE
Conservation Education	9.12 FTE
Administration	<u>6.94 FTE</u>
	55.99 FTE

The large reduction in ecological services reflects positions conducting various research projects supported by federal and private funds. Previous to the 1981 biennium these positions were authorized by budget amendment. The division will be allowed to add additional positions by budget amendment in the 1983 biennium as federal and private funds become available.

The reductions within the department are recommended in order to keep operating expenses within the revenues expected from the current license fee structure.

### Centralized Services

Centralized services is authorized \$2,259,250 of expenditure authority over the biennium to operate the vehicle and warehouse revolving accounts. These funds duplicate expenditures in the other division budgets and overstate actual expenditures by the above amount. An additional \$500,000 per year of federal and private funds is included in the appropriation to provide a pool of expenditure authority to be used to finance one-time studies and projects which formerly required budget amendments.

Staff reductions include one secretary, six positions in the accounting bureau, one position in the licensing bureau and two support positions in the warehouse and in maintenance.

The appropriation authorizes sufficient data processing funds to phase out the special license preference system as the fish and game commission has directed.

### Ecological Services

The recommended budget will continue all regular employees including four members of the core environmental impact statement team. Funding to support the core team includes \$30,000 of earmarked funds each year to insure that the positions will be retained between studies financed by outside sources.

### Fisheries Division

The fisheries division is recommended at current level with the exception of two FTE to be reduced in the 1983 biennium. Both positions are fish hatchery laborer positions that will be reduced through retirements. The workload at the state hatcheries has been shifted due to initiation of a new, more efficient hatchery at Lake Kooconusa. Operating expenses are the executive recommendation.

### Law Enforcement Division

The law enforcement division will be able to fill five currently vacant warden positions with the proposed appropriation. Nearly four FTE will be reduced which represent part-time game herder and enforcement trainee positions.

\* An additional \$62,000 was added to the current level operating expenses each year to provide sufficient fuel to enable wardens to be in the field at all times. The subcommittee also recommends that the two pilots based in Helena be given enforcement duties when not actively preparing for flight or flying.

Game damage funds of \$65,000 per year are recommended to reduce the impact on landowners of wildlife foraging for food in severe winter situations.

### Wildlife Division

The recommendation eliminates 5.83 part-time and temporary FTE and adds a .5 FTE researcher position previously accounted for in the enforcement division. The deleted positions are primarily summertime temporary positions that aid biologists in collecting research data. No funds are recommended for continued operation of the game bird farm but the regular employees of the farm are to continue with emphasis on live trapping and transplanting.

### Parks and Recreation Division

The parks and recreation division recommendation will operate the division at nearly the current level. Approximately one FTE part-time laborer position will be reduced by the recommendation.

The appropriation anticipates a change in the law allowing up to 50 percent of fishing access site earmarked revenues to be used for the maintenance and operation of fishing access sites. The recommendation anticipates using 40 percent of the fishing access funds for operations. Many of these sites have previously been neglected because operating funds were not available.

#### Conservation Education Division

The subcommittee recommendation reduces 9.12 FTE from the currently authorized level.

The positions to be dropped are those of a writer, audio-visual technician and film production supervisor, three secretaries, a print-shop employee and 2.12 part-time positions.

The effect of these reductions will be a reduction of wildlife related presentations at summer camps, and curtailment of the production of documentary films.

The appropriation provides for an information officer in each of the seven regional offices, publication of Montana Outdoors and operation of the department print shop.

#### Administration Division

Eight FTE are recommended for the administration division. The recommended positions are those of the director, deputy director, three secretaries, two attorneys and a land agent. Positions of associate director, special projects coordinator, planning coordinator, a secretary and .44 FTE part-time positions are not recommended.

Line item appropriations include \$80,000 per year appropriated for transfer to the department of livestock for predator and rodent control,

# DEPARTMENT OF LIVESTOCK

	<u>1981 Biennium</u>	<u>1983 Biennium</u>	<u>% Increase</u>
General Fund	\$ 990,646	\$1,237,341	24.9
Other Funds	<u>5,361,832</u>	<u>6,170,015</u>	<u>15.1</u>
Total	<u>\$6,352,478</u> =====	<u>\$7,407,356</u> =====	<u>16.6</u> =====
Pay Plan		<u>849,646</u>	
REVISED TOTAL	<u>\$6,352,478</u> =====	<u>\$8,257,002</u> =====	<u>29.9</u> =====
FTE	137.12	127.95	

The subcommittee recommendation eliminates 9.17 FTE. Five of the eliminated positions are backtaggers and technicians related to the brucellosis eradication effort of the past four years. The department appears to have brucellosis under control and the few remaining infected herds are identified. Two FTE are reduced from the inspection and control division in fiscal 1983. These positions were added in fiscal 1981 to process brand re-record documents. This effort should be completed in fiscal 1982.

The appropriation for the predatory animal control program and rabies and rodent control program have been modified to reflect the department's reorganization of these functions. The reorganization has allowed a reduction of 3.17 FTE and elimination of duplication between the livestock and agriculture departments. The department of livestock will contract with the department of agriculture in the 1982-83 biennium for rodent eradication and control services.

The rabies control effort will be absorbed by the disease control division of the department of livestock at little or no additional cost.

# DEPARTMENT OF NATURAL RESOURCES

	<u>1981 Biennium</u>	<u>1983 Biennium</u>	<u>% Increase</u>
General Fund	\$11,533,701	\$15,959,811	38.4
Other Funds	<u>15,096,740</u>	<u>20,765,322</u>	<u>37.5</u>
Total	\$26,630,441 =====	\$36,725,133 =====	37.9 =====
Pay Plan		<u>2,817,223</u>	
REVISED TOTAL	\$26,630,441 =====	\$39,542,356 =====	48.5 =====
FTE	404.48	438.73	

The subcommittee recommendation adds 39.6 FTE while reducing 7.35 FTE for a net FTE increase of 34.25. New or reduced FTE are shown below by division.

## Oil and Gas Regulation Division

- added one statistician to develop a system to automate oil and gas well logs.

## Water Resources Division

- added 12 FTE to man expanded high plains weather modification project,
- eliminated two FTE dam safety inspector positions,
- eliminated 3.35 FTE working on the Daly ditch as it will be abandoned by January 1, 1983.

## Forestry Division

- added three FTE to add five million board feet to the annual timber harvest,
- added back one FTE previously transferred to the communications pool,
- added 1.5 FTE to supervise brush reduction on private lands,

- added 13.6 FTE to expand timber stand improvement program,
- added two FTE to operate the recently completed contained seedling greenhouse.

#### Energy Division

- added 11 FTE to conduct various energy conservation related projects which are supported entirely with federal funds,
- eliminated two FTE in the fuel allocation office,

#### Facility Siting Division

- eliminated 3.5 FTE establishing a core staff for the division.

#### Central Services Division

A major staff realignment is required by the recommended appropriation. A net increase of 11.5 FTE results from properly assigning individuals to central services previously reported as FTE in other divisions. These positions have central services responsibilities. Other division FTE levels were reduced a like amount.

#### Oil and Gas Regulation Division

An additional position is added for the 1983 biennium to automate all oil and gas well log information. Resource indemnity trust fund interest is appropriated at \$65,000 each year to repair and seal abandoned oil and gas wells to prevent polluting of ground water caused by the collapse of well casings.

#### Conservation District Supervision

Conservation district supervision is recommended to continue at the current level. \$100,000 of general fund is included each year of the biennium to be transferred to local conservation districts.



### Water Resource and Planning Division

The subcommittee recommendation includes 12 FTE with federal funds to expand the high plains experimental weather modification project at Miles City.

Two dam safety inspector positions previously supported by federal funds are eliminated as federal support has ceased. In fiscal 1983, 3.35 FTE will be eliminated from the Daly ditch irrigation project. This project must be abandoned by January 1, 1983. An additional \$29,000 is included in the fiscal 1982 appropriation to facilitate the transfer of the ditch to a local water user association.

Water right application fees income of \$1.1 million and \$1.2 million are appropriated in fiscal 1982 and 1983 respectively to support the water adjudication effort required by SB 76 of the 1979 session.

Two hundred and twenty-five thousand dollars are appropriated each year of the biennium to repair spillways and renovate various water projects. The funding is split equally each year among general fund, resource indemnity trust fund interest and water project earmarked revenue.

### Forestry Division

Federal funds previously used to support the state forestry division are dramatically declining. Revenues from the major federal sources are projected to decline from about \$2.1 million in fiscal 1980 to approximately \$1 million in fiscal 1982 and 1983. This shortfall is being picked up by general fund.

Projects that were initiated with one time federal funds such as the helitack team and county cooperative fire districts must now be supported by general fund.

Expanded programs are recommended in a number of areas shown below:

- a) The new containerized seedling greenhouse has been completed and will be operated at a biennial cost of \$182,001 of earmarked funds.
- b) The communication technician previously transferred to the now disbanded communications pool is added back plus replacing equipment at a biennial cost of \$94,209.
- c) Three FTE are added to expand sales of state timber by 5 million board feet annually at a biennial cost of \$108,089.
- d) 13.6 FTE are recommended at a biennial cost of \$887,822 of earmarked funds for timber stand improvement.
- e) The hazard reduction program for private lands is recommended to be expanded by 1.5 FTE at a biennial cost of \$76,111 of earmarked funds.
- f) \$180,000 is appropriated to provide fire fighting equipment for nine county cooperative fire districts.

#### Energy Planning Division

The energy division is recommended at current level with the following exceptions: 1) elimination of two FTE in the fuel assistance bureau, 2) alternative energy development grants are increased to \$3.5 million over the biennium, and 3) addition of 11 FTE all federally funded to continue the energy extension service, western sun solar commercialization and geothermal commercialization projects.

### Facility Siting Division

The facility siting division is recommended to include seven core staff positions all supported by the general fund. An additional \$1,000,000 of spending authority per year of earmarked funds is included in anticipation of requests for environmental impact statements on major power generation facilities.

The appropriation also includes \$500,000 of resource indemnity trust funds interest to continue the appropriation of HB 908 of the 1979 legislature.

# PUBLIC SERVICE COMMISSION

	<u>1981</u> <u>Biennium</u>	<u>1983</u> <u>Biennium</u>	<u>%</u> <u>Increase</u>
General Fund	\$1,967,591	\$2,437,417	23.8
Other Funds	<u>91,739</u>	<u>38,620</u>	<u>(57.9)</u>
Total	<u>\$2,059,330</u> <u>=====</u>	<u>\$2,476,037</u> <u>=====</u>	<u>20.2</u> <u>=====</u>
Pay Plan		<u>313,148</u>	
REVISED TOTAL	<u>\$2,059,330</u> <u>=====</u>	<u>\$2,789,185</u> <u>=====</u>	<u>35.4</u> <u>=====</u>
FTE	39.00	44.00	

The recommended appropriation will add five FTE, four professional staff and one clerical position. The additional staff is recommended to improve the capability of the commission to effectively analyze public utility rate increase proposals. Even with the proposed increase the Montana public service commission will have a smaller professional staff than most of the surrounding states yet the commission has greater responsibilities. Montana is the only western state whose public service commission has responsibility over municipal water and sewer charges.

A biennial appropriation of \$50,000 is included to provide funds for litigation if necessary concerning the determination of the original cost of certain hydroelectric properties of the Montana Power company. The 1979 legislature appropriated \$200,000 to audit the Montana Power company rate base. The auditors have determined that the base is \$15.8 million too high. Montana Power company officials initially agreed to amortize the base reduction over ten years. The Montana Power company board of directors later turned down the agreement and plan to oppose any rate base reduction.

# DEPARTMENT OF STATE LANDS

	<u>1981 Biennium</u>	<u>1983 Biennium</u>	<u>% Increase</u>
General Fund	\$ 2,465,987	\$ 2,891,154	17.2
Other Funds	<u>7,543,998</u>	<u>15,830,542</u>	<u>109.8</u>
Total	\$10,009,985 =====	\$18,721,696 =====	87.0 =====
Pay Plan		<u>451,642</u>	
REVISED TOTAL	\$10,009,985 =====	\$19,173,338 =====	91.5 =====
FTE	62.62	73.62	

The 11 FTE increase includes eight positions that are part of the Northern Powder river environmental impact statement team. These positions were previously added by budget amendment and will continue only as long as federal funds provide support.

Four additional regular positions are recommended and .5 FTE previously authorized will be eliminated as it is now a part of the NPREIS staff.

The large increase in "other funds" is related to federal strip mine reclamation funds being available for reclamation of abandoned mine spoils. More than \$6 million will be available each year of the biennium to reclaim abandoned strip mines. These funds were also available in the 1980-81 biennium but were unexpended in fiscal 1980 because the projects identification developed slower than expected. The department hopes to begin contracting for reclamation in the 1982-83 biennium.

Payments in lieu of taxes for state lands in qualifying counties are appropriated \$235,000 per year. This amount should fully fund the state tax liability.

# C. NATURAL RESOURCES AND BUSINESS REGULATION

All legislative audit appropriations in this section are biennial appropriations.

	--Fiscal Year 1982---		--Fiscal Year 1983---	
	General	Other	General	Other
	<u>Fund</u>	<u>Appropriated Funds</u>	<u>Fund</u>	<u>Appropriated Funds</u>
DEPARTMENT OF AGRICULTURE				
1. Centralized Services	116,708	598,149	107,220	602,190
2. Legislative Audit Fee	10,102			
3. Rural Development Program		34,960		35,714
4. Hail Insurance Unit	1,650	935,112	1,660	937,585
5. Crop and Livestock Unit	47,500	13,900	56,069	13,900
6. Transportation Unit	73,916	50,000	73,383	50,000
7. Wheat Research & Marketing		551,759		578,457
8. Environmental Management Division	246,103	671,912	251,816	684,368
9. Plant Industry Division	<u>420,577</u>	<u>456,886</u>	<u>362,681</u>	<u>466,043</u>
Total Department of Agriculture	916,556	3,312,678	852,829	3,368,257

All indirect cost assessments received from Old West Commission grants must be deposited in the general fund.

## DEPARTMENT OF COMMERCE

1. Director's Office		
2. Centralized Services	121,432	126,249
Legislative Audit	270,105	274,427
Moving Expenses		50,000
	39,900	

3. Aeronautics Division		798,363		861,883
4. Administrative Support - Economic Development	27,399	86,808	19,194	101,558
5. Business Assistance Bureau	85,579	130,000	89,504	130,000
6. Economic Development Grants	59,000	235,000		
7. Board of Housing		470,496		490,281
8. Travel Promotion Programs	600,000	100,000	700,000	200,000
9. Coal Board		9,487,789		11,485,408
10. Rail Planning Program	60,119	5,794,329	39,056	3,548,582
11. Community Development Program	229,415	3,893,881	236,180	4,043,553
12. Indian Affairs Program	81,505		82,950	
13. Business Regulation and Licensing Administration	132,598	237,906	141,220	253,460
14. Weights and Measures Program	361,229		344,183	
15. Financial Program	537,070		554,076	
16. Milk Control Program		234,856		244,127
17. Consumer Protection Program	83,684		84,879	
18. Board of Architects		22,797		23,290
19. Board of Athletics		3,251		3,269
20. Board of Barbers		19,547		20,523
21. Board of Chiropractors		11,948		12,352
22. Board of Cosmetologists		91,586		93,216
23. Board of Dentists		28,676		30,039
24. Electrical Board		59,983		57,186
25. Board of Hearing Aid Dispensers		4,898		5,045
26. Board of Horse Racing		207,302		216,103
27. Board of Massage Therapists		3,604		3,845
28. Board of Medical Doctors		65,930		68,116

29. Board of Morticians	11,766	12,383		
30. Board of Nursing	129,491	129,866		
31. Board of Nursing Home Administrators	17,556	17,875		
32. Board of Optometrists	11,711	12,207		
33. Board of Osteopathic Physicians	778	832		
34. Board of Pharmacists	77,966	79,832		
35. Board of Plumbers	60,330	61,273		
36. Board of Professional Engineers and Surveyors	94,386	97,102		
37. Board of Public Accountants	119,112	110,192		
38. Board of Real Estate	248,160	251,586		
39. Board of Veterinarians	17,451	18,088		
40. Board of Water Well Contractors	17,565	18,209		
41. Board of Psychologists	9,447	10,575		
42. Board of Sanitarians	4,461	4,711		
43. Board of Private Investigators	3,737	3,770		
44. Board of Landscape Architects	6,048	6,419		
45. Board of Speech Pathologists and Audiologists	6,765	7,142		
46. Board of Radiologic Technologists	7,682	7,893		
47. Board of Podiatrists	1,063	1,106		
48. Board of Physical Therapists	4,477	4,669		
Total Department of Commerce	2,257,598	23,270,339	2,291,242	23,198,242

The director's office and centralized services will be operated from a revolving account with all earmarked and federal accounts assessed a pro rata share of the total expenses. The revolving account is to be initiated



with a loan from one of the accounts under the department's supervision and operated on a full accrual basis and in accordance with generally accepted accounting principles.

The department is authorized to reorganize its current organization structure only after receiving approval from the office of budget and program planning and review by the legislative finance committee.

Included in the weights and measures program appropriation for fiscal 1982 is \$5,000 to be available for expenditure only if the cost of a new truck and trailer exceeds \$30,000.

Coal impact grants are to be granted to local government units only to remedy a situation directly resulting from coal development. The local government unit must be making a bona fide local effort to provide for its own needs through normal financing channels (taxes, service fees, or bonds). The coal board shall not authorize grants, except planning grants, to any local government unit whose property tax mill levy is less than 90 percent of the average mill levy of comparable local government units. Comparable communities will be selected by the coal board.

#### DEPARTMENT OF FISH, WILDLIFE AND PARKS

1. Centralized Services Division		
	3,326,752	3,450,737
2. Legislative Audit		
	45,000	
3. Purchase of Cessna 180		
	54,210	
4. Ecological Services Division		
	737,558	752,821
5. Fisheries Division		
	2,268,826	2,205,376
6. Enforcement Division		
	2,835,342	2,849,438
7. Game Damage		
	65,000	65,000
8. Wildlife Division		
	2,988,479	3,078,708

9. Recreation and Parks Division	581,865	1,409,484	622,029	1,484,724
10. Conservation Education Division		947,796		968,509
11. Administration		<u>432,626</u>		<u>436,658</u>
Total Department Fish, Wildlife and Parks	581,865	15,111,073	622,029	15,291,971

Included in the centralized services appropriation is revolving account authority of \$1,075,833 in fiscal 1982 and \$1,183,417 in fiscal 1983. The revolving accounts must be operated on a full accrual basis and in accordance with generally accepted accounting principles.

An additional \$500,000 per year is authorized in centralized services for the purpose of providing expenditure authority for federal and private funds that previously required budget amendments. Funds spent under this authorization must be accounted for separate from regular operations.

The Helena based pilots shall be delegated enforcement responsibilities when not required for air transportation purposes.

The administration division appropriation includes:

- a) \$80,000 per year for transfer to the department of livestock for predator control;
- b) \$25,000 per year for the department to begin training to initiate the conservation officer concept within the department. A progress report on this effort must be made to the 1983 legislature.
- c) \$24,000 per year for uniforms or distinctive clothing for all field personnel outside of the enforcement division.

# DEPARTMENT OF STATE LANDS

1. Central Management Program	737,169	250,464	717,917	246,317
2. Legislative Audit	15,000			
3. Reclamation Program	472,068	6,891,152	489,750	7,399,632
4. Land Administration Program	236,259		222,991	
5. Resource Development Program		574,934		468,043
Total Department of State Lands	1,460,496	7,716,550	1,430,658	8,113,992

The other funds appropriations for the central management program provides for salary and expenses of the northern powder river environmental impact statement team. The eight FTE approved for the team will continue only as long as federal funds are available to provide support.

# DEPARTMENT OF LIVESTOCK

1. Centralized Services	73,320	219,962	75,820	227,460
2. Legislative Audit	3,250	9,750		
3. Diagnostic Laboratory Program	294,894	306,839	304,754	316,700
4. Disease Control Program		636,605		635,757
5. Milk and Egg Program	176,096	11,500	183,023	12,000
6. Inspection and Control Program		1,576,968		1,611,730
7. Predator Control Program		278,863		295,881
8. Rabies and Rodent Control Program	65,563	15,000	60,621	15,000
Total Department of Livestock	613,123	3,055,487	624,218	3,114,528

DEPARTMENT OF  
NATURAL RESOURCES

1. Centralized Services Division	1,059,202	758,243	1,051,051	801,551
2. Legislative Audit	8,400	21,600		
3. Oil and Gas Regulation Division		689,798		693,932
4. Conservation District Supervisor Division	211,853	89,500	212,877	89,500
5. Water Resources Division	2,113,669	2,285,516	2,123,736	2,313,221
6. Forestry Division	4,029,305	1,887,964	3,871,654	1,889,399
7. Energy Divison	425,945	3,242,757	430,225	3,502,341
8. Facility Siting Division	<u>208,705</u>	<u>1,500,000</u>	<u>213,189</u>	<u>1,000,000</u>
Total Department Natural Resources	8,057,079	10,475,378	7,902,732	10,289,944

Included in the facility siting division appropriation of other funds for fiscal 1982 is \$500,000 resource indemnity trust fund interest to continue the appropriation of HB 908 of the 1979 legislature. The appropriation allows continuation of studies for the possible construction of a MHD engineering test facility in Montana. Expenditure of these funds is limited to the original appropriation.

The forestry division general fund appropriation for fiscal 1982 includes a \$180,000 biennial appropriation to acquire and upgrade fire fighting vehicles and equipment for distribution to nine county cooperative fire districts. The districts will have the responsibility to operate and maintain the equipment.

Section 85-1-403 MCA requires the Daly Ditch to be abandoned by December 31, 1982. The fiscal 1982 general fund appropriation for the water resources division includes \$29,000 to facilitate the transfer of the ditch to a local water users association.

Included in the oil and gas regulation division appropriation is \$65,000 each year of resource indemnity trust fund interest for the purpose of repairing and plugging abandoned oil and gas wells.

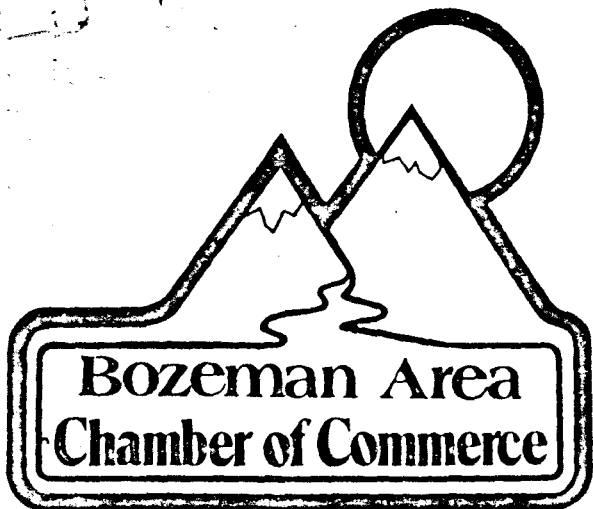
PUBLIC SERVICE COMMISSION

1. General Operations	1,184,442	19,310	1,195,975	19,310
2. Legislative Audit	7,000			
3. Special Audit	<u>50,000</u>	<u>          </u>	<u>          </u>	<u>          </u>
Total Public Service Commission	1,241,442	19,310	1,195,975	19,310

The appropriation in item 3 will continue the audit and any litigation related to commission docket no. 80.8.55. The appropriation may be spent only for determining the original cost of Montana Power Company's hydro-electric properties or litigation related thereto.

TOTAL NATURAL RESOURCES  
AND BUSINESS REGULATION

15,128,159	62,960,815	14,919,683	63,396,244
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March 5, 1981

House Appropriations Committee  
Art Lund, Chairman

Dear Chairman Lund & Committee -

Our business community in the Bozeman Area is very aware of the value of the travel industry. It has become very obvious in recent years when summer travel slowed due to high gasoline prices. It has become even more obvious during the winters of 1979-80 and 1980-81 when poor snow conditions have limited the numbers of visiting skiers.

Whether summer or winter - many of our Montana communities depend heavily upon out-of-state visitors for the very lifeblood of their local economies. This is why we fight so hard at each legislative session to keep a good, solid productive Travel Promotion Unit in business.

The travel industry affects most of us - not just motels, restaurants, campgrounds, service stations and airlines. If these industries do well, so do their suppliers, and so do other retail and service firms who receive dollars the second, third or fourth time around as employees re-spend them.

If our business community is healthy, so are our governmental agencies; as capital expenditures increase, improvements are made, and tax dollars flow into governmental treasuries from property taxes, gas taxes, and other taxes from private industry.

Many legislators seem to think that private industry should do the job entirely itself. The problem with that idea is that businesses are already advertising heavily locally and regionally. Much is being invested in individual efforts.

Local efforts, however, are of little value unless a central source brings people into our State to be exposed to local and regional advertising efforts.

That central source is the Montana Travel Promotion Bureau, which has done quite a good job so far as a helping hand to local efforts.

Our State's Travel Promotion effort, however, has been consistently hampered by inadequate funding. Other neighboring states spend considerably more advertising their attributes, and as a result have a larger share of the travel dollar.

Our State spends very little, and as a result, a recent professional survey revealed that many potential visitors don't even consider us as a destination point for skiing or fishing, if you can imagine that.

We now have the opportunity to change that and put our Travel Promotion Bureau in the Department of Commerce, Division of Economic Development, where it rightfully belongs. It is an important source of economic development for our State, and a very critical investment of tax dollars for our State's welfare.

We recommend you support the Governor's plan for the Travel Promotion Bureau, namely:

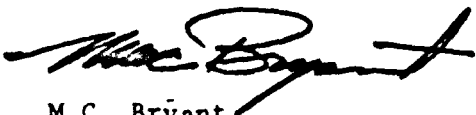
1981 - \$700,000

1982 - \$700,00

\$200,000 matching fund money

It would please us immensely if your committee would have the time to review the recent Montana Tourism and Marketing Development Plan, Volumes I-III. This market study will show to you the importance of the travel industry to our State's welfare, and the need to increase our expenditures in this area.

Sincerely,



M.C. Bryant  
Executive Director