

SUBCOMMITTEE OF HOUSE APPROPRIATIONS ON HOUSE BILL 709
March 28, 1981

Chairman Donaldson, Chairman, called the meeting to order at 10 a.m. on March 28, 1981, in Room 104 of the State Capitol. Present were the other two committee members, Rep. Manuel and Rep. Stobie. Also present was Judy Rippengale, Acting Legislative Fiscal Analyst.

The subcommittee members agreed to first address themselves to the grants that had been taken out by a previous meeting.

Grant No. 12 which would be to study the control of the Ennis Lake thermal problem. Rep. Stobie moved this be deleted. Pete Jackson said he lived close to this area and didn't know what good it would do. He said the lake was partially filled by the slide and it was shallow before. The river has been warm for at least forty years. The only thing that could be done, he felt, was to dredge and that would cost millions as it is a big lake. The question was called and the motion to delete passed unanimously.

Grant No. 13 which is a grant to the Rangeland Management Resources Program. Mr. Hacker said this was funded with \$300,000 two years ago as a pilot program to provide range improvement loans. He said sometimes it is economically impossible for the individuals to do this even with cost sharing through Great Plains Program or other federal programs. The pilot program was started with the idea it would be a revolving fund and so there would be a perennial fund for range improvement loans to supplement any federal moneys. He said the program was well received and at present there are 22 loans made over 800,000 acres. There are applications for \$300,000 so much will be left undone if this money is not available. He said the loans are secured by a first or second mortgage so they will be repaid. It is not a give-away program.

Rep. Stobie moved the amount be changed from \$490,000 to \$350,000.

Leo Berry, Department of Natural Resources, said the money coming in from loans has to be reappropriated by the Legislature before it can be used again.

Mr. Hacker said the money won't be all coming back in immediately as they are for up to ten years. He said he thought it would go into a revolving fund and not need to be reappropriated.

Mr. Berry said he was not too familiar with this loan system and would need to check to see if it is a revolving fund.

Rep. Manuel said as it is a new program they will have nothing to loan if we don't appropriate something.

Rep. Neuman, the bill's sponsor, said the way the Renewable Resource Account is set up you can only fund twice for any one project. So this is the only time they can come back to this account but they can come back to the Legislature and receive funding from a different account.

Mr. Berry said he was having a hard time believing it is a revolving account. Ms. Rippengale found him a book to check on it. Rep. Stobie withdrew his motion to wait for more information.

Grant No. 15 which is a grant to repair Mystic Lake by the City of Bozeman. Rep. Stobie moved this be disallowed. The motion carried unanimously.

Grant No. 9 which is a grant to Lubrecht experimental forest. Rep. Stobie said this is for research on the best thinning practices. He said if it comes to funding this or some recreational project, he would go with this. He moved that it be included. The motion carried with Rep. Donaldson voting no.

Grant No. 8 which is a grant to the city of Lewistown for the East Fork reservoir recreation area project. Rep. Stobie moved to delete this grant and the motion carried unanimously.

Grant No. 10 which is a grant to the triangle conservation district for the saline seep control project. Rep. Manuel said the saline seep problem is statewide and not just up in this area. He said a study was done four years ago and found out causes. The project is a pilot project and they are reclaiming land. Something can be done. It took them a year to get started so it has only been going a year. Since they can only be funded twice, let's not knock it in the head. The pilot program is showing the farmers how to do it.

Ted Dodge, Team Leader for the Triangle Conservation District, said they have 183 applications which cover 10,480 acres of seep. Part of what they have done is to get an agreement from ASCS that allows recropping by these farmers and still permits the farmers to stay in the program. He said the saline seep problem is widespread and increasing 10% annually. He said they sit down with the farmer and point out the recharge area; the farmer pays the cost of the actual reclamation which can be high. Alfalfa costs about \$30 an acre. Problem with the waste water, as water quality laws say you can't dump into existing water if the waste water isn't as good or better than the existing. In response to a question Mr. Dodge said he was on loan from the ASCS and his term would be up in October of this year.

Rep. Stobie said he didn't understand the process. Do you drill down to the impervious layer? Mr. Dodge said the process is there are three men to a team. One goes to the operator, maps the saline seep, gets the past cropping history, lays the location of wells across the area where we feel the seep recharge area is, bring

in the rig. The operator helps with this. The wells are logged. The Colorado shale can be less than 4 1/2 feet to over 40 feet. We will have to look at a statewide program. Canada is also working on it. Farmers will need to be brought up-to-date. A system of summer fallowing which has been used for years will need to be changed.

Rep. Manuel moved that saline seep be reinstated for the full amount. Rep. Stobie wondered if \$200,000 wouldn't be enough of a pilot program to show people. Rep. Manuel said they got a short start this past time and this is the last chance to fund with this.

Rep. Neuman said the twice rule was a regulation of the Department to give other people a chance.

Rep. Donaldson asked if there was any reason why the private land owner couldn't help. Rep. Manuel said he does. The pilot program provides data and recommendations to the farmers. Rep. Stobie asked if part of this money isn't going to drill wells. Rep. Donaldson asked what they will do about this two years from now. Rep. Manuel said they will hire somebody private to do it once they know what to do. Rep. Stobie still felt that \$200,000 would get them off the ground.

Rep. Neuman said something they need to do is to purchase some equipment to complete the study. The ASCS rig has been on loan and that will go back. They need the rig to go to the farmers that request it to determine the direction the water is coming from. Then they draw up a plan to show the farmer what should be done. They need full funding to keep the project going at all. Any cut above 10% will kill the project. The reason the project scored low is that they do not have any other funds available. After the two year period they will probably go on to some other part of the state - that should happen as the problem is serious. My top priority on this bill is saline seep.

Rep. Manuel said if you let this go too long the land is gone forever.

The question was called and the motion to reinstate for the full amount passed unanimously.

Grant No. 17 which is a grant to the Department of Fish, Wildlife and Parks for streambank preservation. Rep. Stobie moved to delete. Gary Fritz, DNRC, said it was his understanding they have had some success with the appropriation made this biennium, but to his knowledge they have no specific spots in mind at this time. The motion to delete passed unanimously.

Grant No. 13 continued. More information was now available. Mr. Berry said the revenue returned on the loans most likely would come back to the Renewable Resources Program but is not a revolving fund and in order to make new loans it would have to be reappropriated.

P.T. Hacker said the payments are to be made to the Department of Natural Resources and Conservation. Mr. Berry said the definition is not clear but it seems that it will go back to the Renewable Resource account. It would be like a reversion. Ms. Rippengale said it would be an earmarked account unless there is a specific appropriation to loan it again. It is a one time loan program.

Rep. Stobie made a motion to adopt Number 13 and amend the amount to \$300,000. The motion carried unanimously.

Chairman Donaldson asked the committee if they would like to go through the grants from the beginning again to see if, in their opinion, further adjustments should be made. They agreed.

Lighting for Lewis and Clark Caverns. Chairman Donaldson said the \$50,000 for lighting the Lewis and Clark Caverns is already in so doesn't need a motion.

Grant No. 1 for the Muddy Creek erosion control program. Mr. Berry said the Department doesn't agree with the recommendation. When Tenneco comes in to move the water to construct the plant, they will have to prepare an environmental impact statement and this will have to be studied at that time. Since this is true, we can't see spending the state money when the company will have to pay for this study. He said he agrees with the local people that it will need to be studied.

Rep. Stobie moved that \$19,988 be put into this account. Rep. Manuel voted no. The motion carried.

Grant No. 3 for the East Bench irrigation project. Mr. Berry said they had requested one million and they cut \$510,000 out. Rep. Manuel said they are going to save a lot of energy and since this account is coming out of coal money that is what this is for. Rep. Donaldson said there will be considerable savings if they can cut the pump down.

Rep. Stobie moved to adopt the amended \$450,000. This carried unanimously.

Rep. Neuman said he had talked to these farmers and this will make it tight. He suggested the committee might want to reconsider this when they have finished the list.

Grant No. 4 for recycling and resource recovery. Rep. Neuman said the \$400,000 is front end money to buy a front end loader. Figure to use waste to make a still. Loan to the city to put the project together. This is funding Rep. Yardley's bill and there would be a number of counties involved.

Rep. Stobie questioned if we should be getting into front end money.

Rep. Manuel said the \$400,000 is for recycling - let's leave it in.

Grant No. 16 which is a grant to the Department of Health and Environmental Sciences for the solid waste management planning program. Rep. Stobie moved this item be disallowed.

Rep. Neuman asked if the Solid Waste Management law doesn't require this to be done. He suggested leaving part of it in.

Rep. Donaldson said this may work where the major concentrations of population are but does not have much success in the less populated counties.

The question was called and the motion carried to delete unanimously.

Grant No. 5 which is a grant for water quality feasibility and design plans. Mr. Berry said their understanding is that money is available from the EPA for 82 and 83. Rep. Neuman said he had been assured that the federal match money was available.

Rep. Bardanouve said they had put in a lot of dollars for them in the general budget for a lot of programs. Didn't short them that much on their request. Bent over backwards to pick up some of them. Put in some match for federal dollars in soil conservation. Cut it all out at first and then we had some calls from Sanders County wanting money in this so we put some back.

Rep. Donaldson asked if Rep. Bardanouve thought this could be covered. Rep. Bardanouve said they never told us they planned to get other money.

Grant No. 6 is a grant for weed control in Georgetown Lake. Rep. Donaldson said he had problems with this one as he couldn't imagine it doing much good.

Mr. Berry said being from Anaconda he might be a little biased. He said it is a serious problem and the landowners have tried a number of things and spent a substantial amount of money trying to come up with something. The lake is heavily used. It was originally constructed by a mining firm and then bought by Anaconda. It is 10 to 15 feet deep and the weeds have become a real problem. He felt this was a worthwhile expenditure as there are water and recreation dollars coming into the state. He felt it would be good to see if this problem could be solved.

Grant No. 7 is a grant for the Bluewater Creek erosion control and is similar to Grant No. 1. Rep. Neuman said he had talked to the people and if the grant is cut it would kill the program as the money is for building structures and for this they need all they have requested.

Rep. Bardanouve mentioned an uncapped well that exists in Blue Creek. He felt this might be one of the biggest cause of erosion.

Rep. Manuel asked why it hasn't been capped. Mr. Fritz said it is used by many irrigators on the upper part of the creek. They feel the water from the well is not a significant contributor to erosion in the lower Blue Creek. No one wants the well shut down.

Representative Glenn Roush said the well should have a valve put on it for control.

Chairman Donaldson recessed the meeting as the members were needed in the Committee of the Whole. The time was 11:30 a.m.

Chairman Donaldson called the meeting to order again at 4:20 p.m. with all members present. The committee continued to go through the grants again to see if adjustments should be made. Curt Nichols, LFA, was present.

Grant No. 9 to the Lubrecht experimental forest. Rep. Stobie said this is the only resource that has not been put into. Rep. Donaldson said the equivalent of \$400,000 has been put into the forest experiment station already. This would be for the same thing. He said it was worthy but felt we would be paying twice. This could have been put in before he knew he would get the other funding.

Rep. Stobie moved to cut it back to \$120,000. This motion carried unanimously.

Grant No. 10 for the saline seep. Rep. Stobie moved to cut this back to \$275,000. Rep. Manuel voted no. The motion carried.

Grant No. 11 for the leafy spurge weed control project. Rep. Donaldson suggested putting it up to \$50,000 since he had serious problems with SB 4. Kill SB 4 and go this way for weed control. He so moved.

Rep. Stobie asked if this would be just used to study. Rep. Donaldson said there is a plan involved with the counties and think there is a match involved also.

Mr. Berry said there would be demonstration projects using a certain herbicide. Mr. Fritz said with \$50,000 there could be more of these demonstration plots.

Rep. Neuman said the project was designed originally to do research for weed control.

Rep. Manuel felt this should have some priority because weeds are a big problem.

The question was called and the motion passed unanimously to increase this to \$50,000.

Grant No. 14 which is a grant for the dam repairs program. Rep. Stobie asked hasn't the dams been studied? Mr. Fritz said this would be on the Galt and Bear Paw Reservoirs to rehabilitate those. The Fish, Wildlife and Parks Department thinks it will take \$80,000 to design the rehabilitation and this would be about 20% of the total cost to do the job.

Rep. Stobie said it does not have a high priority. Rep. Manuel asked how we are standing as far as the funds are concerned. Mr. Curt Nichols, LFA, said right now there is \$473,283 left.

Rep. Stobie moved this be deleted. Motion carried unanimously.

Grant No. 18 is a grant for small water projects construction. This will run similar to the rangeland program. Rep. Donaldson said there is no experience with this program as it is brand new. This makes more sense than some of these other things.

Rep. Neuman said this is for stock watering primarily.

Grant No. 19 said this is one of the projects that was put in after we found the reversions are in the fund. They were encouraged to put this in. Dam on Pattengail Creek which is a tributary of the Wise River. This runs short of water in July and August. This dam would fill up and so be a supplemental water source.

Mr. Fritz said they feel this dam has potential in the Big Hole Basin. It looks the best for off stream storage. The studies have been very superficial.

Rep. Manuel said anytime we can store water in Montana think we should. Rep. Stobie felt it should be left in.

Grant No. 20 for the development of a water use data system. This would be one data system where all the information collected by the agencies would go so there would be no duplication.

Rep. Donaldson asked if this was a very high priority. Rep. Stobie said something concerns him. Not altogether comfortable that 601 will be funded and that would save energy by putting more acres under irrigation. Rep. Manuel felt that would actually go to save some energy and be a better use of water.

Rep. Stobie moved that this be deleted until we see what is left. The motion carried unanimously.

Grant No. 21 to implement the Carey Act. Mr. Berry said there has been an act on the books for many years where federal irrigable land could be transferred as irrigated. The federal government repealed the act. Idaho sued and found if they can irrigate it they can get the land and got several million acres. This was to see if there was any land available in Montana that we might want to make a claim on.

Mr. Fritz added that it has to be desert land and can't support a crop of alfalfa without irrigation.

Mr. Berry suggested this one be taken out and leave the water data system in.

Rep. Stobie asked if this procedure would still be available later. Mr. Berry said there was no real hurry to do it.

Mr. Fritz said there has to be state statutes to make it work. This program is to find the land that could be transferred and developing the statutes to put the program into effect.

Rep. Stobie moved to delete and the motion carried unanimously.

Grant No. 22 is to protect Montana's water from downstream users. Mr. Berry said this would go hand in hand with water development. It is to find out if we are in trouble in terms of downstream claims on our water. This would be to tie up Montana water before turning it loose if that is indicated by an analysis of what is happening downstream.

Rep. Donaldson said the \$85,000 could be better used finishing off some off stream. Mr. Berry said this one has a high priority rating.

Rep. Donaldson said he was having difficulty getting excited about this.

Mr. Berry said this recommendation didn't just come out of the Department but from the Advisory Council which includes some of the best water people in the state.

Rep. Stobie moved to pass over this one.

Grant No. 24. Rep. Manuel moved to amend on page 4, line 19, following "project," insert "Cove Irrigation Company irrigation system research project." The motion carried unanimously.

Grant No. 13 and Grant No. 18. Rep. Stobie said since No. 13 was taken down to \$300,000, No. 18 should also be changed to \$300,000. He so moved.

Rep. Neuman agreed they should be equal, but felt they should be increased rather than decreased.

The motion carried with Rep. Manuel voting no.

Seed Potato Research was taken out this morning.

HB 601 Rep. Stobie moved to make it \$200,000. This motion passed unanimously.

The committee went back through the grants quickly to check on

amounts: 1) \$300,000
2) 180,000
3) 450,000 - Rep. Neuman said this was the one that asked for one million and the DNRC cut them and they are really tight. It is a 5 million dollar project. They are not going to have to pay any electricity so cheaper irrigation than siphoning.

- 4) 400,000
- 5) 41,000
- 6) 35,362
- 7) 121,000
- 8) 0
- 9) 120,000
- 10) 275,000
- 11) 50,000
- 12) 0
- 13) 300,000
- 14) 0

Rep. Stobie asked if the committee should put more back into No. 13. He moved that \$50,000 be added to it and to No. 18. This motion carried unanimously.

- 15) 0
- 16) 0
- 17) 0
- 18) 350,000
- 19) 75,000
- 20) 0
- 21) 0
- 22) 85,000

Rep. Stobie moved that \$125,000 be put back into No. 20. This motion carried unanimously.

Lighting for Lewis and Clark Caverns \$50,000

Rep. Stovie moved that the committee report on its conclusions. This motion carried unanimously.

Meeting adjourned at 5:25 p.m.

Respectfully submitted,

REP. GENE DONALDSON, CHAIRMAN

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STANDING COMMITTEE REPORT

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MR. **SPEAKER:**

We, your committee on **HOUSE APPROPRIATIONS**

having had under consideration **HOUSE** Bill No. **832**

**A BILL FOR AN ACT ENTITLED: "AN ACT TO APPROPRIATE MONEY
TO THE DEPARTMENT OF COMMERCE FOR THE PURPOSE OF PLANNING AND
CONDUCTING SMALL BUSINESS CONFERENCES."**

Respectfully report as follows: That **HOUSE** Bill No. **832**

1. Page 1, line 13
Following: "..."
Strike: "\$30,000"
Insert: "\$5,000"
2. Page 1, line 14
Following: "..."
Strike: "\$20,000"
Insert: "\$5,000"

DO PASS **AS AMENDED**

STANDING COMMITTEE REPORT

MARCH 28 1981

MR. SPEAKER:

We, your committee on HOUSE APPROPRIATIONS

having had under consideration SENATE Bill No. 458

A BILL FOR AN ACT ENTITLED: "AN ACT TO CONTINUE THE MONTANA
FOLKLIFE PROJECT UNDER THE MONTANA ARTS COUNCIL; REPEALING
SECTION 6, CHAPTER 531, LAWS OF 1979; AND PROVIDING AN
IMMEDIATE EFFECTIVE DATE.
IMMEDIATE EFFECTIVE DATE."

Respectfully report as follows: That SENATE Bill No. 458

1. Title, lines 7 through 9
Following: "COUNCIL;"
Strike: "REPEALING" on line 7 through 9 in their entirety
2. Page 1, line 12
Following: "Section 1."
Strike: "Repealer"
2. Page 1, line 13
Following: "is"
Strike: "repealed"
Insert: "changed to 7-1-83"
4. Page 1, lines 14 and 15
Strike: all of Section 2 in its entirety

DO PASS AS AMENDED

MR. **SPEAKER:**We, your committee on **HOUSE APPROPRIATIONS**having had under consideration **HOUSE**Bill No. **469**

A BILL FOR AN ACT ENTITLED: "AN ACT TO APPROPRIATE MONEY TO MONTANA STATE UNIVERSITY TO PROVIDE ADDITIONAL SUPPORT FOR SEED POTATO RESEARCH AND DEVELOPMENT: AND CREATING A SEED POTATO RESEARCH AND DEVELOPMENT ACCOUNT AT MONTANA STATE UNIVERSITY."

Respectfully report as follows: That **HOUSE** Bill No. **469**~~DO NOT PASS~~

STANDING COMMITTEE REPORT

MARCH 28

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MR. **SPEAKER:**.....

We, your committee on **HOUSE APPROPRIATIONS**.....

having had under consideration **HOUSE**..... Bill No. **542**

**A BILL FOR AN ACT ENTITLED: "AN ACT TO APPROPRIATE MONEY TO THE
MONTANA BUREAU OF MINES AND GEOLOGY FOR A GROUND-AND-SURFACE
WATER STUDY OF PORTIONS OF SWEET GRASS AND STILLWATER COUNTIES;
AND PROVIDING AN EFFECTIVE DATE."**

Respectfully report as follows: That..... **HOUSE**..... Bill No. **542**

1. Page 1, line 11
Following: "the"
Strike: "general"
Insert: "renewable resource development clearance fund account"
2. Page 1, line 12
Following: line 11
Strike: "fund"

DO PASS **AS AMENDED**

STANDING COMMITTEE REPORT

MARCH 28

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MR. **SPEAKER:**

We, your committee on **HOUSE APPROPRIATIONS**

having had under consideration **HOUSE** Bill No. **601**

A BILL FOR AN ACT ENTITLED: "AN ACT TO APPROPRIATE MONEY TO THE DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION FROM THE RENEWABLE RESOURCE DEVELOPMENT CLEARANCE FUND ACCOUNT FOR EMERGENCY ASSISTANCE RE REPLACEMENT OF THE ST. CLAIR CREEK SYPHON IN THE GLEN LAKE IRRIGATION DISTRICT."

Respectfully report as follows: That **HOUSE** Bill No. **601k**

1. Page 1, line 11
Following: "of"
Strike: "\$650,000"
Insert: "\$130,000"

DO PASS AS AMENDED