

THE MINUTES OF THE MEETING OF THE JOINT APPROPRIATIONS
SUBCOMMITTEE ON NATURAL RESOURCES
January 13, 1981

The meeting was called to order by CHAIRMAN STOBIE at 9:30 a.m. in Room 431 of the Capitol Building in Helena, Montana on January 13, 1981. Roll call was taken and all members were present.

A revised copy of the worksheet of the Executive Budget was passed out (EXHIBIT A) and a spread sheet on FTE and total expenses by the Division that the Department of Livestock put together (EXHIBIT B).

WITNESSES FOR THE DEPARTMENT OF LIVESTOCK were introduced. Les Graham, Jim Glosser and Cecil Greenfield. LES GRAHAM first explained the FTE from 1975 on. MR. GREENFIELD explained the big push for Brucellosis hit in 1978 and tapered down in 1979 and up again in 1980. The big FTE drop in the present biennial budget is due to Vet-Technicians being deleted.

Centralized Services takes care of accounting, budgeting, personnel, purchasing, general services, shipping and receiving. Also included in this budget is the Pork Research and Marketing fund. The primary difference between the Executive and the LFA budget is the price of postage in the communication category and travel. If these two items were restored to the executive amount, it would be a good budget for Centralized Services. The difference being, communication is \$963.00 less in fiscal year 1982 and \$104.00 less in fiscal year 1983. It was confirmed that they still have an attorney in the department, but have contracted some legal help. \$26,000.00 was spent in 1980 for Pork Research and marketing.

In reference to the Audit fees, it was explained that the Legislative Auditor estimated a cost of \$14,000.00. A staff increase of about 50% for the Legislative Audit Officer would have to be approved first by the Appropriation Committee.

THE DIAGNOSTIC LABORATORY BUREAU was reviewed by DR. JIM GLOSSER, Administrator, giving the purpose of the Bureau and stating that it had grown considerably adding to both the staff and workload. To date there has been a 32% increase in workload. Comments regarding supplies indicate that the proposed budget would cut laboratory supplies which are increasing in price faster than inflation factors would indicate. Travel is a necessary item in this department because the department is located in Bozeman and they must come to Helena to meet the various industry groups. Another item mentioned was the utilities. Because the Lab shares the cost with the University, they never know what the cost will be until the end of the year.

The funding is 50% earmarked and 50% general funds. We feel that Brucellosis is no longer an animal health threat. We have learned how to diagnose and eradicate it and suggest it should be considered a human health problem. Many problems in this area revolve around the Indian reservations because

of the lack of jurisdiction, therefore the department treats them as a foreign nation. In reference to the milk testing function by federal ordinances and statutes, they are responsible in this state for the milk sanitation inspection and egg inspection function in the field operation. The Diagnostic Lab field people have to collect 8 specimens per producer per year. They test for pasturization, antibiotic residues, and pesticide residues to see that they meet the Federal compliance to meet the Grade A milk standard. Other plants are inspected for manufacturing, cheese, etc. There is a duplication as far as a butterfat testing goes, as the Livestock as well as the Milk Control Board both do the same test. Complete responsibility of this test would not increase the budget or staff. There is a bill to do away with the Milk Control Board. The Livestock Department would have to handle their responsibilities all except the price fixing.

SENATOR BOYLAN stated that the farmer is paid on the fat content of their milk and therefore they are very concerned about the accuracy of these tests.

DISEASE CONTROL PROGRAM was explained by Dr. Glosser. It shows the ups and downs of the FTE's from 1970 on due to the scabies, brucellosis and the import/export permit rule.

They have eliminated 6 positions though the FTE's still show in fiscal year 1981. This Department now owns their own vehicles, but are one short. The trouble has been that even though the vehicles have been approved and ordered, it has taken a year in some instances before the vehicles arrive. Travel is very important to this department since it is never known when a disease will hit. The drouth now could also cause a crisis. Another item in this department is the dipping of cattle. Toxaphene is now being restricted. This chemical is being used for spraying vegetable gardens in other areas. The chemical must be dumped in Idaho. Storage cost is 7 cents per pound. There is a dipping station in Victor, Montana.

The division is supported 100% by earmarked funds. Special mill tax levied to all livestock owners provided the funds have a maximum of 15 mills for the animal health division. 92% of the revenue is from cattle, other from chickens, bees, sheep, and swine.

THE MILK AND EGG DEPARTMENT was reviewed. This is nearly 100% General Money. The egg program came to them in 1972. There was a total of 9 FTE in this Bureau in 1975. They felt the milk and egg bureaus could be merged which they did and eliminated two people. The principle job of this bureau is sanitation and inspection. There is \$10,000 received from Federal funds, USDA, to inspect poultry for school lunch programs. The

amount under the column Goods PFR, is for training milk and egg inspectors. Since this department does so much traveling, the major part of this budget is for gasoline.

INSPECTION AND CONTROL, presented by LES GRAHAM, is 100% earmarked funds, again supported with mill levies. The cost per animal would be 4 cents per head to fund on contract services for inspection. They are expecting a drop in FTE in this program in 1983. In the last 6 to 7 years they have cut 8 positions to three and whenever anyone left an administrative position, we demoted the position down to a working position. This did not reduce FTE, but did lower the costs. They have increased the number of field men from 11 to 18 and have cut back the number of miles traveled. This program has two phases. Brand inspectors stationed at the markets and field men that are also peace officers. The sheriff's departments are giving up the authority to the brand inspectors such as felonies relating to livestock. Brand inspectors do not inspect their own cattle. Validating ownership is the Inspectors primary job. The Marketing Act is now in effect that carries a felony penalty. This Department is not on scheduled hours because of the type of work involved. Field men get comp time and marketing staff get overtime. This is all earmarked funds from levies on the livestock. The law allows 10 mills on sheep and 15 mills on other livestock.

PREDATORY ANIMAL CONTROL was the next program discussed. This department has three helicopters used to hunt predatory animals. The cost per hour to have their own helicopter is about \$100.00 compared to \$150.00 per hour to hire one. They are stationed in Helena, Forsyth and Lewistown. In 1978 and 1979 they had salvaged helicopters given to them and industry demanded they put it in the air which accounts for the third helicopter. This third helicopter is in the modified budget. Approximately 2,000 coyotes are killed a year. Money for the hides go to the Federal Fish, Parks and Wildlife Division. Regarding the budget, Mr. Graham stated again that the third helicopter is in the modified budget as presented to the subcommittee and is not in current level programs. The Fish, Parks and Wildlife Division is not going to allocate \$65,000.00 as they have in the past. They also feel there is a duplication with the Rodent program and the Department of Livestock that could reduce the FTE's. BOB ROBINSON, Fiscal Analyst, explained that the \$65,000 and \$69,700 recommended by the Executive Budget is the cost of the third helicopter. The third helicopter was initiated in June of 1979 which was the beginning of fiscal 1980 and it had to be budget amended so the budget office has not authorized it as part of their current budget. Some of the base in the executive budget for

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1982 and 1983 includes some of the costs related to the third helicopter.

Of the total request for RODENT CONTROL, \$22,000 in 1982 and \$18,000 in 1983 was for Rabies work. Biologists have been put on since 1975 when the Legislature put Rodent Control in Department of Livestock and appropriated \$46,000.00. The Department is considering contracting with the Department of Agriculture to conduct the rodent control program. The Livestock Department committee was dismissed.

The meeting adjourned at 11: a.m.



CHRIS STOBIE, Chairman

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Exec. Revised Budget

1-13-81

1-12-81

DIAGNOSTIC LABORATORY

Expenditure	Actual	Approp.	LFA	Exec.	LFA	Exec.	Subcommittee	Full Approp.	Recommendation
	1980	1981	1982	1982	1983	1983	1982	1982	1983
<i>FTE</i>									
Personal Services	\$307,536	\$404,650	\$445,508	\$422,933	\$485,604	\$423,223			
Contract Services	26,141	25,000	28,598	28,598	30,914	30,914			
Supplies	54,070	25,000	65,722	70,637	71,308	79,351			
Communications	12,205	8,000	15,036	15,999	16,314	16,488			
Travel	5,340	6,000	6,228	7,066	6,726	8,127			
Rent	993	800	1,147	1,082	1,233	1,169			
Utilities	17,912	20,000	23,070	27,241	25,838	32,387			
Repairs	9,417	6,500	11,601	10,379	12,587	11,248			
Other	8,950	9,000	10,829	8,951	11,749	8,951			
Equipment & Livestock	5,062	-0-	5,126	5,062	5,129	5,062			
Equipment & Livestock	67	-0-	-0-	67	-0-	67			
Operating Costs	\$140,157	\$100,300	\$167,357	\$175,082	\$181,798	\$193,764			
TOTAL EXPENSES	\$447,693	\$504,950	\$612,865	\$598,015	\$667,402	\$616,987			

01100	1	\$207,320	\$300,119	\$293,637	\$326,819	\$303,123			
02151	5	240,375	312,746	304,378	340,583	313,864			
TOTAL FUNDS		\$447,695	\$612,865	\$598,015	\$667,402	\$616,987			

NOTES:

DISEASE CONTROL PROGRAM

Expenditure	Actual	Approp.	LFA	Exec.	LFA	Exec.	Subcommittee	Recommendation	Full Approp.	Recommendation
	1980	1981	1982	1982	1983	1982	1982	1983	1982	1983
<i>FYE</i>	<u>22.5</u>	<u>22.5</u>	<u>17.5</u>	<u>17.5</u>	<u>17.5</u>	<u>17.5</u>				
Personal Services	\$368,513	\$432,208	\$422,691	\$405,034	\$460,732	\$406,260				
Contracted Services	100,918	94,229	25,602	32,220	27,664	41,172				
Supplies	26,773	26,000	46,960	46,960	53,798	53,798				
Communications	12,852	12,000	15,833	16,240	17,178	17,956				
Travel	43,862	48,000	34,679	58,010	37,453	66,710				
Rent	5,492	1,000	1,500	1,624	1,500	1,755				
Utilities	137	-0-	176	224	197	269				
Repairs	7,635	5,248	9,406	8,993	10,205	9,784				
Other	3,050	1,500	3,690	3,050	4,003	3,050				
Goods PFR	-0-	-0-	27,000	27,091	27,000	27,091				
Equip & Livestock	22,594	-0-	37,600	37,594	22,600	22,594				
Operating Costs	223,313	187,977	202,446	232,006	201,598	244,179				
Benef & Claims	14,400	16,000	14,400	14,400	14,400	14,400				
TOTAL EXPENSES	\$606,226	\$636,185	\$639,537	\$651,440	\$676,730	\$664,839				
02151	5	636,185	639,537	651,440	676,730	664,839				
04811	5	-0-	-0-	-0-	-0-	-0-				
TOTAL FUNDS	\$606,224	\$636,185	\$639,537	\$651,440	\$676,730	\$664,839				

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MILK & EGG PROGRAM

Expenditure	Actual	Approp.	LFA	Exec.	LFA	Exec.	Subcommittee	Full Approp.	Recommendation
	1980	1981	1982	1982	1983	1983	1982	1982	1983
<i>FTE</i>	<i>7.2</i>	<i>7.2</i>	<i>7.2</i>	<i>7.2</i>	<i>7.2</i>	<i>7.2</i>			
Personal Services	\$126,517	\$134,525	\$145,529	\$135,322	\$158,626	\$135,399			
Contract Services	2,069	2,100	2,457	2,327	2,653	2,510			
Supplies	7,191	8,610	11,942	14,041	16,232	19,526			
Communications	1,860	2,000	2,291	2,363	2,485	2,600			
Travel	16,027	20,000	15,533	21,197	16,776	24,376			
Rent	140	140	161	152	173	164			
Repairs	2,669	3,600	3,288	3,195	3,567	3,462			
Other	180	250	217	180	235	180			
Goods PFR	-0-	-0-	5,000	5,000	5,000	5,000			
Equip & Livestock	5,211	-0-	10,425	10,425	10,425	10,425			
Operating Costs	\$ 35,347	\$ 36,700	\$ 51,314	\$ 58,880	\$ 57,546	\$ 68,243			
TOTAL EXPENSES	\$161,864	\$171,225	\$196,843	\$194,202	\$216,172	\$203,642			
01100	\$148,863	\$158,225	\$185,343	\$183,702	\$204,172	\$192,642			
04099	13,000	13,000	11,500	10,500	12,000	11,000			
TOTAL FUNDS	\$161,863	\$171,225	\$196,843	\$194,202	\$216,172	\$203,642			

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PREDATORY ANIMAL CONTROL PROGRAM

Expenditure	Actual 1980	Approp. 1981	LFA 1982	Exec. 1982	LFA 1983	Exec. 1983	Subcommittee 1982	Subcommittee 1983	Full Approp. 1982	Recommendation 1983
<i>Fire</i>	<u>567</u>	<u>567</u>	<u>567</u>	<u>567</u>	<u>567</u>	<u>567</u>				
Personal Services	\$118,153	\$129,417	\$140,257	\$130,122	\$152,880	\$130,156				
Contract Services	4,877	4,000	4,608	4,385	4,976	4,727				
Supplies	35,753	30,000	20,774	25,991	22,539	30,671				
Communications	4,053	3,000	4,993	5,143	5,417	5,681				
Travel	15,157	14,000	17,679	20,040	19,093	23,047				
Rent	3,480	3,400	2,866	2,701	3,080	2,920				
Utilities	64	-0-	82	104	91	125				
Repairs	62,001	28,069	48,728	43,165	52,869	46,676				
Other	611	500	739	611	801	611				
Equip & Livestock	498	-0-	613	498	665	498				
Operating Costs	<u>\$126,494</u>	<u>\$ 82,969</u>	<u>\$101,082</u>	<u>\$ 167,638</u>	<u>\$109,531</u>	<u>\$ 69,700</u>				
TOTAL EXPENSES	\$244,647	\$212,386	\$241,339	\$297,760	\$262,411	\$314,812				
02149 5	<u>\$244,647</u>	<u>\$212,386</u>	<u>\$241,339</u>	<u>\$ 297,760</u>	<u>\$262,411</u>	<u>\$314,812</u>				
TOTAL FUNDS	\$244,647	\$212,386	\$241,339	\$297,760	\$262,411	\$314,812				

NOTES:

78-110
 04 *Expenditures*
 Budget - 1-1-81 *Master*

	FY '70	FY '75	FY '76	FY '77	FY '78	FY '79	FY '80	FY '81	FY '82	Requested
Centralized Services - FTE		5.54	8.00	10.00	9.50	9.50	9.50	9.50	9.50	9.50
Total Expense		79375	126175	175774	169606	209864	257531	280629	308831	306259
Animal Health Admin - FTE	5.20	2.50	2.00	2.00	2.00	2.00				
Total Expense	65895	49529	58553	65452	72053	64287				
Diagnostic Laboratory - FTE	12.21	14.83	15.92	16.00	19.00	19.00	20.80	19.80	20.80	20.80
Total Expense	128766	208403	278726	324916	373748	400003	447698	504950	598015	616987
Disease Control - FTE	33.82	13.01	9.50	9.50	24.00	20.00	23.50	19.50	17.50	17.50
Total Expense	334114	220836	350772	364891	475976	484388	606232	636185	651440	664839
Milk & Egg - FTE	4.47	9.00	7.59	7.00	7.00	7.00	7.20	7.20	7.20	7.20
Total Expense	51293	131592	131917	153023	131457	139520	161864	171225	194202	203642
Inspection Control - FTE	61.24	69.34	69.53	68.62	69.12	69.12	69.95	69.95	69.95	69.95
Total Expense	657134	902932	996895	1076392	1121212	1162911	1294743	1399735	1591697	1639667
Predator Control - FTE	10.25	4.69	4.46	4.46	5.67	5.67	5.67	5.67	5.67	5.67
Total Expense	94080	166510	205042	193607	224486	232192	244649	212386	297760	314812
Rabies & Rodent - FTE	1.08	-0-	2.71	2.71	2.71	2.50	2.50	2.50	2.50	2.50
Total Expense	876	5000	54540	68038	61764	63798	65179	69539	80563	75621
Department Total - FTE	127.27	118.91	119.71	120.29	138.79	134.99	131.12	134.12	133.12	131.12
Total Expense	1186278	1764177	2202618	2422093	2583275	2756963	3077896	3274649	3722508	3821827

* Appropriated

NAME Les Carban / Jim Carban Bill No. _____

ADDRESS Helena DATE 1-13-81

WHOM DO YOU REPRESENT Montana Dept of Livestock

SUPPORT OPPOSE _____ AMEND _____

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

Dist. Budget Hearing

ATTACHMENT
EXHIBIT B

Cecil Alexander