

MINUTES OF THE MEETING OF THE APPROPRIATIONS SUBCOMMITTEE ON
NATURAL RESOURCES AND BUSINESS REGULATION
January 11, 1983

The meeting was called to order by CHAIRMAN MANUEL at 8:15 a.m. in Room 132 of the Capitol Building in Helena, Montana on January 11, 1983. Roll call was taken and all members were present. Also present were DICK GILBERT, LFA; CAROLYN DOERING, OBPP; PATTI SCOTT, SECRETARY; AND SENATOR JOHN MOHAR.

DEPARTMENT OF LIVESTOCK BUDGET (Tape #2 Side B-004)

WITNESSES for the Department were introduced: LES GRAHAM, Administrator of the Brands Enforcement Division; DR. JIM GLOSSER, State Veterinarian and Administrator of the Animal Health Division; and CECIL GREENFIELD, Chief of the Central Services Bureau.

CENTRALIZED SERVICES (Tape #2 Side B-013)

MR. GREENFIELD stated his concern over the LFA removal of one FTE for a clerk position. Even though the position was vacant part of the year, the position does provide valuable back-up to the Department. The Department has already reduced the total number of FTE's by seven from last biennium. MR. GREENFIELD asked that the Committee reinstate that position.

GREENFIELD stated that the building rent has also increased significantly from \$56,711 for FY84 to \$67,085 for FY85, an increase of about \$10,000 per year, 24%. MR. GREENFIELD feels that Livestock can operate on the budget set by OBPP. Livestock operated with 139.96 FTE's in 1972 and today with 122.61 FTE's, a decline of 17.35 over 10 years. It is a result of good management and services have not suffered, he said.

CHAIRMAN MANUEL inquired about vacancy savings and whether the Department had much turnover. MR. GREENFIELD stated there is little turnover, and stated any vacancy savings would be "eaten-up" by the termination pay. MR. GREENFIELD hopes they can retain the 5% vacancy savings rate.

DR. GLOSSER added that the Department receives over 23,000 incoming calls. Because the turn-over is high in the lower grades (5,6,7), he hopes to have everyone "cross-trained" to meet the needs of the Department.

DIAGNOSTIC LABORATORY PROGRAM (Tape #2 Side B-141)

The Department has guarded a vacancy for a Veterinarian Micro-Biologist. They were able to fill this position during the last biennium and have increased their services.

REPRESENTATIVE STOBIE inquired about the "milk control test." DR. GLOSSER stated it has been stagnant and he did not believe

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they have carried out the intent of the Legislature. The test was for butterfat analysis. Livestock was to maintain the standards for licensure and interstate movement. The Milk Control Board needed the information for payment based on the butterfat content. From 1977 to 1981, Livestock was testing for both departments. Last session instructed the two agencies to work together and increase the sampling. Unfortunately, Milk Control felt that Livestock's testing was not adequate, and requested a full-time employee to do this. Livestock could not accommodate this in their budget. Livestock does have a contract with Milk Control, but Milk Control has not implemented the contract and has suspended getting any information from Livestock.

DR. GLOSSER stated that the butterfat content is reported directly to the farmer or rancher and is done about eight times per year. If Milk Control would rely on the licensed milk collectors, any increase in collections could probably be accommodated in their present budget. LES GRAHAM stated that DR. GLOSSER has made repeated attempts to get the Milk Control to cooperate.

REPRESENTATIVE STOBIE inquired about how rules are developed in caring for eggs. DR. GLOSSER stated there are several ways, including federal standards. The main things are cracks or leaks in the eggs which could cause contamination. Eggs must be monitored to a degree to prevent contamination and minimize the threat to public health.

DISEASE CONTROL PROGRAM (Tape 2 Side B-380)

DR. GLOSSER stated that the positions eliminated by the Department were basically two categories - employees that assisted in the brucellosis program and the scabies program. CHAIRMAN MANUEL commended the department for their efforts in the Brucellosis battle, and SENATOR SMITH also commended them for their scabies program.

MILK AND EGG PROGRAM (Tape 2 Side B-489)

This program's major goals are consumer protection and protection of public health. There are four milk sanitarians and one office person. The milk sanitarians also do egg inspection. There is another field man that is solely an egg inspector. The school lunch program also reimburses this budget.

INSPECTION AND CONTROL PROGRAM (Tape 2 Side B-529)

LES GRAHAM stated that two years ago, Livestock entered into an agreement with Agriculture for Agriculture to do rodent work. There is a bill this session to officially transfer this function

to Agriculture. The biologist that took care of the rodent work also supervised the Aerial Hunting Program. The duties fell back on the Brand Inspectors and have caused them problems as they are busy with other duties. Livestock would like to "trade" the biologist position for an inspector position. In addition to the felony investigations, there were about 350 misdemeanor investigations. The investigator position would help the heavy workload already being done by the current personnel. LES also noted that \$13.5 Million Dollars worth of livestock were returned to Montanan's as a result of the investigations.

LES also stated that he has lost about 178 days a year doing investigations. The Chief Investigator has not had a vacation in two years.

CHAIRMAN MANUEL noted that this is a MODIFICATION, and for the Committee to keep this in mind when reviewing the total budget. SENATOR SMITH noted that perhaps the Legislature was demanding more than we can expect and this modification should have special consideration.

LES GRAHAM expressed a concern in the EQUIPMENT BUDGET. Livestock does not consider trade-in value on their vehicles. He felt the miles are different than highway miles, in that the vehicles have more wear and tear because they are off in the wilderness many times, and it is very hard on the vehicles. Most are over 100,000 miles and they might receive anywhere from \$300 to \$700 on a trade-in. He felt because of these conditions, this should not be considered in the budget. DICK GILBERT, LFA, felt some allowance should be allowed for trade-in. LES GRAHAM agreed to the use of an average figure. DICK stated he had used an average figure of \$1000 for trade-in and LES agreed that was not out of line.

MR. GRAHAM stated the Department has 31 RADIOS and are in the process of switching to high band. They will be needing 5 channels at a cost of about \$1500 per radio or a total package of \$50,000. The \$50,000 would come from earmarked revenues, and the Department has been trying to save. Last year they reverted \$76,000 back to the earmarked fund. Radios are very important as many times this is the only contact their personnel in the field have with civilization.

BEEF AND PORK MARKETING UNIT (Tape #3 Side A-205)

DR. GLOSSER commented that \$3000 in refunds so far this year from the \$360,000 collected in Beef Marketing. (Statutes provide for refunds upon request from funds collected for Beef and Pork Marketing.)

PREDATORY ANIMAL CONTROL PROGRAM (Tape #3 Side A-323)

MR. GRAHAM stated they have reduced the FTE level and is supervising the program himself. Repair costs are running high because of the cost of parts for the helicopters. The Department is cutting back the hours of flying time and do charge user fees of \$35 per hour. They have used the helicopters in emergencies, such as the flood in Billings, and have absorbed those costs. The Committee gave approval, and felt this is good public relations.

RABIES AND RODENT CONTROL Tape #3 Side A-507)

MR. GRAHAM stated that HB 85 would transfer Rodent Control from Livestock to the Department of Agriculture. Livestock has no objection if the Committee wishes to transfer the Rabies Control to another program.

MR. GRAHAM commented that DICK GILBERT from the LFA was to be commended on his work, given the short time he's had to work with the budget.

CHAIRMAN MANUEL thanked the representatives from Livestock for their presentation.

SUPPLEMENTAL - STATE LANDS FIRE SUPPRESSION (Tape #3 Side B-059)

REPRESENTATIVE HEMSTAD questioned that because the fire crews are used for general maintenance when not fighting fires, that this is really an open appropriation to the Department. CAROLYN DOERING, OBPP, stated that the regular salaries are budgeted in the regular appropriation, and that this supplemental is over and above the regular salaries.

CAROLYN also stated she removed the \$60,000 requested in the regular budget for fire suppression in FY84 and FY85, so as not to mix part in the current level and part in the supplementals.

DICK GILBERT commented that State Lands determines what are their regular costs and what are supplement fire suppression costs and that it is very difficult to break these down. CAROLYN stated when the fire crews were doing general work and not fighting fires, they were being paid their regular salary as budgeted at the current level.

REPRESENTATIVE STOBIE MOVED THAT THE FIRE SUPPLEMENTAL OF \$797,354 BE ACCEPTED. MOTION PASSED UNANIMOUSLY.

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SENATOR SMITH would like clarification whether there are 10 counties left to become fire districts.

PUBLIC SERVICE COMMISSION SUPPLEMENTALS (Tape #3 Side B-297)

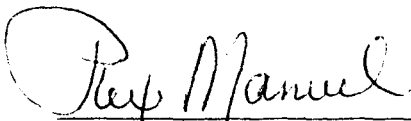
THE COMMITTEE considered the \$10,000 supplemental for the AT&T Anti-Trust Suit. SENATOR SMITH was disturbed about the effects on the rural areas of Montana. If AT&T were to set Montana up in two districts, the repercussions could be adverse for RTA's (Rural Telephone Associations). \$10,000 is a small price to pay to stop this.

SENATOR SMITH MOVED THAT THE COMMITTEE APPROVE THE SUPPLEMENTAL FOR \$10,000 FOR MONTANA TO PARTICIPATE IN THE AT&T ANTI-TRUST LAWSUIT. MOTION PASSED UNANIMOUSLY.

THE COMMITTEE considered the \$10,000 supplemental for Montana's participation in a docket involving the reorganization of Montana-Dakota Utilities (MDU). REPRESENTATIVE STOBIE stated that it was his understanding that when MDU split, it would be under federal regulation. He felt the PSC indicated that they would lose control of the hearing process and could not question the price of oil and gas. REPRESENTATIVE STOBIE stated that MDU told him that the PSC would still be allowed in public hearings. SENATOR SMITH stated that MDU is both a supplier and distributor. If they separate, it will be similar to Burlington Northern, in that they could claim a tremendous increase as a supplier, but at the same time show a loss as a distributor. By showing a loss, they could come back for rate hikes. DICK GILBERT added that once MDU made their gas lines a wholly-owned subsidiary, it is important in rate analysis, if it is considered separate. He added that Federal regulations are usually less stringent than State controls.

SENATOR SMITH MOVED THAT THE SUPPLEMENTAL FOR \$10,000 FOR PSC TO JOIN IN A DOCKET INVOLVING MDU'S REORGANIZATION BE APPROVED. MOTION PASSED UNANIMOUSLY.

THE MEETING adjourned at 11:00 a.m. (Tape #3 Side B-565)



REX MANUEL, Chairman

VISITORS' REGISTER

HOUSE Approp Sub-Comm.
~~nat. Res. & Business Reg.~~

COMMITTEE

BILL Livestock Budget

Date 1-11-83

SPONSOR _____

NAME	RESIDENCE	REPRESENTING	SUP-PORT	OP-POSE
Les Graham	Helena	Dept of Livestock	✓	
Orel Greenfield	✓	"	✓	
WIM GLOSSER	✓	"	✓	

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR LONGER FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.