

JOINT HOUSE-SENATE APPROPRIATIONS SUBCOMMITTEE ON NATURAL
RESOURCES AND BUSINESS REGULATION - MINUTES
March 7, 1983

The meeting was called to order by CHAIRMAN MANUEL at 7:00 p.m.
in Room 132 of the Capitol Building, Helena, Montana.

ROLL CALL: MANUEL, HEMSTAD, STOBIE, SMITH BOYLAN, LANE - present
Absent - None
Staff Present: DICK GILBERT, LFA; CAROLYN DOERING,
OBPP; and PATTI SCOTT, SECRETARY

EXECUTIVE SESSION (Tape #72 Side B-001)

CHAIRMAN MANUEL stated the reason for this meeting was to review
possible areas for General Fund reductions, and take appropriate
action. (EXHIBIT A)

PUBLIC SERVICE COMMISSION

The committee reviewed the modifications already approved. They
total \$240,042. It was noted these modifications come from the \$2
Million General Fund set aside for elected officials.

REPRESENTATIVE STOBIE MOVED NOT TO ACCEPT THE 4.5 REQUESTED FTE'S.
REPRESENTATIVE HEMSTAD MADE A SUBSTITUTE MOTION TO KEEP THE 1 FTE -
RAILROAD INSPECTOR. MOTION PASSED WITH REPRESENTATIVE STOBIE VOTING
NO. The committee felt cuts had to be made, but that this position
is funded partially by Federal funds, and from previous testimony,
it is needed.

REPRESENTATIVE STOBIE MOVED TO ELIMINATE THE RAILROAD INSPECTOR.
MOTION FAILED WITH ONLY REPRESENTATIVE STOBIE VOTING YES.

REPRESENTATIVE STOBIE MOVED TO APPROVE THE \$10,200 FOR THE NATIONAL
REGULATORY RESERACH INSTITUTE, AND \$7,500 FOR THE HIGH BAND RADIOS.
MOTION PASSED UNANIMOUSLY. The Committee felt the Institute will
be of benefit to the State, and Tom Schneider, Chairman of the PSC
is on the Board of Directors. As for the radios, all agencies are
switching to high band.

DEPARTMENT OF AGRICULTURE (Tape #72 Side B-210)

REPRESENTATIVE STOBIE MOVED TO ELIMINATE ALL OF THE REQUESTED MODI-
FICATIONS AS SHOWN ON EXHIBIT A. MOTION PASSED WITH SENATOR LANE
AND CHAIRMAN MANUEL VOTING NO.

The Committee was concerned about the Entomologist position. They
feel there is a justified need for the position. MS. DOERING asked
that the funding be switched to earmarked funds, if the Committee
does not approve this modification. The Committee decided the
Department could bring the position to the full Appropriations Com-
mittee.

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Some members of the Committee were not happy about the Assistant Director position. REPRESENTATIVE HEMSTAD stated Mr. Kelly has already filled the position before his budget had received final approval from the Appropriations Committee. She noted Mr. Kelly has not yet been confirmed himself as the Director of the Department by the Senate. SENATOR SMITH stated he did not vote on the Assistant Director position in current level, but felt this position was created only to train someone to take Director Gordon McOmber's place when he retired.

DEPARTMENT OF STATE LANDS (Tape #72 Side B-390)

REPRESENTATIVE HEMSTAD MOVED NOT TO APPROVE THE 1 FTE SYSTEM ANALYST. MOTION PASSED WITH CHAIRMAN MANUEL VOTING NO.

MS. DOERING felt the Data Processing system is critical. The Department has so much paperwork to keep track of, that this system is urgently needed. She sighted an example of a mistake in projecting the School Trust money. OBPP treated this request as a modification because it added one FTE. REPRESENTATIVE HEMSTAD noted there was no FTE added in Agriculture with their request for a Lab Update. CHAIRMAN MANUEL stated that State Lands does make money for the State, and they do need a modern way to keep track of all their records. REPRESENTATIVE HEMSTAD felt the Committee needed to prevent what is new; and if more dollars must be saved, to go to current level.

(Tape #73 Side A-001)

SENATOR SMITH MOVED TO APPROVE THE COUNTY COOPERATIVE FIRE PROGRAM. REPRESENTATIVE STOBIE MADE A SUBSTITUTE MOTION TO FUND FOR \$100,000 OVER THE BIENNIUM. MOTION PASSED UNANIMOUSLY. The Committee wanted to leave enough funds to purchase trucks, but some of the other requests could be handled locally.

INDIAN AFFAIRS (Tape #73 Side A-166)

CHAIRMAN MANUEL explained this Committee had approved two FTE's in current level, the Coordinator and a Secretary. He said some of the Indian representatives had contacted him, and want the Assistant Coordinator position put back in. This will be presented at the full Appropriations Committee.

SENATOR BOYLAN MOVED NOT TO FUND THE INDIAN AFFAIRS NEWSLETTER. MOTION PASSED UNANIMOUSLY. The Committee felt it could be handled in-house.

DEPARTMENT OF NATURAL RESOURCES (Tape #73 Side A-208)

CHAIRMAN MANUEL stated the question of using RIT monies will have to be resolved by the full Committee.

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The supplemental of General Fund to cover the Water Adjudication Program was not being considered. CHAIRMAN MANUEL stated the bill to recover these feels is still alive in the House, and if it passes, may end up in the courts.

REPRESENTATIVE STOBIE MOVED TO LEAVE IN THE DNRC MODIFICATION FOR 1 FTE-MAJOR FACILITY SITING ACT. REPRESENTATIVE STOBIE, SENATOR LANE, AND CHAIRMAN MANUEL VOTED YES. REPRESENTATIVE, HEMSTAD, SENATORS BOYLAN AND SMITH VOTED NO. MOTION FAILED WITH A TIE VOTE.

There was considerable discussion about the DNRC budget. Some members on the Committee felt that some extra dollars could be found in the budget if it were examined more closely.

REPRESENTATIVE HEMSTAD MOVED NOT TO ACCEPT THE 1 FTE-MAJOR FACILITY SITING ACT, NOR THE FUNDING. MOTION PASSED UNANIMOUSLY. REPRESENTATIVE HEMSTAD stated there is over \$1 Million in Contracted Services, with \$223,000 allocated for consultants. She felt the Department should utilize the funds they have, and prioritize their needs.

PUBLIC SERVICE COMMISSION (Tape #73 Side B-001)

REPRESENTATIVE STOBIE MOVED NOT TO APPROVE THE RAILROAD INSPECTOR. MOTION FAILED WITH ONLY REPRESENTATIVE STOBIE VOTING YES AND CHAIRMAN MANUEL ABSTAINING. REPRESENTATIVE STOBIE doesn't feel it would make any difference whether there was a State inspector, as it would not help the branch lines. DICK GILBERT, LFA, stated there is a unit in Commerce that specifically analyzes railroad lines to see if they are economically valuable. He cannot see any use for the Inspector. REPRESENTATIVE HEMSTAD felt he was needed to check-up on Burlington Northern, and that the Department of Commerce is not regulatory.

LOCAL GOVERNMENT DIVISION TRANSFER (Tape #72 Side B-097)

REPRESENTATIVE HEMSTAD brought up new business of the Local Government Transfer. She was concerned about the expanding costs of converting all the counties, cities, school districts, irrigation districts, etc. to the BARS (Budgeting and Accounting Reporting System). The State will just keep funding and funding with no end in sight.

CHAIRMAN MANUEL stated the conversion is mandatory by statute. MR. GILBERT stated another question is should the State be required to maintain the system once it is going.

REPRESENTATIVE HEMSTAD stated there are 56 counties, 50 cities, and 76 towns which will be on the BARS system by 1985. She feels the counties should be contributing more than a 25% match to maintain this system.

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CAROLYN DOERING stated that Doug Booker, another analyst in OBPP, stated his biggest concern is that the counties/cities would not use the money to maintain their program, but to enhance it, and the State would be committed forever and ever on the maintenance. When the BARS was started, the State was just going to put the system in, and then the counties/cities would take over the maintenance costs. SENATOR SMITH asked if this was by agreement with the counties, or did the State force it upon them. MS. DOERING was not sure.

CHAIRMAN MANUEL asked the dollar obligation to the counties as it was recommended by REPRESENTATIVE QUILICI'S committee. MS. DOERING stated \$84,000. If the split were to be 59%-41%, as suggested before, the obligation to the counties would be \$143,000. REPRESENTATIVE HEMSTAD stated if this were to be split equally by the 182 entities, the cost to each would be \$785.71.

SENATOR SMITH felt a big concern is stopping this from being implemented into the school districts, before they can see how it functions in the counties.

REPRESENTATIVE STOBIE asked Representative Hemstad why she wanted to charge the counties for something that was State-mandated. She replied that the County Commissioner that appeared before this Committee earlier stated how great the BARS system was. However, when asked how much of a split he wanted the counties to support, he said zero. SENATOR SMITH noted that he also testified that he had already spent about \$300,000 on the system.

REPRESENTATIVE HEMSTAD MOVED TO PROVIDE 100% FUNDING IN FY84 and KEEP THE 9 FTE's IN THE DIVISION. IN FY85, TO CUT TO 4 FTE's IN THE LOCAL GOVERNMENT DIVISION. MOTION PASSED UNANIMOUSLY.

REPRESENTATIVE HEMSTAD MOVED THAT THE FUNDING SPLIT IN FY85 OF THE \$143,000 BE 59% STATE-41% COUNTIES. MOTION FAILED WITH REPRESENTATIVE STOBIE, SENATOR SMITH AND CHAIRMAN MANUEL VOTING NO. SENATOR BOYLAN AND REPRESENTATIVE HEMSTAD VOTED YES. SENATOR LANE ABSTAINED.

SENATOR SMITH MOVED THE FY85 FUNDING SPLIT BE 75%-25%. TIE VOTE WITH REPRESENTATIVE STOBIE, HEMSTAD, AND SENATOR BOYLAN VOTING NO. SENATOR LANE, SENATOR SMITH, AND CHAIRMAN MANUEL VOTED YES.

REPRESENTATIVE HEMSTAD MOVED THE FY85 FUNDING BE 100% REVOLVING WITH THE COSTS SHARED PROPORTIONATELY BY THE UNITS THAT USE BARS. MOTION PASSED WITH SENATOR SMITH VOTING NO. REPRESENTATIVE HEMSTAD felt that since the counties are supposed to pick up the maintenance costs, this fiscal year should not have any General Fund. SENATOR

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SMITH was not certain how this will affect the counties, and was still concerned this is a mandated program.

FISH, WILDLIFE, AND PARKS (Tape #73 Side B-580)

SENATOR SMITH brought up the Airplane Modification in FWP. He is concerned about the fact the airplane is Italian-made, and not American. CHAIRMAN MANUEL pointed out the parts are American.

SENATOR SMITH MOVED NOT TO RECOMMEND THE AIRPLANE MODIFICATION. REPRESENTATIVE STOBIE MADE A SUBSTITUTE MOTION THAT THIS SUBCOMMITTEE MAKE NO RECOMMENDATION. MOTION FAILED BECAUSE OF A TIE VOTE. REPRESENTATIVE STOBIE, HEMSTAD, AND SENATOR SMITH VOTED YES. SENATOR BOYLAN, LANE, AND CHAIRMAN MANUEL VOTED NO.

PUBLIC SERVICE COMMISSION

SENATOR LANE MOVED TO RECONSIDER DELETING THE RAILROAD INSPECTOR AND KEEPING THE ONE AUDITOR POSITION - FOURTH CLASS. MOTION FAILED BECAUSE OF A TIE VOTE. REPRESENTATIVE STOBIE, SENATOR LANE AND CHAIRMAN MANUEL VOTED YES. REPRESENTATIVE HEMSTAD, SENATOR BOYLAN AND SENATOR SMITH VOTED NO.

The meeting adjourned at 10:10 a.m.



REX MANUEL, Chairman

Exhibit A
3-7-83

POSSIBLE AREAS FOR GENERAL FUND REDUCTIONS

Subcommittee General Fund

1. Public Service Commission

<u>FTE</u>	<u>G.F. 1985 Biennium</u>
1 Auditor 3	\$ 67,190 <u>no</u>
1 Auditor 4	48,259 <u>no</u>
1 Lawyer	65,758 <u>no</u>
1 R.R. Inspector	40,962 <u>yes</u>
.5 Clerk-typist	<u>17,873</u> <u>no</u>
4.5 Total FTE	\$ 240,042

National Regulatory Research

Inst.	\$ 10,200 <u>yes</u>
High Band Radios	<u>7,500</u> <u>yes</u>
	\$ 17,700

2. Agriculture

1 Entomologist	\$ 41,141 <u>no</u>
1 Chemist	<u>19,107</u> <u>no</u>
2.0 Total FTE	\$ 60,248
Lab Update	\$24,781 <u>no</u>
Statistical Bulletin	5,000 <u>no</u>
Elimination of Assistant Director	<u>68,000</u> <u>no</u>
	\$ 97,781

3. State Lands

1 FTE System Analyst with associated operating costs <u>no</u>	\$ 209,421
County Cooperative Fire Program <u>yes</u> 5 County Request Entry	\$ 133,480 <u>100,000</u>

4. Fish, Wildlife and Parks

<u>5. DNRC</u>	
1 FTE Major Facility Siting Act <u>no</u>	\$ 48,555
<u>6. Commerce</u>	
Newsletter - Indian Affairs <u>no</u>	\$ <u>12,436</u>
Total General Fund Savings	\$ 819,663