

MINUTES OF THE MEETING
NATURAL RESOURCES SUBCOMMITTEE
MONTANA STATE
HOUSE OF REPRESENTATIVES

February 15, 1985

The meeting of the Natural Resources Subcommittee was called to order by Acting Chairman Gary Spaeth on February 15, 1985 at 8:10 a.m. in Room 132 of the State Capitol.

ROLL CALL: All members were present with the exception of Chairman Manuel and Representative Swift who were excused.

DEPARTMENT OF STATE LANDS

County Cooperative Fire Program

Marie McAlear (58:B:255), Commissioner from Madison County and Chairperson of the Association of Counties Legislative Resolutions Committee, said they passed a resolution in support of funding for the remaining 11 counties in this state who do not belong to this program.

The following people testified in support of the 11 counties being included in the County Cooperative Fire Program:

Representative Gay Holliday, Musselshell County
Lyle Stortz, Musselshell County Commissioner
William Solf, Petroleum County Commissioner
Kenneth Coulter, Garfield County Commissioner
Henry Grossman Chouteau County Commissioner
John Allhands, Madison County Commissioner
Bill Dringle, Madison County Commissioner

Senator Smith (58:B:380) said Giles Gregwire with the Rural Fire Department in Havre called him and said he supported this and that his experience with this program was one of the best and if all Departments of State Government ran like this there would be enough money to go around.

Representative Swift entered.

Mr. Hemmer said Representative Patterson from Yellowstone County asked him to convey to the Committee that he is in support of this program.

Mr. Hemmer (58:B:468) discussed the Fire Suppression Supplemental. See Exhibit "PPPP".

Discussion was held.

(Central Management Division)

Mr. Hemmer (58:B:664) presented a priority list of Modifications to the Committee. See Exhibit "QQQQ".

Data Processing Expansion: See Exhibit "RRRR".

Discussion was held.

Mr. Hemmer (59:A:128) said they would be able to utilize the FTE's they have better if they had this expansion.

Mr. Hemmer (59:A:292) said they are not requesting any more FTE's. They will contract with the Department of Administration to put this system together and it will be utilized by the present FTE's.

Discussion was held.

Senator Smith made a motion to approve \$468,994 in FY '86 and \$403,595 in FY '87 for this Data Processing system. Senator Lane seconded. Representative Nathe asked to amend the motion to say when the system is developed they concentrate on Mineral and Oil and Gas Leases first to get the returns back immediately. The Committee agreed on this. Discussion was held. A Voice vote was taken and the motion carried unanimously.

Legal Cases on Navigability: This is for determining who owns the bottom of the streams.

Discussion was held.

Representative Swift made a motion to approve \$12,346 in FY '86 and \$12,346 in FY '87 for these legal fees. Senator Lane seconded. A Voice vote was taken and the motion carried unanimously.

Gasoline for Aircraft: This is funded by proprietary funds. The department has increased use of aircraft to save money on personnel.

Discussion was held.

Senator Lane made a motion to approve the additional \$15,500 in FY '96 and \$15,500 in FY '87. Representative

Swift seconded. A Voice vote was taken. The motion carried with Representative Nathe voting no.

Utilities Increase. The Department is paying all of their utility costs. They have expanded their building by 16,100 square feet of floor space.

Discussion was held.

Senator Boylan made a motion to approve an additional \$3,900 in FY '86 and \$3,900 in FY '87. Representative Swift seconded. A Voice vote was taken. The motion carried with Representative Nathe voting no.

Increased County Equalization Payments: There are 18 counties currently receiving \$255,000 from these payments.

Discussion was held.

Representative Nathe made a motion to approve an additional \$10,000 in FY '86 and \$10,000 in FY '87. Senator Boylan seconded. A Voice vote was taken and the motion carried unanimously.

Office Equipment: Mr. Hemmer said they could do without the office equipment.

Senator Boylan made a motion to disapprove the office equipment request. Representative Nathe seconded. A Voice vote was taken and the motion carried unanimously.

Miscellaneous: Representative Nathe made a motion to approve the Governor's budget which was \$2,799 less in FY '86 and \$509 more in FY '87 than the LFA current level. Representative Swift seconded. A Voice vote was taken and the motion carried unanimously.

Inflation: Representative Swift made a motion to use the LFA inflation in this budget. Senator Lane seconded. A Voice vote was taken and the motion carried unanimously.

Modified:

Trust Proofing: This is for microfilming records and making sure they are up to date and clear.

Representative Swift made a motion to approve \$10,400 in FY '86. Senator Boylan seconded. A Voice vote was taken and the motion carried unanimously.

Pilot Transfer: This is to bring the DNRC pilot to State Lands.

Senator Lane made a motion to approve \$25,869 in FY '86 and \$25,879 in FY '87 for this transfer. Senator Boylan seconded. A Voice vote was taken and the motion carried unanimously.

Vacancy Savings: Vacancy Savings is about \$19,669 in FY '86 and \$19,690 in FY '87. This is at 4%.

Discussion was held.

Senator Boylan made a motion to take 4% Vacancy Savings, if it is transferable amongst programs. Representative Swift seconded. A Voice vote was taken. The motion carried with Representative Manuel voting no.

Discussion was held on flying the aircrafts.

Representative Patterson (59:B:448) testified in support of the County Cooperative Fire Program.

(Reclamation)

Position Change: This was for a secretary the Department requested to change to a land use specialist. This resulted in an increase from a grade 7 to a grade 13.

Discussion was held.

Senator Lane made a motion to approve an additional \$7,915 in FY '86 and \$7,925 in FY '87. Representative Swift seconded. A Voice vote was taken and the motion carried unanimously.

Legal Fees and Court Costs: These are anticipated cases.

Discussion was held.

These are General Funds.

Senator Smith made a motion to approve \$30,835 in FY '86 and \$27,835 in FY '87 and if the costs exceed this they can come in for a supplemental. Senator Lane seconded. A Voice vote was taken and the motion carried unanimously.

Travel Increase: This would be for training, etc.

Discussion was held.

Representative Swift made a motion to approve the additional \$9,000 in FY '87. Senator Lane seconded. A Voice vote was taken. The motion carried with Representative Nathe voting no.

Microfilming: This is for microfilming some of the Department's old records that are taking up space in the office.

Systems Development: Mr. Hemmer (60:A:181) said the Federal Parker-Gash decision would have all the states have access to a huge central system. They could tap into this system and find out what the outstanding violations are on any miner in the country.

Discussion was held.

Administrative Charges: This is a result of increased abandoned mine activity. This would be funded by User Fees, Federal Abandoned Mine Lands Grants and the Federal Enforcement Grants on Coal and Uranium.

Equipment - Vehicles: They are requesting four vehicles in FY '86 and three in FY '87. The LFA's budget included two vehicles each year so these would be in addition to that.

Mr. Hemmer (60:A:285) said two of the vehicles in FY '86 will be 100% State funds and the other two will be 80% Federal and 20% State. In FY '87 they would be 100% Federal and 80% Federal and 20% State.

Mr. Hemmer said in FY '86 there would be \$24,000 State Funds. In FY '87 there would be \$4,000 State Funds.

Mr. Hemmer said they really need the three vehicles in FY '86.

Discussion was held.

Senator Smith made a motion to approve \$10,760 in FY '86 and \$9,220 in FY '87 for these vehicles. Discussion was held. Representative Spaeth seconded. A Voice vote was taken. The motion carried with Representative Swift voting no.

Equipment - Office Equipment: This would be for 2 typewriters, 3 desks, 3 chairs, 3 file cabinets and a water probe. The water probe is a sampler that allows you to sample at various depths. \$2,511 of this \$4,675 is General Fund.

Senator Smith made a motion to approve \$3,675 in FY '86 for office equipment. Representative Swift seconded. A Voice vote was taken. The motion carried with Representative Spaeth and Representative Nathe voting no.

Equipment - Word Processor: They would be replacing two word processors they have now.

Mr. Hemmer (60:A:225) said these would be funded 80% Federal and 20% State.

Discussion was held.

The OBPP recommended that one of these be purchased out of 100% Federal Funding and the other be purchased out of the 80% Federal and 20% State Funding.

Discussion was held.

Representative Spaeth made a motion to approve \$20,660 in FY '86 for the word processors. Senator Smith seconded. A Voice vote was taken. The motion carried with Representative Nathe voting no.

Miscellaneous: Representative Nathe made a motion to approve the Governor's budget of \$1,473 less in FY '86 and \$1,620 less in FY '87 than the LFA current level. Senator Smith seconded. A Voice vote was taken and the motion carried unanimously.

Microfilming: Senator Smith made a motion to approve \$5,760 in FY '86 and \$5,760 in FY '87 for microfilming and figure how this will figure in with the \$10,000 taken out of the word processors. Representative Swift seconded. A Voice vote was taken and the motion carried unanimously.

Systems Development: Representative Nathe made a motion to disallow \$4,000 in FY '87 for the systems development.

Mr. Hemmer said they are mandated to do this. This would be a 80 - 20 match.

Representative Nathe made a substitute motion to approve this. Senator Lane seconded. Discussion was held. A Voice vote was taken. The motion did not carry with Representative Nathe, Representative Swift, Senator Smith and Representative Manuel voting no.

Administrative Charges: These are charges to federal funds for central management.

Representative Swift made a motion to approve \$3,175 in FY '86 and \$3,175 in FY '87. Representative Spaeth seconded. A Voice vote was taken and the motion carried unanimously.

Inflation: The OBPP allowed 4% inflation in FY '86.

Mr. Hemmer (60:B:096) said the vast majority of this is from the 100% Federal program.

Discussion was held.

Representative Spaeth made a motion to approve inflation on Federal Funds. Senator Smith seconded. A Voice vote was taken and the motion carried unanimously.

Modified:

Attorney: The Department is requesting 1 FTE and this would be 20% General Fund and 80% Federal Funds.

Mr. Hemmer said they have an increased workload.

Senator Lane made a motion to approve \$27,700 in FY '86 and \$27,690 in FY '87. Representative Spaeth seconded. A Voice vote was taken. The motion carried with Representative Nathe and Senator Smith voting no.

Coordinator: The Department is requesting 1 FTE to be 20% General Fund.

Discussion was held.

Representative Swift made a motion to disapprove \$24,248 in FY '86 and \$24,238 in FY '87 for this coordinator. Senator Smith seconded. A Voice vote was taken and the motion carried unanimously.

Abandoned Mine Reclamation: The Department is requesting 1 FTE and they would be funded 100% Federal funds.

Mr. Hemmer (60:B:260) said they have increased the construction contracts. There is a three year time frame on some of these projects so sometimes they are not out of one project before they get into another one. They need another person to keep this going.

This is a program the Department has entered into to reclaim abandoned mines around the State.

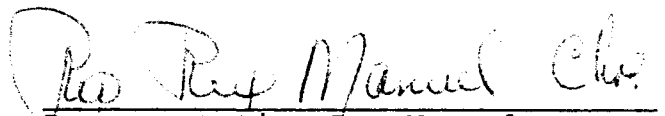
They have 5 people working on this now. The majority of this is done through Contracted Services.

Natural Resources Subcommittee
February 15, 1985
Page 171

Discussion was held.

Representative Spaeth made a motion to approve \$29,567 in FY '86 and \$29,547 in FY '87. Senator Lane seconded. A Voice vote was taken. The motion did not carry with Representative Nathe, Representative Swift and Senator Smith voting no.

The meeting adjourned at 11:40 a.m.


Representative Rex Manuel
Chairman

NATURAL RESOURCES SUBCOMMITTEE

Date 2-15-85

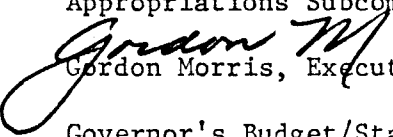
CS-30

**MONTANA
ASSOCIATION OF
COUNTIES**

1802 11th Avenue
Helena, Montana 59601
(406) 442-5209

February 15, 1985

TO: Rep. Rex Manuel, Chair
Appropriations Subcommittee on Natural Resources

FROM:  Gordon Morris, Executive Director

RE: Governor's Budget/State Lands

The Montana Association of Counties supports the Governor's request for funding to enable 11 counties to enter the State-County Cooperative Fire Program.

Thirty five counties now are in the program.

At the annual meeting last June in Kalispell, the membership unanimously approved a resolution supporting funding to support the state's share of the cooperative program. I enclose a copy of Resolution 84-12.

We ask you and your committee's support for this program.

DEPARTMENT OF STATE LANDS

FIRE SUPPRESSION SUPPLEMENTAL

1984/1985 BIENNIUM

The Fire Suppression Supplemental was presented to the Appropriations Subcommittee in January. For some in the Forestry Division, the fires from last summer are still burning in regards to sorting out the bills, auditing U.S. Forest Service and BLM charges, and documenting appropriate cost reimbursements for the Federal Emergency Management Agency (FEMA). As I stated in the January meeting, our supplemental included cost obligations not yet paid and negotiations for federal dollar assistance were still in progress.

These negotiations with FEMA have paid off substantially. This is subject to State and federal audit of course, but it appears at this time the total fire bill to the State can be reduced by \$475,320. In addition to this, we have convinced FEMA to advance us 90% rather than their normal 75%. This changes the amount of federal dollars available this year versus next, therefore the supplemental can be reduced by \$1,102,097.

I would like to go over the changes to the original supplemental if I may. There are no changes in the FY1983 and FY1984 cost figures. Starting with FY1985 we now have expenses showing in SBAS through January. This increases the total amount paid out (less an early FEMA advance) to \$819,928.

The next page is outstanding obligations.

Through auditing the USFS charges, we have reduced their bill by \$33,787. There could be additional changes as we are still in the auditing process however, the amount now stands at \$2,988,054. The BLM bill has not been received yet but current information from them indicates an additional \$9,324 in charges. That makes the outstanding obligation cost to them \$225,000. We'll still owe the National Guard \$9,800. The replacement equipment has been increased by \$1,255 as a late report indicated that one of our 2-way radios was destroyed in the Houghton Fire. Other outstanding bills amount to \$35,200. These total changes amount to \$55,630 which reduces the total expenses to \$4,891,231.

The amount to be received this Fiscal Year from FEMA has changed because of qualifying additional costs and because of the 90% advance they are allowing us. Total received so far is \$2,395,961. Projected yet this year is \$1,994,239 which reduces the amount needed for the supplemental by that amount.

The projected FY86 amount of \$487,800 is the 10% yet to be paid by FEMA. When this amount can be paid is being questioned by the legislative auditor. If he wins this point with FEMA there is a possibility that we may receive the money yet this Fiscal Year. This amount of money is not only in question as to when it's going to be received, but could go up or down based upon the State and federal audits. Any additional changes in the U.S. Forest Service bill would adjust this amount also. Therefore, the reversion would go up or down accordingly.

To sum it up then, the total fire costs for the State for FY83, 84 and 85 amount to \$7,287,192. The federal government will pay \$4,390,200 this year leaving us with a supplemental request of \$2,896,992 which can be further reduced through a reversion of approximately \$487,800 when the smoke clears. The final amount of the reversion will depend on any final adjustments to the Forest Service bill or audit changes.

I would like to add that since the FEMA Fire Suppression Assistance program has been in existence, this is the most federal dollars ever paid to any State under this program.

Priority List of Modifications For the Department of State Lands*

Priority	Item	FTEs		Cost		Source
		FY 86	FY 87	FY 86	FY 87	
1	County Fire Program	2.25	4.25	275,000	275,000	General Fund
2.	USFS Block Reduction	3.54	9.74	266,579	251,840	Landowner Assessments
3.	Land Use Specialists	5.00	5.00	184,870	171,551	General Fund partially offset by increased fees
4.	Increased Harvest					
	Timber Sales	10.42	12.00	308,496	317,129	General Fund
	Timber Stand Improvement	2.75	4.5	248,758	276,259	Earmarked
	Brush	6.28	6.28	267,472	283,646	Earmarked
5.	Oil and Gas	3.00	3.00	80,610	78,014	General Fund
6.	Improved Nursery	1.66	1.66	31,696	31,707	Earmarked
7.	Attorney	1.00	1.00	5,540 22,160	5,538 22,152	General Fund Federal
8.	OSM Coordinator	1.00	1.00	4,850 19,398	4,848 19,390	General Fund Federal
9.	Abandoned Mine Lands	1.00	1.00	29,567	29,547	Federal

* The transfer of a current level position from DNRC and the Economist currently on board were not included.

SUBCOMMITTEE ACTION

Agency: State Lands

Program: Central Management

FY 1984 Actual	Fiscal 1986				Fiscal 1987				FY 84-86 % Change
	Executive	Current Level	Difference	Executive	Current Level	Difference			
FTE	19.00	17.00	0.0	17.00	17.00	0.0			(10.5)
Personal Services	\$ 515,736	\$ 477,895	\$ (234)	\$ 478,953	\$ 479,219	\$ (266)			(7.3)
Operating Expenses	274,435	360,224	477,577	810,665	369,029	441,636			31.3
Equipment	17,833	5,661	39,339	16,000	-0-	16,000			(68.3)
Non-Operating	255,000	255,000	10,000	265,000	255,000	10,000			0.0
Total Exp.	<u>\$1,063,004</u>	<u>\$1,098,780</u>	<u>\$526,682</u>	<u>\$1,570,618</u>	<u>\$1,103,248</u>	<u>\$467,370</u>			3.4
FUNDING									
General Fund	\$ 844,462	\$ 845,287	\$ 8,827	\$ 820,978	\$ 809,728	\$ 11,250			(1.0)
State Special Rev.	115,987	622,355	502,355	560,620	120,000	440,620			3.5
Proprietary	102,555	157,820	15,500	189,020	173,520	15,500			38.8
Total Funding	<u>\$1,063,004</u>	<u>\$1,098,780</u>	<u>\$526,682</u>	<u>\$1,570,618</u>	<u>\$1,103,248</u>	<u>\$467,370</u>			38.8

Add to (Subtract From)

LFA Current Level

Fiscal 1986 Fiscal 1987

Committee Action Fiscal 1986 Fiscal 1987

1. Data Processing Expansion-- \$468,994 \$403,595

Computer Processing \$301,136;

Systems Development \$484,885;

Microfilm Services \$21,150;

Data Processing Supplies, \$4,418;

Equipment \$61,000.

2. Legal Cases on Navigability

3. Gasoline for Aircraft

4. Utilities Increase

5. Increased County Equalization Payments

6. Office Equipment

7. Miscellaneous

8. Inflation

Modified Budgets

1. Trust Proofing--General Fund

2. Pilot Transfer--General Fund

Exhibit "RRRR"

VISITORS' REGISTER

NATURAL RESOURCES SUB COMMITTEE

BILL NO. _____

DATE February 15, 1985

SPONSOR _____

NAME (please print)	RESIDENCE	SUPPORT	OPPOSE
REP. GAY HOLLIDAY	ROUNDUP	✓	
Style C. Stortz	Must. Co.	✓	
William Self	Petroleum Co.	✓	
Harry H. Brown	Missoula	✓	
DON UNDERWOOD	MISSOULA	✓	
Marie McAleer	Madison Co. MACO	✓	
HENRY GROSSMAN	Chouteau Co.	✓	
KENNETH A. COLLIER	GARFIELD CO	✓	
John Allhands	Madison Co	✓	
Bill Dringler	Madison Ct.	✓	
Core Olsen	OBPP		
Dennis Hemmer	State Lands	✓	

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

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.