

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

February 20, 1985

The meeting of the Natural Resources Subcommittee was called to order by Chairman Manuel on February 20, 1985 at 8:10 a.m. in Room 132 of the State Capitol.

ROLL CALL: All members were present.

DEPARTMENT OF LIVESTOCK

Les Graham (63:B:007), Administrator, Department of Livestock, said they propose to trade in two helicopters and go to two pilots. Mr. Graham said they have a bid out for a Hughes 500 aircraft that would do about the same work, much faster with about 1/3 of the maintenance costs of the Bell 47 helicopters they have now.

Mr. Graham said they need authority from the Committee to spend \$200,000 for the purchase of this helicopter. The U. S. Fish and Wildlife will put up \$50,000 of this and will help with maintenance.

Mr. Graham said they have gotten a bid on one of the Bell 47's for \$50,000. They have received a 10% holding payment.

Mr. Graham said they need the authority to spend the \$50,000 from the sale of the helicopter and the \$50,000 from the U. S. Fish and Wildlife so they would only have \$100,000 left on the lease purchase of the new helicopter.

Mr. Graham said the \$50,000 from the U. S. Fish and Wildlife service is advanced monies for flying time at \$35.00 per hour.

Mr. Graham said the total yearly lease of the Hughes 500 would be less than the cost to overhaul one of the Bell 47's.

Mr. Graham said if they sell the other helicopter they would like that money to be applied to the lease purchase also.

Representative Spaeth made a motion to authorize spending authority and for the LFA and the Department to work together on figuring out the language. This will have to

be reauthorized in the next biennium. Representative Nathe seconded the motion. A Voice vote was taken and the motion carried unanimously.

(Milk and Egg Program)

Mr. Graham said this is the request for milk testing equipment for the diagnostic lab in Bozeman. This would cost about \$76,000. The Dairy industry brought up putting the equipment in the lab and charging a fee for the samples to pay for it.

Mr. Graham said they estimate there being about 120,000 samples run per year. If they charged about \$ .30 per sample this would bring in about \$36,000 annually. There would be some operating costs applied to this so it would not all be applied to the purchase.

Mr. Graham said if they can get the spending authority they will go into the fee structure with the Dairymen's Association and others and repay this. Mr. Graham said there are two options to this. If the spending authority came from the General Fund there would have to be stipulations that all the fees go back into the General Fund. The other option would be for them to use existing fund balances from the earmarked revenue accounts and use fees to pay this back.

Discussion was held.

Mr. Graham (63:B:260) said they found out it would be about \$20,000 cheaper to buy one of these machines now than to get it on a lease purchase. It would be about \$17,000 cheaper to buy the second machine rather than lease it.

Discussion was held.

Ron Weiss, Office of Budget and Program Planning (OBPP) said they will have to check and see what the fees from the Milk Control can be used for.

Representative Nathe made a motion to approve up to \$78,000 for the purchase of these two machines. If a portion of the fees from Milk Testing can be used for them to use them and get the rest of the money from the special revenue funds. Senator Boylan seconded. A Voice vote was taken and the motion carried unanimously.

DEPARTMENT OF AGRICULTURE

(Environmental Management Division)

Environmental Management Program: Curt Nichols (64:A:003), Principal Analyst, presented Exhibit "SSSS", listing options to reduce \$100,000 per year from the budget.

Discussion was held.

This is all General Fund monies.

Representative Nathe (64:A:204) made a motion to approve Option #2, Exhibit "SSSS". Senator Smith seconded. A Voice vote was taken. The motion carried with Representative Spaeth voting no.

Retirement: Mary Evans: Discussion was held on Mary Evans' retirement. See Exhibit "TTTT".

Senator Smith made a motion to approve \$13,793.39 for Ms. Evans' retirement. Discussion was held. Representative Spaeth seconded. A Voice vote was taken. The motion carried with Senator Boylan voting no.

Discussion was held with Keith Kelly, Administrator, Department of Agriculture, on the Environmental Management Division Pesticide program.

(Centralized Services)

Coast Trading Legal Expenses: Mr. Kelly (64:A:500) said they signed a settlement on this for \$180,000.

Discussion was held.

Mr. Kelly said they received about 83% for the bond levels. They were bonded for \$215,000.

Wheat Research and Marketing Travel: The Wheat Research and Marketing Committee spent \$7,250 on per diem and they want to increase the number of meetings by 23 days so they are requesting an additional \$4,025 for the per diem for these meetings.

Discussion was held.

Senator Boylan made a motion to approve the current level of \$7,250 per year for travel. Discussion was held.

Senator Smith made a substitute motion to approve \$8,500 for travel per year. Discussion was held.

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Representative Swift seconded Senator Smith's motion.  
A Voice vote was taken. The motion carried with  
Senator Boylan voting no.


Senator Smith (64:B:066) said he would like the Wheat  
Research and Marketing Committee to know that he feels  
they may be getting the collection dues into a problem  
if they get into an area that was designated as a reason  
for needing the increased travel expenses.

(Centralized Services)

Marketing Expansion: Mr. Kelly (64:B:80) said \$25,000  
was requested in the Executive budget. This was  
supposed to be submitted under the Department of  
Commerce. This was dropped out of their budget. See  
Exhibit "UUUU".

Discussion was held.

The meeting was adjourned at 9:50 a.m.

  
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Representative Rex Manuel  
Chairman



7-200  
Exhibit "5555"

Option 1.

Eliminate from LFA Current Level	<u>FY 86</u>	<u>FY 87</u>
1 FTE Pesticide Specialist	\$ 21,322	\$ 21,330
1 FTF Entemologist	20,900	20,909
1 FTE Laboratory Technician	16,884	16,891
Related Operating Expenses	8,000	8,000
Equipment	<u>32,894</u>	<u>32,870</u>
Total	<u>\$100,000</u>	<u>\$100,000</u>

This option would leave 5 FTE pesticide specialists in field services to enforce pesticide regulations. It eliminates one of two entemologists that work primarily with integrated pesticide management programs. The equipment reduction eliminates one vehicle for the eliminated pesticide specialist for \$8,460 in fiscal 1986 and \$24,434 in fiscal 1986 and \$32,870 in fiscal 1987 of other equipment, primarily laboratory equipment (note: while this is a reduction from LFA current level of \$65,764 for equipment it would only be a reduction of \$17,354 from the executive budget request for equipment). Historically, this department has been able to use about 40 percent of its federal awards for equipment purchases. If federal funds are awarded the department, this may mitigate the reduction in equipment.

Option 2.

Eliminate from LFA Current Level	<u>FY 86</u>	<u>FY 87</u>
1 FTE Entemologist	\$ 20,900	\$ 20,909
1 FTE Laboratory Technician	16,884	16,891
Related Operating Expenses	5,500	5,500
Equipment	<u>56,716</u>	<u>56,700</u>
Total	<u>\$100,000</u>	<u>\$100,000</u>

JANUARY 16, 1985

PROGRAM 15

PAYOUT - RETIREE - FY '86

State liability for payout of Mary Evans as of this date is \$7,030.27 for Annual Leave and \$4,759.12 for Sick Leave, for a total of \$11,789.39. Benefits added to this amounts to approximately \$2,004.

\$11,789.39
2,004.00
<u>\$13,793.39</u>

This does not include compensatory time of 291 hours which would increase the total to \$18,793.39 with benefits.

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TED SCHWINDEN  
GOVERNOR

STATE OF MONTANA  
DEPARTMENT OF AGRICULTURE

OFFICE OF THE DIRECTOR  
AGRICULTURE/LIVESTOCK BLDG.  
CAPITOL STATION  
HELENA, MONTANA 59620-0201

2-RC 3  
Exhibit "uuuu"  
TELEPHONE:  
AREA CODE 406  
444-3144

KEITH KELLY  
DIRECTOR

January 23, 1985

MEMORANDUM

TO: Representative Rex Manuel, Chairman  
Appropriations Sub-Committee on Agriculture

FR: Keith Kelly *Keith*  
Director

RE: Production Areas and Products in Need of Marketing Expansion

The following list of agricultural production areas and products represents those most likely to receive benefits from the expanded market development and enhancement efforts of the Department of Agriculture's Marketing Program. This list is supplied as per the committee's request for review prior to the consideration for a transfer of a \$25,000 annual appropriation from the budget of the Department of Commerce to the budget of the Department of Agriculture for the development and expansion of specific agricultural markets.

This list includes only the areas that the Marketing Program wishes to give special attention to by further expanding the marketing efforts of the department. Montana's major agricultural production areas and products are not listed because they are aided by the current program.

Production Areas and Product List:

- Alfalfa - Cubes, Pellets, and Hay
- Apples
- Bees - Honey and Leafcutting
- Berries and Cherries
- Corn and Beets
- Fertilizers
- Fish
- Grain By-products
- Honey and Other Bee Products
- Horses
- Hides and Furs
- Meat By-products
- Mustard, Rapeseed, Safflower, Sunflower, and Other Specialty Crops



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Nurseries - Seeds, Seedlings, and Trees  
Potatoes and Seed Potatoes  
Poultry Products  
Sugar  
Tallow  
Vegetables  
Vineyards

SK/jw

cc. Keith Colbo  
Department of Commerce

NATURAL RESOURCES SUB COMMITTEE

DATE 2-20-85

[illegible]

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.