

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

March 6, 1985

The meeting of the Natural Resources Subcommittee was called to order by Chairman Manuel on March 6, 1985 at 7:10 a.m. in Room 132 of the State Capitol.

ROLL CALL: All members were present.

DEPARTMENT OF FISH, WILDLIFE AND PARKS

(Parks Division)

See page 4, Exhibit "KKKKK".

This is below the FY '84 level.

Jim Flynn (70:A:226), Director, Department of Fish, Wildlife and Parks, said they feel that in the Fishing Access portion of the State Parks system, they are at the maximum level where they can justify taking sportsmen dollars from hunting and fishing licenses and putting it into support, operate and maintain the State Parks system. This has been funded by the General Fund in the past. There is a bill that has passed the House and is now before the Senate which will allow more flexibility on the use of Coal Tax dollars for the State Parks system to be used throughout the whole system. The Department questions the validity of taking \$200,000 more of License dollars in the next biennium and putting it into the operation, maintenance and general support of the State Parks system because the sportsmens' dollars should be going to supporting the Fish and Wildlife programs as opposed to the Parks program.

Mr. Flynn said if they are going to lower the '84 level by that much they could consider replacing this money with Coal Tax Revenues assuming HB 2 passes. If they have no new acquisitions for the parks system in the next biennium they would ask all the money that is available go to the operation, maintenance, and development of the parks system we have at the present time. If Long Range Building accepts this concept they would have \$260,000 available to offset this.

Mr. Flynn said they feel the use of License dollars in the State Parks system is about maxed out.

Mr. Flynn said under current law a certain percent of the Coal Tax money goes for acquisition and a certain percent goes for maintenance. It can only be used for maintenance, operation and development of sites which have been purchased with that funding source.

House Bill 2 would expand this money to be used on any Park site and it would infer they will not be looking at acquisitions in the next biennium, they will be looking at the operation, maintenance and development of the sites they have.

Discussion was held.

Senator Smith made a motion to remove \$112,400 in FY '86 and \$91,177 in FY '87 and replace this with money from the Coal Tax upon passage of HB 2. Representative Nathe seconded. A Voice vote was taken and the motion carried unanimously.

DEPARTMENT OF LIVESTOCK

(Centralized Services)

See page 1, Exhibit "KKKKK".

Discussion was held.

Senator Smith made a motion to leave \$18,462 in FY '86 and \$18,481 in FY '87 in Vacancy Savings, and to cut \$12,320 in FY '86 and \$12,317 in FY '87 for the general fund share of centralized services and to cut \$9,588 in FY '86 and \$7,100 in FY '87 for the automation enhancements for the Diagnostic Lab. Discussion was held. Senator Boylan seconded the motion. A Voice vote was taken and the motion carried unanimously.

DEPARTMENT OF AGRICULTURE

(Plant Industry Division)

See page 1, Exhibit "KKKKK".

Discussion was held.

Senator Boylan made a motion to leave \$4,273 in FY '86

and \$4,279 in FY '87 in Vacancy Savings and to cut \$17,040 in FY '86 and \$9,286 in FY '87 for vehicles. Representative Swift seconded. A Voice vote was taken. The motion carried with Senator Lane and Senator Smith voting no.

Senator Smith said they should look at some other areas where funds could be cut.

Larry Barber, Wheat Research and Marketing, gave a short presentation.

DEPARTMENT OF STATE LANDS

Modifieds:

Pilot Transfer: This FTE and General Fund money has been moved from the Department of Natural Resources and Conservation.

See Exhibit "LLLLL", page 3.

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

Attorney: This is an 80-20 split. See Exhibit "LLLLL".

Discussion was held.

Senator Smith made a motion to leave \$5,540 General Fund in FY '86 and \$5,538 in FY '87 and \$22,160 in FY '86 and \$22,152 in FY '87 other funds. Senator Boylan seconded. A Voice vote was taken and the motion carried unanimously.

Land Use Specialists: Dennis Hemmer, Commissioner, Department of State Lands, said this was reduced to the level that they could offset if they increased their Administrative Fees. Mr. Hemmer said he would ask that this be kept in the budget but if the Administrative Fees are not increased that these people not be hired. See Exhibit "LLLLL".

Senator Smith made a motion to cut \$111,313 in FY '86 and \$76,485 in FY '87 and put language in the bill that if fees are increased and the revenue is available they can hire these people, if the fees are not increased they can not hire these people. Representative Swift seconded. Discussion was held. Mr. Hemmer said the

fees are deposited in the General Fund so if this increased revenue came in they would want to hire the Land Use Specialists. Mr. Hemmer said if only a portion of the fees increase they would like to hire up to but not more than 3 FTE's. Representative Swift said he would add this to the motion. A Voice vote was taken and the motion carried unanimously.

Oil and Gas Enforcement: This would be for an accountant to double check the royalties that come in.

Discussion was held.

Representative Swift made a motion to cut \$26,864 in FY '86 and \$25,999 in FY '87. Senator Boylan seconded. A Voice vote was taken and the motion carried unanimously.

Expanded Brush Program/ Expanded Timber Sales/ Expanded Timber Stand Improvement Program: Mr. Hemmer said they are projecting a revenue increase of \$1.2 to \$1.3 million per year as a result of putting up an additional 18 million board feet. See Exhibit "LLLLL".

Discussion was held.

Representative Swift made a motion to keep this program in the budget. See Exhibit "LLLLL". Senator Lane seconded. A Voice vote was taken and the motion carried unanimously.

Forest Economist: There is no General Fund in this.

County Cooperative Fire Program - Add 11 Counties:
Discussion was held. See Exhibit "LLLLL".

Representative Spaeth made a motion to leave \$275,000 in FY '86 and \$275,000 in FY '87 for this. Senator Boylan seconded. A Voice vote was taken and the motion carried unanimously.

(Forestry Division)

See #1 Exhibit "KKKKK" under State Lands. Discussion was held.

Representative Spaeth made a motion to cut \$83,477 in FY '86 and \$62,694 in FY '87 to budget equipment at the fiscal 1987 level excluding Libby Block. Senator Boylan seconded. A Voice vote was taken and the motion carried unanimously.

See #2, Exhibit "KKKKK". Discussion was held.

Senator Lane made a motion to retain \$25,000 in FY '86 and \$25,000 in FY '87 to replace trailers. Senator Boylan seconded. A Voice vote was taken and the motion carried unanimously.

See #3 and #4, Exhibit "KKKKK". Discussion was held.

Representative Spaeth made a motion to leave this as is and demonstrate there is no general fund. If they cannot demonstrate there is no general fund it would be dropped. This will be worked out between Curt Nichols and Mr. Hemmer. Representative Swift seconded. A Voice vote was taken and the motion carried unanimously.

See #'s, 5, 6, 7 & 8, Exhibit "KKKKK". Mr. Hemmer (70:B:511) said they can do without these.

Discussion was held.

Mr. Hemmer said they should reduce the General Fund in Reclamation by \$3,000 and \$17,000 federal authority.

Representative Spaeth made a motion to cut these out. Senator Boylan seconded. A Voice vote was taken and the motion carried unanimously.

See #9, Exhibit "KKKKK". Discussion was held.

Representative Nathe made a motion to cut \$12,346 in FY '86 and \$12,346 in FY '87. Representative Swift seconded. A Voice vote was taken and the motion carried unanimously.

See #10, Exhibit "KKKKK". Discussion was held.

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

See #11, Exhibit "KKKKK". Discussion was held.

Representative Spaeth made a motion to retain \$30,835 in FY '86 and \$27,835 in FY '87. Representative Nathe seconded. A Voice vote was taken and the motion carried unanimously.

See #12, Exhibit "KKKKK". Discussion was held.

Representative Swift made a motion to retain \$10,000 in FY '86 and \$5,000 in FY '87. Representative Nathe seconded. A Voice vote was taken and the motion carried unanimously.

See #13, Exhibit "KKKKK". Discussion was held.

Senator Boylan made a motion to approve \$7,497 in FY '86 and \$7,497 in FY '87. Senator Lane seconded. A Voice vote was taken and the motion carried unanimously.

Mr. Hemmer (71:A:016) said they have more of a cushion than they need in their indirect funds. There is a problem in program 01 making up their Vacancy Savings. Mr. Hemmer said if the Committee would increase their indirect expenditure which is all Federal funds by \$20,000 per year they could live with a decrease in the General fund by \$10,000 per year. If the indirect funds come in they could offset Vacancy Savings.

Discussion was held.

Representative Spaeth made a motion to increase the indirect expenditure by \$20,000 a year and decrease the General Fund by \$10,000 per year. Senator Boylan seconded. A Voice vote was taken and the motion carried unanimously.

Mr. Hemmer (71:A:060) said they are asking for \$43,000 in FY '86 and \$42,000 in FY '87 for the Forestry Division. They would like their Federal expenditures in program 25 increased by this amount each year for work on spotted knapweed.

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

Mr. Hemmer presented Exhibit "MMMMM" on the Children's Home at Twin Bridges. Discussion was held on this.

Mr. Hemmer said if they have to take this back they will be in in two years for a supplemental of about \$80,000 to maintain it.

White Sulphur Springs Block: Mr. Hemmer said in their proposal it would cost about \$500,000 for this through the biennium. The Forest Service would charge about \$1.5 million to maintain this for the biennium.

Discussion was held.

Once they take over a block they have to keep it.

Representative Swift made a motion to pick up the White Sulphur Springs block. Representative Nathe seconded. Discussion was held. A Voice vote was taken. The motion carried with Senator Boylan and Senator Lane voting no.

DEPARTMENT OF COMMERCE

McCarty Farms/Staggers 229 Litigation: Discussion was held. See Exhibit "LLLLL".

Senator Smith made a motion to leave in \$100,000 in FY '86 and \$100,000 in FY '87 for this. Representative Nathe seconded. A Voice vote was taken and the motion carried unanimously.

Womens Business Support Coordinator: Discussion was held. See Exhibit "LLLLL".

Representative Spaeth made a motion to approve \$30,000 in FY '86 and \$30,000 in FY '87 for this. Senator Boylan seconded. Discussion was held. The Department spends about \$870,000 for business support each year. A Voice vote was taken. The motion did not carry with Representative Nathe, Representative Swift, Senator Smith and Representative Manuel voting no.

Senator Smith made a motion to direct the Department of Commerce to direct assistance where it is necessary. Senator Boylan seconded. A Voice vote was taken and the motion carried unanimously.

Senator Smith made a motion to cut \$54,442 in FY '86 and \$53,601 in FY '87 for the Womens Business Support Coordinator. Representative Swift seconded. A Voice vote was taken. The motion carried with Senator Lane and Representative Spaeth voting no.

Travel Increase for Indian Coordinator: See Exhibit "KKKKK", #1.

The Coordinator had been given an additional \$7,237 for travel each year of the biennium. Discussion was held.

Representative Spaeth made a motion to approve \$9,500 in each year of the biennium. Senator Lane seconded. Discussion was held. A Voice vote was taken and the motion carried unanimously.

District Court Aid: See #2, Exhibit "KKKKK". Discussion was held.

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Senator Smith made a motion to cut \$185,000 in FY '86 and \$185,000 in FY '87 out of General Fund upon passage of Legislation and if Legislation does not pass to look at this again. Representative Swift seconded. A Voice vote was taken and the motion carried unanimously.

The meeting adjourned at 9:50 a.m.

A handwritten signature in cursive script, appearing to read "Rex Manuel", is written over a horizontal line.

Representative Rex Manuel
Chairman

DAILY ROLL CALL

NATURAL RESOURCES SUBCOMMITTEE

49th LEGISLATIVE SESSION -- 1985

Date 3-6-85

[illegible]

3-6-85

Exhibit "KKKKK"

Soft Spots
Natural Resources Subcommittee

	General Fund	Other Funds	General Fund	Other Funds
1. Livestock				
1. Apply vacancy savings to Centralized Services, Diagnostic Laboratory and Milk and Egg Program at 4 percent	\$ 18,462	-0-	\$ 18,481	-0-
2. Adjust general fund share of centralized services to 15 percent from 18 percent now used. This would be in line with agency funding	12,320	-0-	12,317	-0-
3. Drop automation enhancements for Diagnostic Laboratory. Current system would continue to carry load.	9,588	-0-	7,100	-0-
2. Agriculture				
1. Apply vacancy savings at 4 percent to Agriculture Development	4,273	-0-	4,279	-0-
2. Delay vehicle purchases in Plant Industry by one year. Current mileage indicates this could be done without exceeding 110,000 miles on vehicle.	17,040	-0-	9,286	-0-
3. State Lands				
1. Allow equipment expenditures in Forestry Division at fiscal 1984 level excluding Libby block purchases (\$317,867) plus inflation	83,477	-0-	62,694	-0-
2. Eliminate Capital Outlay projects funding for trailers in forestry division	25,000	-0-	25,000	-0-
3. Cut back forest thinning contracts to fiscal 1984 level - \$10,795	15,183	-0-	15,808	-0-
4. Eliminate contract slash and brush removal in forestry. This was not done in fiscal 1984	12,000	-0-	12,000	-0-
5. Hold Forestry Division work-study contracts to fiscal 1984 level - \$20,497	11,921	-0-	12,455	-0-
6. Hold contract pilot expenses to fiscal 1984 level in forestry - \$5,312	10,000	-0-	10,000	-0-
7. Eliminate or reduce allowance for aircraft usage for contract pilot familiarly maintenance in forestry. This is an expansion over fiscal 1984	17,500	-0-	17,500	-0-
8. Not purchase new word processing equipment in Land Administration Program	15,000	-0-	-0-	-0-

Soft Spots
Natural Resources Subcommittee
Continued

	Fiscal 1986		Fiscal 1987	
	General Fund	Other Funds	General Fund	Other Funds
9. Disallow Legal and Consulting fees for work on navigability in Land Administration Program. This is a new item and funds are also included in project funds (non-general fund) for some of this work.	12,346	-0-	12,346	-0-
10. Hold county equalization payments in Land Administration Program to fiscal 1985 level of \$255,000	10,000	-0-	10,000	-0-
11. Eliminate or reduce money set aside for legal fees and court costs for possible permit litigation in reclamation division	30,835	-0-	27,835	-0-
12. Eliminate consultant services for work on defending Montana position on Indian land rules	10,000	-0-	5,000	-0-
13. Hold aircraft rental to fiscal 1984 level in general funded operations of reclamation program	7,497	-0-	7,497	-0-
4. Commerce				
1. Reduce or eliminate travel increase given to Indian coordinator. Fiscal 1984 level was \$5,713	7,237	-0-	7,237	-0-
2. Hold district court aid to fiscal 1984 and 1985 authorized level	185,000	-0-	185,000	-0-
3. Allow general funding for travel promotion based on assumption that increased private contributions will continue and offset general fund by \$100,000 per year maintaining fiscal 1984 level of total expenditures (Fiscal 1984 private contribution was \$298,000)	200,000	-0-	300,000	-0-
4. Reduce or eliminate funding for University Business Management training. This contract with MSU could be worked into the extension education program and funded the charges	50,000	-0-	50,000	-0-
5. Reduce the funding for consulting contracts to provide expertise to small businesses in marketing, production management, finance and the like. Over \$120,000/yr is included in budget now.	30,000	-0-	30,000	-0-
6. Eliminate amount included for private legal counsel in transportation program. This could be addressed in				

Soft Spots
Natural Resources Subcommittee
Continued

	Fiscal 1986		Fiscal 1987	
	General Fund	Other Funds	General Fund	Other Funds
modified request for McCarty Farms/Staggers 229 case. All expenditures in fiscal 1984 were from supplemental appropriation for Geraldine BN case.	15,000	-0-	15,000	-0-
7. Hold travel for financial division at fiscal 1984 level	10,833	-0-	10,833	-0-
8. Apply vacancy savings at 4 percent rate in weights and measures program and hold gasoline at fiscal 1984 level as increase use was based on expectation of reduced vacancies	18,310	-0-	18,843	-0-
5. Public Service Commission				
1. Hold printing and telephone costs to fiscal 1984 level	9,977	-0-	9,977	-0-
6. Natural Resources				
1. Eliminate General fund administrative subsidy to conservation districts. This would require districts to increase taxes on members to finance their administrative costs (would require statutory change)	100,000	-0-	100,000	-0-
2. Reduce general fund support for facility siting. This would be offset by facility siting fees if work becomes available. Currently over \$200,000 general fund per year supports the facility siting bureau.	40,000	-0-	40,000	-0-
3. Use alternative energy funds to support energy division administration to reflect the share of the division composed by these funds.	59,000	-0-	59,000	-0-
4. Use Water Development funds to support Water resources division except for water rights portion. (Another alternative would be to fund water resources administration from water development funds in proportion to water development's share of the program total to reflect the share of the division composed by these funds)	1,031,000	-0-	987,000	-0-
5. Eliminate dues to regional water organizations as recommended by Governor	15,000	-0-	15,000	-0-
6. Hold budget for aerial photos to fiscal 1984 level \$33,763	15,000	-0-	15,000	-0-

Soft Spots
Natural Resources Subcommittee
Continued

	-- -- -- Fiscal 1986	-- -- -- Fiscal 1987	-- -- -- Fiscal 1987
	<u>General Fund</u>	<u>Other Funds</u>	<u>General Fund</u>
	<u>Other Funds</u>	<u>General Fund</u>	<u>Other Funds</u>
7. Fish, Wildlife, and Parks			
1. Reduce the general fund support for the parks division.			
The LFA budget applied savings from fiscal vacancies			
and other reductions from department revenue to general			
fund.	112,400	-0-	91,177
			-0-

3-7-85
Exhibit "LLLLL"

Natural Resources Subcommittee
Subcommittee Modified Recommendations

Agency	----- Fiscal 1986 -----			----- Fiscal 1987 -----		
	General Fund	Other	Total	General Fund	Other	Total
Agriculture						
1. Hail Insurance -						
Add 1 FTE Adjustor	\$ -0-	\$ 5,117	\$ 5,117	-0-	\$ 5,118	\$ 5,118
2. Pesticide Training	-0-	14,666	14,666	-0-	14,930	14,930
3. EPA Samples	-0-	76,986	76,986	-0-	100,589	100,589
4. Feed Contaminants	-0-	16,106	16,106	-0-	16,118	16,118
Fish, Wildlife, and Parks						
5. Special License Drawings	-0-	\$ 24,733	\$ 24,733	\$ -0-	\$ 24,039	\$ 24,039
6. Purchasing Manager	-0-	23,840	23,840	-0-	23,430	23,430
7. Vehicle Supplies & Maint for Modifieds	-0-	128,308	128,308	-0-	131,205	131,205
8. LCA Vehicle Expenses	-0-	135,000	135,000	-0-	136,000	136,000
9. Equity Transfer	-0-	100,000	100,000	-0-	-0-	-0-
10. Insurance on aircraft personnel	-0-	24,000	24,000	-0-	24,000	24,000
11. Landowner Insurance	-0-	20,000	20,000	-0-	20,000	20,000
12. Game Damage Control	-0-	75,000	75,000	-0-	75,000	75,000
13. Expend Insurance Awards	-0-	25,000	25,000	-0-	25,000	25,000
14. Landowner Meetings	-0-	2,000	2,000	-0-	2,000	2,000
15. Angler Preference Survey	-0-	73,762	73,762	-0-	81,351	81,351
16. Lower Clark Fork Study	-0-	92,945	92,945	-0-	76,083	76,083
17. Warm Water Fish Program	-0-	48,804	48,804	-0-	53,084	53,084
18. Painted Rock Water Purchase	-0-	20,000	20,000	-0-	20,000	20,000
19. Bearverhead Fish Inventory	-0-	25,667	25,667	-0-	25,678	25,678
20. Colstrip Warden	-0-	40,901	40,901	-0-	40,967	40,967
21. Increase Warden Travel from 18,000 to 22,000 miles	-0-	27,040	27,040	-0-	27,040	27,040
22. Hunter Preference Survey	-0-	71,107	71,107	-0-	79,719	79,719
23. Grizzly/Black Bear Trends	-0-	60,392	60,392	-0-	56,719	56,719
24. Deer/Elk/Antelope Pop. Prediction	-0-	103,327	103,327	-0-	104,199	104,199
25. Landowner Cooperative Mgmt	-0-	72,705	72,705	-0-	72,720	72,720
26. Furbearers Study	-0-	32,535	32,535	-0-	31,813	31,813
27. Weed Control	-0-	20,395	20,395	-0-	20,419	20,419
28. Computer Programmer	-0-	30,438	30,438	-0-	30,533	30,533
29. Reimburse Federal Govt. for Equipment	-0-	90,200	90,200	-0-	-0-	-0-
30. Park-Landscaping Maint.	-0-	29,125	29,125	-0-	28,113	28,113
31. Region 3 fishing access Operation & Maintenance	-0-	3,640	3,640	-0-	3,643	3,643
32. Region 6 Park Manager	-0-	21,469	21,469	-0-	19,829	19,829
33. Coal Tax Parks-Operation and Maintenance	-0-	53,457	53,457	-0-	45,921	45,921
34. Region 2 Site Maintenance	-0-	19,116	19,116	-0-	16,289	16,289
35. Region 7 Rec. Site Impr.	-0-	15,405	15,405	-0-	15,411	15,411
36. Region 5 Rec. Site Impr.	-0-	6,340	6,340	-0-	6,342	6,342

Natural Resources Subcommittee
Subcommittee Modified Recommendations
Continued

Agency	Fiscal 1986			Fiscal 1987		
	General Fund	Other	Total	General Fund	Other	Total
37. Recreation Fee Collec.	\$ -0-	\$ 42,860	\$ 42,860	\$ -0-	\$ 38,776	\$ 38,776
38. Lone Pine Operation & Maintenance	-0-	14,893	14,893	-0-	14,610	14,610
39. Cabin Site Appraisals	-0-	52,000	52,000	-0-	-0-	-0-
40. Snow Groomer Replacement	-0-	100,000	100,000	-0-	100,000	100,000
41. Snowmobile Revolving Account Establishment	-0-	290,046	290,046	-0-	117,644	117,644
42. Improve Weed Control	-0-	10,608	10,608	-0-	10,608	10,608
43. Bannack Interpreter	-0-	2,561	2,561	-0-	2,500	2,500
44. Sommers Rest Area	-0-	17,544	17,544	-0-	7,546	7,546
45. Newlan Creek Reservoir	-0-	2,690	2,690	-0-	1,867	1,867
46. Capital Complex Mapping	-0-	6,240	6,240	-0-	5,307	5,307
47. Video Taping/Hunter Ed	-0-	32,160	32,160	-0-	27,216	27,216
48. Montana Outdoors Promotion	-0-	12,000	12,000	-0-	12,000	12,000
49. Regulations Production	-0-	12,584	12,584	-0-	12,957	12,957
50. Administrative Aid	-0-	4,044	4,044	-0-	4,050	4,050
51. Payment to Fed Govt	-0-	62,000	62,000	-0-	-0-	-0-
52. Stream Access	-0-	65,000	65,000	-0-	65,000	65,000
Commerce						
53. Expert Witnesses-Milk	-0-	6,000	6,000	-0-	6,000	6,000
54. Nursing Workload Increase	-0-	-0-	-0-	-0-	31,625	31,625
55. Administration-Receptionist and office automation	-0-	82,926	82,926	-0-	21,530	21,530
56. Horse Racing-harness racing and veterinarian contracts	-0-	53,920	53,920	-0-	53,920	53,920
57. Trans.-McCarty/Staggers 229 Litigation	100,000	-0-	100,000	100,000	-0-	100,000
58. Passenger Transit	-0-	88,112	88,112	-0-	44,000	44,000
59. Maritime Study Carryover	-0-	18,518	18,518	-0-	-0-	-0-
60. Loan Repayments on BN Case	-0-	3,416,760	3,416,760	-0-	-0-	-0-
61. Womens Business Support Coordinator	54,442	-0-	54,442	53,601	-0-	53,601
62. Sale of Tax Exempt Bonds	-0-	110,790	110,790	-0-	169,132	169,132
63. Single Family Tax Credit	-0-	46,205	46,205	-0-	45,549	45,549
64. Rental Rehabilitation	-0-	1,367,289	1,367,289	-0-	1,367,297	1,367,297
65. Bnd Auth Clerical Assistance	-0-	29,887	29,887	-0-	30,579	30,579
66. Accountant	-0-	28,250	28,250	-0-	22,000	22,000
67. Deputy Director & Clerk	-0-	55,375	55,375	-0-	53,838	53,838
Natural Resources						
68. Adjudication Lawyer	27,826	11,925	39,751	27,517	11,793	39,310
69. Programmer Analyst	-0-	27,890	27,890	-0-	27,278	27,278
70. Grant and Loan Monitoring System	3,338 17,688	22,272 17,920	25,600	2704 16,240	18,096 17,560	20,800
71. Corps of Engineers Office Share	-0-	2,560	2,560	-0-	1,728	1,728

Natural Resources Subcommittee
Subcommittee Modified Recommendations
Continued

Agency	Fiscal 1986			Fiscal 1987		
	General Fund	Other	Total	General Fund	Other	Total
72. Triangle Saline Seep Project	\$ 75,000	\$ -0-	\$75,000	\$75,000	\$ -0-	\$75,000
73. Water Rights Field Travel	11,550	-0-	11,550	11,550	-0-	11,550
74. Water Development Eng.	-0-	25,962	25,962	-0-	25,764	25,764
75. Secretary for Reserved Water Rights Compact Commission	12,000	-0-	12,000	12,000	-0-	12,000
76. Middle Creek Project	-0-	4,100,000	4,100,000	-0-	-0-	-0-
77. Cooney Dam	-0-	75,000	75,000	-0-	-0-	-0-
78. Demonstration Program	-0-	276,328	276,328	-0-	33,484	33,484
79. Rock Creek Mitigation	-0-	1,650,000	1,650,000	-0-	-0-	-0-
State Lands						
80. Trust Proofing	10,400	-0-	10,400	-0-	-0-	-0-
81. Pilot Transfer	25,869	-0-	25,869	25,879	-0-	25,879
82. Attorney	5,540	22,160	27,700	5,538	22,152	27,690
83. Land Use Specialists	111,313	-0-	111,313	76,485	-0-	76,485
84. Oil & Gas Enforcement	26,864	-0-	26,864	25,999	-0-	25,999
85. Expanded Brush Program	-0-	267,472	267,472	-0-	283,646	283,646
86. Expanded Timber Sales	308,496	-0-	308,496	317,129	-0-	317,129
87. Expanded Timber Stand Improvement Program	-0-	248,758	248,758	-0-	276,259	276,259
88. Forest Economist	-0-	29,215	29,215	-0-	30,374	30,374
89. Improved Nursery Production	-0-	31,696	31,696	-0-	31,707	31,707
90. County Cooperative Fire Program-Add 11 Counties	275,000	-0-	275,000	275,000	-0-	275,000
Public Service Commission						
91. Phase II data Processing	134,480	-0-	134,480	137,620	-0-	137,620
92. Motor Carrier Safety Assistance Program	-0-	308,000	308,000	-0-	308,000	308,000
93. Pipeline Consultants	25,000	25,000	50,000	25,000	25,000	50,000
94. Training	5,000	-0-	5,000	5,000	-0-	5,000
95. Participation in National Assn. of Regulatory Utility Commissioners	5,000	-0-	5,000	5,000	-0-	5,000
96. Consultants/expert witnesses	20,000	-0-	20,000	20,000	-0-	20,000
Subcommittee Total	<u>\$1,241,460</u>	<u>\$14,780,674</u>	<u>\$16,022,134</u>	<u>\$1,204,558</u>	<u>\$4,810,598</u>	<u>\$6,015,156</u>

DEPARTMENT OF STATE LANDS

3-2-85
Exhibit "MMMMM"



TED SCHWINDEN, GOVERNOR

CAPITOL STATION

STATE OF MONTANA

(406) 444-2074

1625 ELEVENTH AVENUE
HELENA, MONTANA 59620

March 5, 1985

Representative Rex Manual
Chairman, Natural Resources Subcommittee
on Appropriations
State Capitol
Helena, MT 59620

Dear Representative Manual:

In 1980 the Department of State Lands sold the Children's Home in Twin Bridges to the Montana People's Association. The Department sold it under a contract for deed with the Department holding the contract. Since the sale, the Montana People's Association has had trouble making their payments on a number of occasions. Most recently it appears that there is a good possibility that the Department may end up taking the Children's Home back. The last year that the Home was being maintained by the state, it cost approximately \$80,000 a year to maintain the Home. If the state ends up taking the Children's Home back, there is no budgeted money for maintaining the premises. Failure to maintain the premises would result in further degradation of the Children's Home and make it more difficult to sell. If the Department has to take the Children's Home back, it will recommend to the Board that the State again try to sell the Home as rapidly as possible. Until such time as the Department can dispose of the Children's Home, it will be forced to maintain it. As there is no money budgeted for this activity, the Department will be forced to go to the next Legislature with a supplemental request of approximately \$160,000 for maintaining the Home.

As you can see we are in a difficult position. Since we do not know the ultimate disposition of this matter, we cannot make a concrete request at this time but I think there is a good likelihood that we may be forced to maintain the Home and thus request a supplemental. Any guidance of the subcommittee can give us will be greatly appreciated.

Sincerely,

A handwritten signature in cursive script, appearing to read "Dennis Hemmer".
Dennis Hemmer, Commissioner
Department of State Lands

VISITORS' REGISTER

NATURAL RESOURCES SUB COMMITTEE

BILL NO. _____

DATE 3-6-85

SPONSOR _____

NAME (please print)	RESIDENCE	SUPPORT	OPPOSE
<i>Les Graham</i>			
<i>John Thurfur</i>			
<i>Wayne Butts</i>			
<i>Don Huppel</i>	<i>DFWP Helena</i>		
<i>Dennis Hemmer</i>	<i>DSL Helena</i>		
<i>Don Underwood</i>	<i>DSL MSLA</i>		
<i>Keith L. Colbo</i>	<i>Commerce</i>	✓	
<i>Steve Huntington</i>	<i>Commerce</i>	✓	
<i>Sam Hubbard</i>	<i>"</i>	✓	
<i>Bill Fogarty</i>	<i>Commerce</i>	✓	
<i>Chuck F. Flaherty</i>	<i>Commerce</i>	✓	

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

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.