

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

March 7, 1985

The meeting of the Natural Resources Subcommittee was called to order by Chairman Manuel on March 7, 1985 at 7:05 a.m. in Room 132 of the State Capitol.

ROLL CALL: All members were present.

DEPARTMENT OF COMMERCE

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

Curt Nichols, (72:A:020) Principal Analyst, said the 1984 current level of General Fund for travel promotion was \$1.265 million. Discussion was held.

Representative Spaeth made a motion to continue this at current level minus the 2%. Senator Boylan seconded. Discussion was held.

Senator Smith made a substitute motion to cut \$100,000 in FY '86 and \$100,000 in FY '87. Representative Swift seconded. A voice vote was taken. The motion did not carry with Senator Boylan, Representative Spaeth, Senator Lane and Representative Manuel voting no.

A Voice vote was taken on Representative Spaeth's previous motion. The motion carried with Representative Swift and Representative Nathe voting no.

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

Representative Spaeth made a motion to cut \$50,000 in FY '86 and \$50,000 in FY '87 for University Business Management Training. Representative Swift seconded. A Voice vote was taken. The motion carried with Senator Lane and Senator Boylan voting no.

See #5, Exhibit "KKKKK". Discussion was held.

Senator Smith made a motion to retain \$30,000 in FY '86 and \$30,000 in FY '87 for business consultants. Representative Nathe seconded. A Voice vote was taken and the motion carried unanimously.

See #6, Exhibit "KKKKK". Discussion was held.

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Senator Smith made a motion to retain \$15,000 in FY '86 and \$15,000 in FY '87 for private legal counsel in the transportation program. Senator Lane seconded. A Voice vote was taken and the motion carried unanimously.

See #7, Exhibit "KKKKK". Discussion was held.

Keith Colbo (72:B:008), Director, Department of Commerce, said if the bill going through the Legislature to increase fees passes, it will offset the cost of the financial program.

Discussion was held.

This would allow them to do eight extra examinations.

Discussion was held.

Representative Swift made a motion to retain \$10,833 in FY '86 and \$10,833 in FY '87 for travel in the financial program. Senator Lane seconded. Discussion was held. A Voice vote was taken and the motion carried unanimously.

See #8, Exhibit "kkkkk". Discussion was held.

Senator Boylan made a motion to retain \$18,310 in FY '86 and \$18,843 in FY '87 and not take vacancy savings in the weights and measures program. Senator Lane seconded. A Voice vote was taken and the motion carried unanimously.

DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION

Adjudication Lawyer: See Exhibit "LLLLL". The other funds in this are from the Water Development account.

The Department anticipates they will be involved in 2,000 cases. They have four attorneys now and don't feel they can handle all of the cases.

Discussion was held.

Senator Smith made a motion to approve \$27,826 in FY '86 and \$27,517 in FY '87 from the General Fund and \$11,925 in FY '86 and \$11,793 in FY '87 from other funds. Representative Swift seconded. A Voice vote was taken and the motion carried unanimously.

Grant and Loan Monitoring System: Discussion was held. See Exhibit "LLLLL".

Representative Swift made a motion to approve \$3,328 in FY '86 and \$2,704 in FY '87 from the General Fund and \$22,272 in FY '86 and \$18,096 in FY '87 from other funds. Senator Boylan seconded. Discussion was held. A Voice vote was taken. The motion carried with Representative Spaeth voting no.

Triangle Saline Seep Project: see Exhibit "LLLLL". Discussion was held.

Senator Smith made a motion to approve \$75,000 in FY '86 and \$75,000 in FY '87. Representative Nathe seconded. A Voice vote was taken. The motion carried with Senator Boylan voting no.

Water Rights Field Travel: See Exhibit "lllll". Discussion was held.

Representative Swift made a motion to approve \$11,550 in FY '86 and \$11,550 in FY '87. Senator Boylan seconded. A Voice vote was taken and the motion carried unanimously.

Secretary for Reserved Water Rights Compact Commission: Discussion was held. See Exhibit "LLLLL".

Senator Boylan made a motion to approve \$12,000 in FY '86 and \$12,000 in FY '87. Discussion was held. Senator Lane seconded. A Voice vote was taken and the motion carried with Representative Spaeth voting no.

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

Senator Smith made a motion to retain \$1,031,000 in FY '86 and \$987,000 in FY '87 for winter development projects. Representative Nathe seconded. A Voice vote was taken and the motion carried unanimously.

See #1, Exhibit "KKKKK". Discussion was held.

Representative Spaeth made a motion to retain \$100,000 in FY '86 and \$100,000 in FY '87 for the administrative subsidy to conservation districts. Representative Swift seconded. A Voice vote was taken and the motion carried unanimously.

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

Mr. Fasbender (73:B:026) said they are proposing the alternative energy fund be reduced by approximately 1/4 % which would be approximately \$500,000.

Discussion was held.

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Senator Smith made a motion to take the money from the Genral Fund out of #3, Exhibit "KKKKK" and replace it with money from Alternative Energy. Discussion was held.

Laurence Siroky (73:B:234), Administrator, Energy Division, DNRC, said the Renewable Energy Administrative costs amount to about 14% of the total salaries. This would amount to about \$15,000. Discussion was held.

Senator Smith withdrew his motion. Discussion was held.

The Committee decided to work on this later.

DEPARTMENT OF PUBLIC SERVICE REGULATION

(Public Service Commission)

Modifieds:

Phase II Data Processing: See Exhibit "LLLLL".

Howard Ellis (73:B:650), Commissioner, PSC, said they feel they could take about \$50,000 out of this in FY '86. Discussion was held.

Madeline Cottrill, Administrator, Centralized Services, PSC, said they would like to have 4% Vacancy Savings reinstated. Discussion was held.

Representative Swift made a motion to cut \$50,000 in FY '86 and leave \$137,620 in FY '87 from Phase II data processing enhancement. Senator Smith seconded. A Voice vote was taken and the motion carried unanimously.

Pipeline Consultants: See Exhibit "LLLLL".

Discussion was held.

Mr. Ellis said they could possibly take out \$10,000 per year. \$5,000 of this would be out of the Master Meter program. The Department would then request a \$30,000 biennial appropriation. Discussion was held.

The Committee decided to vote on this later.

Training: See Exhibit "LLLLL".

This would be for continuing education for the staff and Commissioners.

Discussion was held.

Mr. Ellis said they feel it would be more important to have this money for training than it would be to have the money for participation in National Association of Regulatory Utility Commissioners.

Senator Smith made a motion to approve \$5,000 in FY '86 and \$5,000 in FY '87 for training and to cut \$5,000 in FY '86 and \$5,000 in FY '87 for participation in the National Association of Regulatory Utility Commissioners. Representative Swift seconded. A Voice Vote was taken and the motion carried unanimously.

Consultants/Expert Witnesses: See Exhibit "LLLLL".
Discussion was held.

The Committee will vote on this later.

The meeting adjourned at 10:50 a.m. and will reconvene upon adjournment of the Senate.

The meeting of the Natural Resources Subcommittee reconvened at 4:50 p.m. in Room 132 of the State Capitol.

DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION

See #3, Exhibit "KKKKK", under Natural Resources.

Mr. Fasbender (74:A:464) said they would recommend \$18,000 per year be put into the Energy Division's Administration costs and that an additional \$27,000 per year in Institution and Building Conservation program be funded out of the Alternative Energy program.

Mr. Fasbender said they could eliminate #5 and #6, Exhibit "KKKKK".

Mr. Fasbender presented Exhibit "NNNNN". Discussion was held.

Representative Swift made a motion to reduce \$40,000 in #2, Exhibit "KKKKK" and give them the authority to spend fees. Senator Boylan seconded. A Voice vote was taken. The motion carried with Representative Spaeth voting no.

Discussion was held on #3, Exhibit "KKKKK".

Representative Spaeth made a motion to approve \$45,000 in FY '86 and \$45,000 in FY '87 instead of \$59,000. Representative Nathe seconded. A Voice vote was taken and the motion carried unanimously.

Discussion was held on #5 and #6, Exhibit "KKKKK".

Representative Spaeth made a motion to eliminate \$15,000 in FY '86 and \$15,000 in FY '87 for #6. Representative Nathe seconded. A Voice vote was taken and the motion carried unanimously.

Senator Boylan made a motion to approve \$7,500 in FY '86 and \$7,500 in FY '87 for dues to regional water organizations. Senator Lane seconded. A Voice vote was taken. The motion carried with Senator Smith voting no.

DEPARTMENT OF PUBLIC SERVICE REGULATION

(Public Service Commission)

Modified:

Pipeline Consultants: See Exhibit "LLLLL". Discussion was held.

Representative Swift made a motion to reinstate 1 FTE for the attorney in current level. Senator Smith seconded. A Voice vote was taken and the motion carried unanimously.

Vacancy Savings: Representative Swift made a motion to take 2% Vacancy Savings instead of 4% and allow them to adjust this based on their current level. Senator Lane seconded. A Voice vote was taken and the motion carried unanimously.

Senator Lane made a motion to approve \$30,000 as a biennial appropriation for the Pipeline Consultants and line item this to be used for oversight on the construction of the line. Representative Swift seconded. A Voice vote was taken and the motion carried unanimously.

Consultants/Expert Witnesses: See Exhibit "LLLLL". Discussion was held.

Senator Lane made a motion to approve \$20,000 in FY '86 and \$20,000 in FY '87. Senator Boylan seconded. A Voice vote was taken. The motion carried with Representative Swift voting no.

Discussion was held on the printing and telephone costs. See Exhibit "KKKKK", #1 under PSC.

Ms. Cottrill (75:A:204) said they were requesting an additional \$10,112 for printing and the Subcommittee gave \$5,000. The difference given of \$4,977 was for the telephone which was based on actual cost from July to December of FY '84. The budget office was \$10,112 more than the LFA.

Curt Nichols, Principal Analyst, said they had originally requested \$32,040. This was included in the Executive budget.


and the LFA put in \$4,977 less than the Executive budget for communications. Then Ms. Cottrill revised the budget and said it would come in at \$27,318 or \$4,922 less than what was predicted before. The Committee gave the \$4,977.

Ron Weiss, OBPP, said the total difference between the Executive and the LFA budget for current level for communications was about \$8,100. \$4,977 of this was due to the telephone which they added back. The Department would need about \$4,137 for telephones.

Discussion was held.

Senator Smith made a motion to reduce telephone by \$4,100 in FY '86 and \$4,100 in FY '87. Senator Boylan seconded. A Voice vote was taken and the motion carried unanimously.

The meeting adjourned at 6:30 p.m.

 *Chm*

Representative Rex Manuel
Chairman

NATURAL RESOURCES SUBCOMMITTEE

Date 3-7-85

CS-30

3-6-85

Exhibit "KKKKK"

Soft Spots
Natural Resources Subcommittee

		Fiscal 1986	Fiscal 1987	
		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
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
3. Drop automation enhancements for Diagnostic Laboratory. Current system would continue to carry load.		9,588	-0-	7,100
2. Agriculture				
1. Apply vacancy savings at 4 percent to Agriculture Development		4,273	-0-	4,279
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
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
2. Eliminate Capital Outlay projects funding for trailers in forestry division		25,000	-0-	25,000
3. Cut back forest thinning contracts to fiscal 1984 level - \$10,795		15,183	-0-	15,808
4. Eliminate contract slash and brush removal in forestry. This was not done in fiscal 1984		12,000	-0-	12,000
5. Hold Forestry Division work-study contracts to fiscal 1984 level - \$20,497		11,921	-0-	12,455
6. Hold contract pilot expenses to fiscal 1984 level in forestry - \$5,312		10,000	-0-	10,000
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
8. Not purchase new word processing equipment in Land Administration Program		15,000	-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 -- -- --
	<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	91,177
	-0-	-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 1,680	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 - - - -		
	<u>General Fund</u>	<u>Other</u>	<u>Total</u>	<u>General Fund</u>	<u>Other</u>	<u>Total</u>
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 NATURAL RESOURCES AND CONSERVATION

Current Level Appropriation/Requested Funds

	<u>FY 84</u>	<u>FY 85</u>	<u>FY 86</u>	<u>FY 87</u>
General Fund	\$ 4,541,640	\$ 3,512,695	\$ 5,938,603	\$ 5,706,439
RIT	1,389,371	2,286,351	10,000	10,000
Earmarked	7,267,135	7,042,238	7,965,909	7,965,909
Other	<u>1,948,550</u>	<u>1,530,723</u>	<u>3,195,244</u>	<u>1,181,523</u>
	15,146,696	14,372,007	17,109,756	12,760,132

General Fund

CSD	1,131,187	1,114,227	1,283,059	1,098,375
CDD			280,949	275,321
WRD	2,818,703	1,843,525	3,745,285	3,710,932
ED	<u>591,750</u>	<u>554,943</u>	<u>629,310</u>	<u>621,811</u>
	4,541,640	3,512,695	5,938,603	5,706,439

RIT

CSD	96,303	127,984		
O&G	65,000	65,000	10,000	10,000
CDD	264,294	272,867		
WRD	<u>963,774</u>	<u>1,820,500</u>		
	1,389,371	2,286,351	10,000	10,000

Total RIT and General Fund	5,931,011	5,799,046	5,948,603	5,716,439
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Biennial Totals	11,730,057		11,665,042	
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Because RIT was used as general fund in 84-85 Biennium, it is necessary to look at combined figures for biennial general fund comparisons. The 86-87 executive budget is \$65,015 less than the 84-85 appropriated budget.

Budget Reductions/Revenue Increases:

1. The committee has already authorized \$3,000,000 transfer from Alternative Energy Special Revenue Account to Science and Technology or the general fund. This amounts to a \$3 million dollar increase in funds available for the legislature to use.
2. The Energy Division budget can be reduced \$27,000 per year in the general fund by using alternative energy fund money as the state match for the Federal Institutional Building Grants Program. This grant program provides engineering and retrofit money to schools and hospitals.

3. Transfer $\frac{1}{2}\%$ of the alternative energy earmarked revenue's $4\frac{1}{2}\%$ to other uses:
 - a. $\frac{1}{4}\%$ to Conservation Districts Division for grants to support local CD administration. This saves \$100,000 per year of general fund.
 - b. $\frac{1}{4}\%$ to be earmarked to provide a non-general fund source of support to carry out water reservation activities required by the water marketing bill (approximately \$220,000/biennium).

Summary:

1. Executive budget request (general fund and RIT) was \$65,000 less than last biennium's appropriation.
2. Additional Energy Division reduction--\$54,000 general fund savings.
3. Conservation Districts grant funding reallocation--\$200,000 general fund savings.
4. Approximately \$220,000 made available for water reservation work.
5. \$3,000,000 available from alternative energy funds for other proposals.

This totals to \$3,474,000 of committee authorized general fund adjustments.

VISITORS' REGISTER

COMMITTEE

BILL NO. _____

DATE 3-7

SPONSOR _____

NAME (please print)	RESIDENCE	SUPPORT	OPPOSE
Keith Colbo	Commerce	✓	
Steve Huntington	"	✓	
Sam Hubbard	"	✓	
Bill Fogarty	"	✓	
James Winston	"	✓	
John Wilson	"	✓	
Fred Napier	"	✓	
DON MAC INTYRE	NATURAL RES & COALS	✓	
John Armstrong	✓		
Scott Brown	Helena (Compact Comm.)		
Ray Beck	DNR C	✓	
Gary Frite	"	✓	
Bob Robinson	"	✓	
Lawrence Smoky	"	✓	
Larry Faszender	"	✓	
Ron Weiss	OBAP		
Howard E. Mize	PSC	✓	
Eider Shore	PSC	✓	
Don Ollitt	PSC	✓	
Medicine Creek	PSC	✓	

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

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.