

MINUTES OF THE MEETING
APPROPRIATIONS COMMITTEE
50TH LEGISLATIVE SESSION

The meeting of the Appropriations Committee was called to order by Chairman Rep. Bob Thoft on March 6, 1987, at 1:00 p.m. in Room 104 of the State Capitol.

ROLL CALL: All members were present at the meeting except Reps. Menahan, Bardanouve, Poulsen, Quilici, and Rehberg who were excused, Reps. Devlin, Iverson, Manuel, Nathe, and Spaeth who were late, and Rep. Donaldson who arrived late because he had a bill in another committee. Also in attendance were Judy Rippingale, LFA and Denise Thompson, Secretary.

HB 611:

(41:A:030) Rep. Dave Brown explained HB 611 to the committee saying the bill allocated reimbursement for indirect costs of university grants and contracts to the university system.

PROPOSERS:

Carroll Krause spoke in support of the bill and presented an amendment (Exhibit 1) which would take 50 percent of those funds to try to bolster the research and development efforts at the four colleges because they do not have any access to the research grants that we do have at the universities. They are hoping to take some of this money and to use it to develop the original capabilities of Montana Tech, Eastern, and the other universities.

(41:A:4.13) Mr. Ray Murray, Associate Vice President for Research and Dean of the graduate school and the University of Montana stated the indirect costs come from grants and contracts which come from the brains, initiative, the drive and the investment to go out and get that money. The university system produced approximately \$20 million last year. That money was used to support students, buy equipment, maintain equipment, and to produce ideas and services for this state. If this bill passes and provides the money, they will bring additional new money to Montana. They will use it to purchase equipment for the university systems, to maintain that equipment, provide seed money to go out and get new money, and focus on the whole area of economic development, thus hoping to compound that money.

(41:A:5.50) John Jutila, Vice President for Research, Montana State University said it clearly indicates that the investment of a few dollars into the research activity, their faculty, will in fact yield a significant outcome.

Kathie Horejsi representing the Montana Federation of Teachers remarked that they supported the bill.

There were no opponents from the bill.

Rep. Brown closed on the bill by questioning the committee to remembers the incentives involved with the bill.

Rep. Thoft asked if this bill were passed with something other than 100 percent could the amendment be amended to say it would be reduced by a like percentage. Mr. Krause stated that was correct, if it were 50 percent they would want that reduced by 50 percent also. Rep. Thoft asked if 7 percent would be enough to the job. Mr. Krause said they think it would be but if it goes below 50 percent then probably not.

Rep. Devlin moved to amend this by 50 percent. Rep. Nathe added that this amendment would be in line with what the subcommittee suggested. Rep. Menke called the question. Rep. Connelly and Bradley voted NO. The motion CARRIED.

(41:A:13.40) Rep. Peck moved to adopt the amendment on Page 1 line 26, with the change to read 7 1/2 percent instead of 15 percent, as corrected. Rep. Nathe called the question. The motion CARRIED unanimously.

Rep. Nathe concluded that the Education Subcommittee was sending out letters to the various departments who have been refusing to pay indirect costs.

Rep. Devlin moved to DO PASS HB 611 AS AMENDED. Rep. Peck called the question. The motion CARRIED unanimously.

HB 660:

(41:A:16.10) Rep. Bradley moved HB 660 DO PASS AS AMENDED. Rep. Devlin called the question. The motion CARRIED unanimously.

HB 760 and 777:

Rep. Connelly moved to DO PASS HB 777. Rep. Miller called the question. Rep. Switzer voted NO. The motion CARRIED. Rep. Connelly moved to DO PASS 760. Rep. Peck called the question. The motion carried unanimously.

HB 221:

Rep. Gilbert stated this has been before the committee already and had a hearing. He said the staff showed a savings, in a report, to the state and it would provide a better service to the taxpayers.

Mr. Dave Hunter, Director of OBPP stated that one consideration the committee had was that all the the departments involved get together and see if this could be settled administratively without the moving of the motor fuels from one department to another. He referred to a letter he had distributed regarding this issue (Exhibit 2). He said there really isn't a major inconvenience for the trucking industry right now. The trucking industry can go into the GVW or the other two agencies involved and obtain all the permits they need right now. The departments did agree there needs to be some additional cross training of staff in order to provide the same information for all three agencies when requested. There were people from the three departments available to speak on the bill.

Mr. Norris Nichols, Administrator of the Motor Fuel Division stated he felt the bill is a result of a long time study done at the national level where the trucking industry in the United States is trying to get some kind of uniformity for interstate carriers. One concern was bonding. Mr. Nichols said he felt that would be corrected if the legislation passes. The other concern is one stop shopping which would mean that a person can go into any of the agencies and get all of their permits. He stated they have not completed that entirely but they have started. Another concern is the uniform reporting.

(41:A:30:44) Bill Salisbury from the Department of Highways stated the department does not support the bill. He said the physical location of the Motor Fuels Division, the integration of the computer system, and the number of FTEs that are not transferred under this. They have not determined there are any significant cost savings for the transfer.

Rep. Menke asked if there would be people eliminated if this were done. Mr. Hunter answered probably not. Mr. Hunter felt there were no real advantages to this move.

(41:B:008) Rep. Peck moved the bill DO NOT PASS. Rep. Switzer said there is a trucker who is telling us there is an advantage there. He was inclined to think the trucker knows what he is doing and there was concern that there was nothing in the bill to justify that.

Pam Joehler, LFA, reviewed a report that she had done and which had been distributed to the committee the first time this bill came before the committee. She stated that in checking with the department recently, she discovered that it would take 1.5 FTE to perform the mail and cashier effort and the data processing report reflected that it would take no more than 1 person to make any changes in the computer

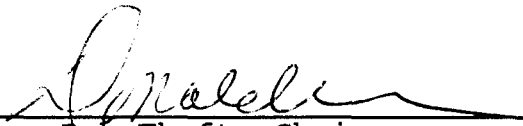
after the system has been developed. The legal function, the agency stated that 5 percent of staff time was spent on motor fuel issues. The other general administrative tasks that are handled by the centralized services division which she estimated at 5 percent or a total of 1.24 FTE.

She stated, based on this information, she felt there would be a \$108,000 savings in the first year and \$105,000 in the second year. The subcommittee did appropriate \$95,000 in the first year and \$80,000 in the second year to the director's office for these overhead costs. She stated that upon checking with the Department of Highways they indicated that they could administer the program for the amount appropriated to the Department of Revenue.

Rep. Devlin made a SUBSTITUTE motion to TABLE HB 221. Rep. Spaeth called the question. Reps. Menke and Nathe voted NO. The motion CARRIED.

ADJOURNMENT:

There being no further business before the committee the meeting was adjourned at 2:00 p.m.


Rep. Bob Thoft, Chairman

DAILY ROLL CALL

APPROPRIATIONS

COMMITTEE

50th LEGISLATIVE SESSION -- 1987

Date 3/6/87

NAME	PRESENT	ABSENT	EXCUSED
DONALDSON, GENE Chairman			✓
THOFT, REP. BOB Vice Chair	✓		
WINSLOW, REP. CAL	✓		
BARDANOUVE, FRANCIS			✓
BRADLEY, DOROTHY	✓		
CONNELLY, MARY ELLEN	✓		
DEVLIN, GERRY	✓	late	
IVERSON, DENNIS	✓	late	
MANUEL, REX	✓	late	
MENAHAN, RED			✓
MENKE, LARRY	✓		
MILLER, RON	✓		
NATHE, DENNIS	✓	late	
PECK, RAY	✓		
POULSEN, HAROLD			✓
QUILICI, JOE			✓
REHBERG, DENNIS			✓
SPAETH, GARY	✓	late	✓
SWIFT, BERNIE	✓		
SWITZER, DEAN	✓		

EXHIBIT 1
DATE 3/6/87
HB 611

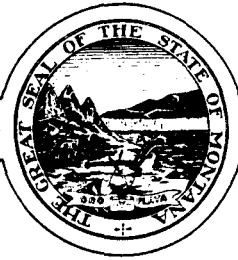
Proposed Amendment to HB 611

7/28

Page 1, line 16: Following: "contract."
Insert: "~~Fifteen percent~~ of the funds allocated to the designated subfund under this section shall be reallocated by the Montana board of regents of higher education to Montana college of mineral science and technology, eastern Montana college, northern Montana college, and western Montana college."

OFFICE OF THE GOVERNOR
BUDGET AND PROGRAM PLANNING

2
3/6/87
221



TED SCHWINDEN, GOVERNOR

STATE CAPITOL

STATE OF MONTANA

(406) 444-3616

HELENA, MONTANA 59620

M E M O R A N D U M

TO: Representative Gene Donaldson, Chairman
House Appropriations Committee

FROM: David L. Hunter, Director
Office of Budget and Program Planning *David L. Hunter*

RE: Inter-Agency Agreement To Provide One Stop Shopping Service

DATE: February 23, 1987

Presently, Motor Carriers can obtain virtually everything they need to operate within the state, and forty other jurisdictions throughout the nation, by contacting the GVW Division. This is generally accomplished through the mail. If a Motor Carrier requests a permanent Motor Fuels permit, GVW contacts the Motor Fuels Division which then mails all the application forms and information directly to the Carrier.

If a Motor Carrier enters a weigh station and needs PSC authority the GVW employee obtains the necessary information for registering ICC authority and sends the information directly to the PSC. The PSC then sends the Carrier the appropriate application forms.

All three agencies have for many years routinely transfer phone inquiries and mail requests to each other. To improve services, cross-training of agency staff will be initiated to insure that all agencies are knowledgeable of each others regulatory requirements.

At the present time there is an International Registration Plan (IRP) consisting of forty state jurisdictions which provides Motor Carriers the ability to register in their base state. This provides registration and GW authority in all participating states.

The Department of Highways and Revenue are currently entering into an agreement to allow the Department of Highways to become a member of the Base State Fuel Compact. This Compact operates as an integral part of the IRP.

By entering into the fuel compact and continuing inter-agency cooperation, convenience to Motor Carriers will be enhanced.

MOTOR

