

MINUTES
NATURAL RESOURCES SUBCOMMITTEE
50TH LEGISLATIVE SESSION
HOUSE OF REPRESENTATIVES

January 21, 1987

The meeting of the Natural Resources Subcommittee was called to order by Chairman Swift on January 21, 1987, at 8:15 a.m. in room 317 of the State Capitol.

ROLL CALL: All subcommittee members were present. Also present were Carl Schweitzer, Senior Fiscal Analyst, from the Office of the Legislative Fiscal Analyst (LFA) and Sib Clack, Budget Analyst, from the Office of Budget and Program Planning (OBPP).

Tape 30A

Department of Commerce

Indian Affairs Division

EXHIBIT 1 Subcommittee Action, Department of Commerce

Carl reviewed page 5 of Exhibit 1. Rep. Devlin MOVED to accept the LFA budget on Indian Profile Printing and the newsletter. (Items 1 and 2 under Differences)
Motion passed.

Business Assistance Division

EXHIBIT 2 Options for reducing general fund for
Business Assistance Division, Department of
Commerce, by 25%

Keith Colbo, Director, Department of Commerce, presented a response (Exhibit 2) to subcommittee request to reduce general fund appropriations 25%. He warned that a 25 percent cut would be severe to the business assistance program.

Sen. Smith spoke in favor of not funding the business assistance program. Sen. Smith said that he has watched the state bureaucracy grow beyond what the resources can support. He said that Montana's economy is in the worst shape it has ever been.

Rep. Devlin commented that this is one program that private business could support financially. Mr. Colbo said that eliminating the business assistance program would end any economic development efforts by state

government and eliminate most of the Build Montana economic development program enacted in 1983.

Rep. Spaeth wondered why the subcommittee was singling out the business assistance division. He asked if a motion would be in order, if this motion passed, to reconsider all previous subcommittee action on general fund budgets to eliminate all previous general fund spending. Chairman Swift said he has no problem with reconsidering previous actions. He asked members to keep in mind maintaining the essential parts of government. Rep. Spaeth voiced his concern about "essential functions". What may be essential to one person may not be essential to someone else. Rep. Spaeth stated that the business assistance program is essential. He said that Montana has to continue to work to gain jobs. The business assistance division is one of the opportunities that Montana has in tough times to go out and get business and try to replace jobs. Rep. Spaeth said that in tough times, that is the time to take chances.

Chairman Swift responded that he did not feel that this program was an essential service of Montana government. He favored funding essential services such as education, highways, and human services. Sen. Story said he was in favor of reducing the size of government. Sen. Smith said the biggest problem Montana has now is funding the programs it has. If the subcommittee eliminates funding for the business assistance program, it will save \$1.4 million in state funds and \$1.2 million in federal funds over the next two years.

Senator Smith MOVED to eliminate all general fund appropriations in the business and assistance program. Roll call vote. Motion passed with Reps. Manuel and Spaeth voting no.

Rep. Spaeth MOVED to reconsider past action on general fund appropriations. Rep. Devlin made a SUBSTITUTE MOTION to reconsider action on Department of Commerce budget. Motion passed with Rep. Manuel voting no.

Indian Affairs Division

Rep. Story MOVED to cut in half all general fund appropriations to Indian Affairs Division. (one-half of LFA budget) Roll Call Vote: Motion passed with Reps. Manuel and Spaeth voting no.

Transportation Division

Sen. Smith said he hoped records are kept of cuts. He stated that it is time to let people know that cuts in the budget are going to have to be made. Rep. Spaeth asked if this motion would save about \$20,000 per biennium of general fund monies. Sib replied that was correct. It would also save \$400,000 of matching county funds.

Sen. Story MOVED to take out the matched transportation funding of general fund monies Roll call vote: Motion passed with Sen. Boylan, and Reps. Manuel and Spaeth voting no. Rep. Spaeth opposed the motion because he believed the subcommittee could take out more funds out of this program.

Rep. Spaeth urged that the subcommittee isolate "essential services" at another meeting. Chairman Swift said that he would like to proceed with the Department of Commerce. Sen. Smith reminded members that further action can take place in the House Appropriations Committee, and by that time members may have a better revenue picture.

Tape 31

Coal Board

EXHIBIT 3 Subcommittee Action Work Sheet

Carl reviewed Exhibit 4. Carl explained that in Item 1, contracted services, the LFA figure is \$14,953 less than the executive.

Sen. Smith MOVED to accept the LFA budget on Item 1, contracted services. Motion passed.

Sen. Smith MOVED to accept the executive budget on Items 2. (Audit) Motion passed unanimously.

Sen. Smith MOVED TO ACCEPT THE EXECUTIVE ON Item 3 (Overtime). Motion passed unanimously.

Carl clarified that operation expenses fund the current staff to monitor coal board grants which were awarded in previous fiscal years. The increase in operating expenses are indirect costs of \$7,200 per year. The budget includes grant funding for one project in which the coal board had made a commitment for fiscal 1988. That project is the commitment of \$712,650 for the Yellowstone County jail. The intent was to fund only those administrative costs that were necessary and any commitments that had been previously made, with the remaining coal board funds to be left uncommitted.

Sen. Story suggested that the Coal Board find all committed money and report back to the subcommittee.

EXHIBIT 4, Tourism Promotion Figures, was distributed as requested by Rep. Devlin.

Hard Rock Board

Carl reviewed the hard rock portion of Exhibit 4, and the purpose of the Hard Rock Board.

Sen. Smith MOVED to accept the executive budget on Item 1. Motion carried. Sen. Boylan and Rep. Spaeth were absent.

Community Assistance Division

Carl reviewed the community assistance portion of Exhibit 4. He stated that there was only one minor difference and that was the issue of overtime costs. LFA didn't give the overtime costs and the executive office did. Sen. Smith said his main concern was not to let the employees take advantage of overtime hours.

Sen. Smith MOVED to accept the executive budget on Item 1. The motion passed.

Tape 31A

District Courts

Rep. Manuel MOVED to accept the executive budget on district courts. The motion passed.

County Land Planning

Rep. Manuel MOVED to accept the executive on County Land Planning. The motion passed, with Sen. Story voting no.

Local Government Block Grant

Carl reviewed the block grant budget. Sib distributed a worksheet that summarized the executive position-- EXHIBIT 5.

Sen. Smith asked Sib if there would be any difference in the general revenue projections as far as a budget is concerned. Sib answered that the executive budget recommendation is that there are no general fund monies

in 1988 and 1989 for the local government block grant. It would be strictly oil severance tax.

Sen. Regan addressed the subcommittee and encouraged members to address the issues as they exist, with the understanding that there will be two more chances to make an adjustment--House Appropriations and on the floor.

Rep. Manuel MOVED to accept the Executive Budget on Block Grant Program. Motion passed with Sens. Story and Smith voting no.

Carl pointed out that the subcommittee needs to deal with the judgment against the state in which the state owes Lewis and Clark County back local government block grant funds. He suggested that the subcommittee recommend a bill that would deal with the 1987 problem.

Rep. Devlin MOVED that this subcommittee recommend to the full appropriations committee a supplemental bill to pay the judgment to Lewis and Clark County. That money would come out of special revenue funds existing for FY87. The rest of that fund would be prorated throughout the counties. Motion passed unanimously.

Local Government Systems

Carl reviewed the local government systems budget.

Rep. Spaeth MOVED to accept the executive budget on this item. Motion passed.

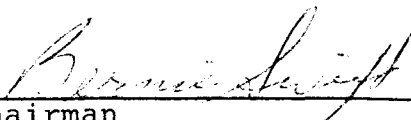
Tape 32A

Local Government Audit

Carl reviewed the local government audit budget.

Rep. Spaeth MOVED to accept the executive budget on Items 1 and 2 of the Local Government Audit budget. Motion passed.

The meeting adjourned at 11:45 a.m.



Chairman
Natural Resources Subcommittee

DAILY ROLL CALL

NATURAL RESOURCES

SUBCOMMITTEE

DATE _____

1/21/87

[illegible]

ROLL CALL VOTE

NATURAL RESOURCES

SUB-COMMITTEE

DATE _____

BILL NO.

NUMBER

[illegible]

TALLY

4 3

Secretary

Chairman

MOTION:

MOTION: Stay Korman at his usual room
to go for his car for equine transportation

Form CS-31
Rev. 1985

ROLL CALL VOTE

NATURAL RESOURCES

SUB-COMMITTEE

DATE 1/21 BILL NO. _____ NUMBER _____

[illegible]

TALLY

5 2

Secretary

Chairman

MOTION:

Secretary *Reduce to* Chairman

MOTION: *Stay* *Amend to* *you work in LFF*
budget.

Second

ROLL CALL VOTE

NATURAL RESOURCES

SUB-COMMITTEE

DATE 1/21/37 BILL NO. _____ NUMBER _____

[illegible]

TALLY

5 2

Secretary

Chairman

MOTION:

[illegible]

Paul

Subcommittee Action

Agency: Commerce

Program: Bus. Assistance

	Fiscal 1988			Fiscal 1989		
	Executive	Current Level	Difference	Executive	Current Level	Difference
FTE	16.00	12.00	4.00	16.00	12.00	4.00
Personal Serv.	\$ 485,509	\$367,858	\$117,651	\$ 485,556	\$368,123	\$117,433
Operating Exp.	807,953	326,035	481,918	896,433	323,569	572,864
Equipment	4,570	4,000	570	-0-	-0-	-0-
Total Exp.	\$1,298,032	\$697,893	\$600,139	\$1,381,989	\$691,692	\$690,297
Funding						
General Fund	\$ 686,692	\$697,893	\$(11,201)	\$ 683,219	\$691,692	\$ (8,473)
State Spec. Rev.	30,114	-0-	30,114	59,257	-0-	59,257
Federal	581,226	-0-	581,226	639,513	-0-	639,513
Total Funding	\$1,298,032	\$697,893	\$600,139	\$1,381,989	\$691,692	\$690,297

Differences	Add to (Subtract From) LFA Current Level		Subcommittee Action	
	Fiscal 1988	Fiscal 1989	Fiscal 1988	Fiscal 1989
1. Advertising Funding (Private Funds)	\$300,000	\$300,000		
2. Continuation of 5% Cuts				
a. Contract Service	(7,847)	(7,565)		
b. Travel	(5,633)	(5,633)		
3. Equipment				
Office Equipment	(2,000)	(2,000)		
4. MOO Pacific Rim Trade Office (Private & Accomodations Tax)	90,340	177,770		
5. MOO Small Business Development Centers (Federal Funds)	221,000	221,000		

Agency: Commerce

Subcommittee Action

Program: Montana Promotion

	----- Fiscal 1988 -----			----- Fiscal 1989 -----		
	<u>Executive</u>	<u>Current Level</u>	<u>Difference</u>	<u>Executive</u>	<u>Current Level</u>	<u>Difference</u>
FTE	14.00	11.00	3.00	14.00	11.00	3.00
Personal Serv.	\$ 350,120	\$ 275,178	\$ 74,942	\$ 349,857	\$ 275,040	\$ 74,817
Operating Exp.	3,364,106	1,171,523	2,192,583	3,440,449	1,168,487	2,271,962
Equipment	3,900	329	3,571	1,100	329	771
Non-Operating	1,211,169	-0-	1,211,169	1,235,607	-0-	1,235,607
Total Exp.	<u>\$4,929,295</u>	<u>\$1,477,030</u>	<u>\$ 3,482,265</u>	<u>\$5,027,013</u>	<u>\$1,443,856</u>	<u>\$ 3,583,157</u>

Funding

General Fund	\$ -0-	\$1,447,030	\$(1,447,030)	\$ -0-	\$1,443,856	\$(1,443,856)
State Spec. Rev.	4,579,295	-0-	4,579,295	4,677,013	-0-	4,677,013
Federal	350,000	-0-	350,000	350,000	-0-	350,000
Total Funding	<u>\$4,929,295</u>	<u>\$1,447,030</u>	<u>\$ 3,482,265</u>	<u>\$5,027,013</u>	<u>\$1,443,858</u>	<u>\$ 3,583,157</u>

Add to (Subtract From)

LFA Current Level

Subcommittee Action

DifferencesFiscal 1988Fiscal 1989Fiscal 1988Fiscal 1989

1. Budget Contingent Upon
 - Legislation on Accomodations
 - Tax

Agency: Commerce

Subcommittee Action

Program: Science and Technology

	----- Fiscal 1988 -----			----- Fiscal 1989 -----		
	<u>Executive</u>	<u>Current Level</u>	<u>Difference</u>	<u>Executive</u>	<u>Current Level</u>	<u>Difference</u>
FTE	5.00	0.00	5.00	6.00	0.00	6.00
Personal Serv.	\$ 162,888	\$ -0-	\$ 162,888	\$ 190,020	\$ -0-	\$ 190,020
Operating Exp.	89,373	-0-	89,373	99,869	-0-	99,869
Equipment	4,449	-0-	4,449	2,290	-0-	2,290
Non-Operating	<u>1,178,260</u>	<u>-0-</u>	<u>1,178,260</u>	<u>1,240,269</u>	<u>-0-</u>	<u>1,240,269</u>
Total Exp.	<u>\$1,434,970</u>	<u>\$ -0-</u>	<u>\$1,434,970</u>	<u>\$1,532,448</u>	<u>\$ -0-</u>	<u>\$1,532,448</u>

Funding

State Spec. Rev.	\$1,362,421	\$ -0-	\$1,362,421	\$1,427,388	\$ -0-	\$1,427,388
Federal	72,549	-0-	72,549	1,362,421	-0-	1,362,541
Proprietary	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>1,362,421</u>	<u>-0-</u>	<u>1,362,421</u>
Total Funding	<u>\$1,434,970</u>	<u>\$ -0-</u>	<u>\$1,434,970</u>	<u>\$4,152,230</u>	<u>\$ -0-</u>	<u>\$4,152,230</u>

Add to (Subtract From)

LFA Current Level

Subcommittee Action

<u>Differences</u>	<u>Fiscal 1988</u>	<u>Fiscal 1989</u>	<u>Fiscal 1988</u>	<u>Fiscal 1989</u>
1. Continuation of Current Level	\$1,345,000	\$1,410,000		
2. MOD Secretarial Position	17,421	17,388		
3. MOD Seed Capital				
2 FTE in 1988				
3 FTE in 1989	72,549	105,060		
4. Difference in Alt. Energy Rev.				
5. Language on commerce getting the portion of the Coal Severance Tax apportioned to Alternative Energy and DNRC gets loan repayments				

Subcommittee Action
Agency: Commerce

Program: Economic Analysis

	----- Fiscal 1988 -----			----- Fiscal 1989 -----		
	<u>Executive</u>	<u>Current Level</u>	<u>Difference</u>	<u>Executive</u>	<u>Current Level</u>	<u>Difference</u>
FTE	7.00	7.00	0.00	7.00	7.00	0.00
Personal Serv.	\$192,578	\$196,125	\$(3,547)	\$192,374	\$195,926	\$(3,552)
Operating Exp.	114,200	58,641	55,559	109,230	57,096	52,134
Equipment	<u>1,411</u>	<u>2,131</u>	<u>(720)</u>	<u>1,188</u>	<u>1,908</u>	<u>(720)</u>
Total Exp.	<u>\$308,189</u>	<u>\$256,897</u>	<u>\$51,292</u>	<u>\$302,792</u>	<u>\$254,930</u>	<u>\$47,862</u>
<u>Funding</u>						
General Fund	\$268,189	\$236,897	\$31,292	\$262,792	\$234,930	\$27,862
State Spec. Rev.	<u>40,000</u>	<u>20,000</u>	<u>20,000</u>	<u>40,000</u>	<u>20,000</u>	<u>20,000</u>
Total Funding	<u>\$308,189</u>	<u>\$256,897</u>	<u>\$51,292</u>	<u>\$302,792</u>	<u>\$254,930</u>	<u>\$47,862</u>

	Add to (Subtract From)		Subcommittee Action	
	LFA Current Level			
<u>Differences</u>	<u>Fiscal 1988</u>	<u>Fiscal 1989</u>	<u>Fiscal 1988</u>	<u>Fiscal 1989</u>
1. Governor's Council Per Diem	\$(3,500)	\$(3,500)	_____	_____
2. Operating Expenses				
LFA used 1986 appropriated as base.				
Executive used 1986 expenditure as base	49,323	49,323	_____	_____
Difference is \$29,323/yr general fund and \$20,000/yr federal funds				
3. Additional LFA Gen. Fund Reductions 2,500		2,500	_____	_____
4. Indirect Charges	3,570	3,540	_____	_____

Subcommittee Action
Agency: Commerce **Program: Health Facilities Authority**

	- - - - - Fiscal 1988 - - - - -			- - - - - Fiscal 1989 - - - - -		
	<u>Executive</u>	<u>Current Level</u>	<u>Difference</u>	<u>Executive</u>	<u>Current Level</u>	<u>Difference</u>
FTE	3.00	3.00	0.00	3.00	3.00	0.00
Personal Serv.	\$ 74,446	\$ 74,459	\$ (13)	\$ 74,418	\$ 74,435	\$ (17)
Operating Exp.	49,477	48,136	1,341	48,859	40,546	8,313
Equipment	<u>265</u>	<u>265</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
 Total Exp.	 <u>\$124,188</u> <u>=====</u>	 <u>\$122,860</u> <u>=====</u>	 <u>\$1,328</u> <u>=====</u>	 <u>\$123,277</u> <u>=====</u>	 <u>\$114,981</u> <u>=====</u>	 <u>\$8,296</u> <u>=====</u>

Funding

Federal Funds	<u>\$124,188</u> <u>=====</u>	<u>\$122,860</u> <u>=====</u>	<u>\$1,328</u> <u>=====</u>	<u>\$123,277</u> <u>=====</u>	<u>\$114,981</u> <u>=====</u>	<u>\$8,296</u> <u>=====</u>
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	Add to (Subtract From) LFA Current Level		Subcommittee Action	
<u>Differences</u>	<u>Fiscal 1988</u>	<u>Fiscal 1989</u>	<u>Fiscal 1988</u>	<u>Fiscal 1989</u>
1. Correction to Put Audit in Both Fiscal Years	\$(4,000)	\$ 3,000	_____	_____
2. Legal Fees	4,140	4,140	_____	_____
3. Printing & Publication	2,700	2,700	_____	_____
4. Dues - Full Year dues - Nat. Council of Health Facilities Financing Authorities	2,050	2,050	_____	_____
5. Executive Cuts - Out of State Travel	(2,745)	(2,745)	_____	_____

Agency: Commerce

Subcommittee Action

Program: Indian Affairs

	Fiscal 1988			Fiscal 1989		
	Executive	Current Level	Difference	Executive	Current Level	Difference
FTE	2.00	2.00	0.00	2.00	2.00	0.00
Personal Serv.	\$55,339	\$55,346	\$ (7)	\$55,396	\$55,408	\$ (12)
Operating Exp.	38,693	32,273	6,420	34,835	32,020	2,815
Total Exp.	\$94,032	\$87,619	\$6,413	\$90,231	\$87,428	\$2,803

Funding

General Fund	\$94,032	\$87,619	\$6,413	\$90,231	\$87,428	\$2,803
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Differences	Add to (Subtract From)		Subcommittee Action	
	Fiscal 1988	Fiscal 1989	Fiscal 1988	Fiscal 1989
1. Indian Profile Printing				
Printing	\$2,840	-0-		
Mailing	550	-0-		
2. Newsletter				
Printing	\$1,126	1,126		
Mailing	600	600		
3. Answering Service	200	200		

OPTION I

ELIMINATE: Business Licensing Center/Small Business Advocate	
Montana Promotion	
Assistance to Manufacturers	
General Fund Reduction:	\$171,000
ALSO LOST: Small Business Development Center	
Federal Funds:	221,000
Other Match :	110,500
Private Match for Recruitment Advertising	<u>300,000</u>
Total Financial Impact:	<u>\$302,500</u>

Impact on Activities

1. Eliminate all assistance to businesses in making them aware of and helping them to comply with state business license and fee requirements; (Presently over 3,100 calls a year are received from firms seeking such assistance.)
2. Eliminate the toll-free small business hotline;
3. Eliminate all "Made in Montana" promotion activities -- billboards, television and radio public service announcements, hangtags, shelf talkers, etc.;
(Over 2,100 firms use the "Made in Montana" label, and more than 1,700 retail stores carry and feature Montana-made products. Nearly \$500,000 in public service advertising time has been accrued to the campaign in the last two years.)
4. Discontinue the travelling Montana products display booth used in grocery stores, shopping malls, county fairs, and at trade shows to showcase and promote Montana-made goods;
5. Discontinue buyers' shows held annually to acquaint Montana wholesale and retail firms with available Montana products;
6. Discontinue all services to manufacturers in the areas of government contracting, production management and control, identification of supply and subcontract sources in Montana, and so forth.
(Many Montana firms now regularly receive government contract leads from the Division. Improvements in manufacturing processes, cost or quality control, and other areas may be essential to business profitability or survival.)
7. Cease publication of the Montana Manufacturers Directory; (This is used not only by Montanans looking for specific products or manufacturing capabilities, but also by out-of-state firms seeking manufacturing resources.)

8. Cease publication of the Montana Products Directory;
(This book is a major source of information for retail stores.)
9. Cease publication of the "Guide for Home-Based Businesses";
10. Cease publication of the guide to Montana economic development programs (which covers all state resources, not just those of the Business Assistance Division).
11. Eliminate the ability to take advantage of federal Small Business Administration funding for Small Business Development Centers.
(Four technical assistance positions would be eliminated, including two to be based in Eastern Montana at Dawson Community College. Small business data center program would be eliminated, as would SBDC technical assistance and training services to be provided to Montana small businesses. It is estimated that at least 500 businesses and 700 potential training program participants would be adversely affected by this action.)
12. Discontinue staff support of the Montana Ambassadors
13. Eliminate the Division's ability to prepare and carry out regional or national business recruitment advertising activities. This would result in the loss of private sector support.

OPTION II

ELIMINATE: Business Licensing Center/Small Business Advocate	
Financial Planning/Loan Packaging (one position)	
Business Recruitment (one position)	
Montana Promotion	
General Fund Reduction:	\$171,000
ALSO LOST: Small Business Development Center	
Federal Funds:	221,000
Other Match :	110,500
Private Match for Recruitment Advertising	<u>300,000</u>
Total Financial Impact	<u>\$802,500</u>

Impact on Activities

1. Eliminate all assistance to businesses in making them aware of and helping them to comply with state business license and fee requirements;
2. Eliminate all "Made in Montana" promotion activities -- billboards, television and radio public service announcements, hangtags, shelf talkers, etc.
3. Discontinue the travelling Montana products display booth used in grocery stores, shopping malls, county fairs, and at trade shows to showcase and promote Montana-made goods;
4. Discontinue buyers' shows held annually to acquaint Montana wholesale and retail firms with available Montana products;
5. Cease publication of the Montana Products Directory;
6. Cease publication of the guide to Montana's economic development programs;
7. Cease publication of the "Guide for Home-based Businesses";
8. Eliminate the toll-free small business hotline;
9. Cut by one-half the Business Assistance Division's ability to help businesses prepare loan packages and secure needed financing;
10. Eliminate the Division's ability to work with financial institutions to promote and explain and encourage the use of the state's development finance programs;
11. Discontinue staff support of the Montana Ambassadors;
12. Eliminate the Division's ability to take advantage of federal Small Business Administration funding for Small Business Development Centers;
13. Eliminate the ability to prepare and carry out national or regional business recruitment advertising activities. This would result in the loss of private sector funding;
14. Eliminate one-half of the Division's capacity to respond to business recruitment leads. There would be no ability to generate leads, only to respond to inquiries.

OPTION III

ELIMINATE: Business Licensing Center/Small Business Advocate
Assistance to Local Development Organizations
Business Recruitment (one position)
International Trade Office

General Fund Reductions: \$171,000

ALSO LOST: Small Business Development Center

Federal Funds:	221,000
Other Match:	110,500
Private Match for Recruitment Advertising	300,000
Pacific Rim Trade Office	<u>90,300</u>

Total Financial Impact: \$892,800

Impact on Activities

1. Eliminate all assistance to businesses in making them aware of and helping them to comply with state business license and fee requirements;
2. Cease publication of the guide to Montana's economic development programs;
3. Eliminate the toll-free small business hotline;
4. Cease publication of the "Guide for Home-based Businesses";
5. Discontinue staff support of the Montana Ambassadors;
6. Eliminate the Division's ability to take advantage of federal Small Business Administration funding for Small Business Development Centers;
7. Eliminate assistance to local communities in planning and carrying out local development programs;
8. Discontinue the Montana Certified Communities Program, in which nearly 50 cities, towns, counties, and tribes are currently participating;
9. Eliminate the Division's ability to prepare and carry out national or regional business recruitment advertising activities. This would result in the loss of private sector financial support.
10. Eliminate one-half of the Division's capacity to respond to business recruitment leads. There would be no ability to generate leads, only to respond to inquiries.
11. Eliminate the Division's monitoring and dissemination of trade leads to current or potential exporters;
12. Eliminate all technical assistance to Montana firms engaged in exporting;
13. Elimination of the free Telex service for exporters;
14. Elimination of the ability to respond to foreign inquiries regarding Montana products or services;
15. Elimination of Montana state participation in foreign trade shows and assistance to Montana firms participating in those shows;
16. Elimination of efforts being made to encourage greater U.S./Canada trade activities;
17. Discontinue publication of "Montana Exporters Guide";
18. Loss of Division-based trade office, which would result in loss of Pacific Rim office support

OPTION IV

ELIMINATE: Marketing Assistance	
Montana Promotion	
Business Recruitment (one position)	
General Fund Reduction:	\$171,000
ALSO LOST: Small Business Development Center	
Federal Funds:	221,000
Other Match :	110,500
Private Match for Recruitment Advertising	<u>300,000</u>
Total Financial Impact:	<u>\$802,500</u>

Impact on Activities

1. Eliminate all marketing technical assistance to businesses;
(Since the beginning of the current fiscal year, extended counseling has been provided to over 162 firms or individuals, and responses made to 736 telephone inquiries)
2. Eliminate Montana products participation in national and regional trade shows;
3. Eliminate marketing seminars for Montana producers;
(Over 450 people attended the Division's seminars held in the Fall of 1987)
4. Eliminate all "Made in Montana" promotion activities -- billboards, hangtags, shelf talkers, public service announcements, etc.
5. Discontinue the travelling Montana products display booth used in grocery stores, shopping malls, county fairs, and at trade shows to showcase and promote Montana-made goods;
6. Discontinue buyers' shows held annually to acquaint Montana wholesale and retail firms with available Montana products;
7. Cease publication of the Montana Products Directory;
8. Eliminate the Division's ability to take advantage of federal Small Business Administration funding for Small Business Development Centers;
9. Discontinue staff support for the Montana Ambassadors;
10. Eliminate the ability to prepare and carry out national or regional recruitment or advertising activities. This would result in the loss of private sector support for business recruitment activities.
11. Eliminate one-half of the Division's capacity to respond to business recruitment leads. There would be no ability to generate leads, only to respond to inquiries.

Subcommittee Action

Agency: Commerce **Program: Coal Board**

	----- Fiscal 1988 -----			----- Fiscal 1989 -----		
	<u>Executive</u>	<u>Current Level</u>	<u>Difference</u>	<u>Executive</u>	<u>Current Level</u>	<u>Difference</u>
FTE	2.50	2.50	0.00	2.50	2.50	0.00
Personal Serv.	\$ 83,376	\$ 82,390	\$ 986	\$ 83,488	\$ 82,508	\$ 980
Operating Exp.	83,577	59,206	24,371	82,484	49,977	32,507
Equipment	223	-0-	223	-0-	-0-	-0-
Non-Operating	<u>815,824</u>	<u>4,154,104</u>	<u>(3,338,280)</u>	<u>857,028</u>	<u>4,375,002</u>	<u>(3,517,974)</u>
Total Exp.	<u>\$983,000</u>	<u>\$4,295,700</u>	<u>\$(3,312,700)</u>	<u>\$1,023,000</u>	<u>\$4,507,487</u>	<u>\$(3,484,487)</u>

Funding

State Spec. Rev.	<u>\$983,000</u>	<u>\$4,295,700</u>	<u>\$(3,312,700)</u>	<u>\$1,023,000</u>	<u>\$4,507,487</u>	<u>\$(3,484,487)</u>
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	Add to (Subtract From)		Subcommittee Action	
	LFA Current Level			
<u>Differences</u>	<u>Fiscal 1988</u>	<u>Fiscal 1989</u>	<u>Fiscal 1988</u>	<u>Fiscal 1989</u>
1. Contract Service	\$ 15,953	\$ 15,953	<u>LFA</u>	
2. Audit		8,000	<u>EXC</u>	
3. Overtime	1,090	1,090	<u>BYG</u>	
4. Grants	(3,338,280)	(3,517,974)		

Subcommittee Action

Agency: Commerce

Program: Hard Rock Board

	----- Fiscal 1988 -----			----- Fiscal 1989 -----		
	<u>Executive</u>	<u>Current Level</u>	<u>Difference</u>	<u>Executive</u>	<u>Current Level</u>	<u>Difference</u>
FTE	2.00	2.00	0.00	2.00	2.00	0.00
Personal Serv.	\$ 61,029	\$ 61,051	\$ (22)	\$ 61,066	\$ 61,093	\$ (27)
Operating Exp.	43,961	29,399	14,562	43,495	29,209	14,286
Non-Operating	-0-	1,008,550	(1,008,550)	-0-	1,280,698	(1,280,698)
Total Exp.	<u>\$104,990</u>	<u>\$1,099,000</u>	<u>\$ (994,010)</u>	<u>\$104,561</u>	<u>\$1,371,000</u>	<u>\$(1,266,439)</u>
<u>Funding</u>						
State Spec. Rev.	<u>\$104,990</u>	<u>\$1,099,000</u>	<u>\$ (994,010)</u>	<u>\$104,561</u>	<u>\$1,371,000</u>	<u>\$(1,266,439)</u>
Total Funding						

	Add to (Subtract From)		Subcommittee Action	
	LFA Current Level			
<u>Differences</u>	<u>Fiscal 1988</u>	<u>Fiscal 1989</u>	<u>Fiscal 1988</u>	<u>Fiscal 1989</u>
1. Executive Project Increases in Hard Rock mining activity	\$ 14,562	\$ 14,286		
2. Trust Fund Appropriation	(1,008,550)	(1,280,698)		

Subcommittee Action

Agency: Commerce **Program: Community Assistance**

	- - - - - Fiscal 1988 - - - - -			- - - - - Fiscal 1989 - - - - -		
	<u>Executive</u>	<u>Current Level</u>	<u>Difference</u>	<u>Executive</u>	<u>Current Level</u>	<u>Difference</u>
FTE	8.50	8.50	0.00	8.50	8.50	0.00
Personal Serv.	\$ 247,291	\$ 245,833	\$ 1,458	\$ 247,078	\$ 245,621	\$ 1,457
Operating Exp.	152,104	140,929	11,175	150,603	139,307	11,296
Equipment	223	223	-0-	-0-	-0-	-0-
Non-Operating	<u>5,262,651</u>	<u>5,262,651</u>	<u>0-</u>	<u>5,262,673</u>	<u>5,262,651</u>	<u>22</u>
 Total Exp.	 \$5,662,269 =====	 \$5,649,636 =====	 \$12,633 =====	 \$5,660,354 =====	 \$5,647,579 =====	 \$12,775 =====
 <u>Funding</u>						
General Fund	\$ 214,613	\$ 211,539	\$ 3,074	\$ 213,839	\$ 209,481	\$ 4,358
Federal	<u>5,447,656</u>	<u>5,438,097</u>	<u>9,559</u>	<u>5,446,515</u>	<u>5,438,098</u>	<u>8,417</u>
 Total Funding	 \$5,662,269 =====	 \$5,649,636 =====	 \$12,633 =====	 \$5,660,354 =====	 \$5,647,579 =====	 \$12,775 =====

	Add to (Subtract From)		Subcommittee Action	
	LFA Current Level			
<u>Differences</u>	<u>Fiscal 1988</u>	<u>Fiscal 1989</u>	<u>Fiscal 1988</u>	<u>Fiscal 1989</u>
1. Overtime	\$1,458	\$1,457	-	-

Subcommittee Action

Agency: Commerce

Program: District Court

	- - - - - Fiscal 1988 - - - - -			- - - - - Fiscal 1989 - - - - -		
	<u>Executive</u>	<u>Current Level</u>	<u>Difference</u>	<u>Executive</u>	<u>Current Level</u>	<u>Difference</u>
FTE	1.00	1.00	0.00	1.00	1.00	0.00
Personal Serv.	\$ 17,772	\$ 17,772	\$ -0-	\$ 17,791	\$ 17,793	\$ (2)
Operating Exp.	52,911	62,128	(9,217)	52,926	13,251	39,675
Equipment	-0-	-0-	-0-	2,429,283	2,500,000	(70,717)
Non-Operating	<u>2,429,317</u>	<u>2,500,000</u>	<u>(79,900)</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
 Total Exp.	 <u>\$2,500,000</u>	 <u>\$2,579,000</u>	 <u>\$(79,000)</u>	 <u>\$2,500,000</u>	 <u>\$2,531,044</u>	 <u>\$(31,044)</u>
 <u>Funding</u>						
General Fund	<u>\$2,500,000</u>	<u>\$2,579,000</u>	<u>\$(79,000)</u>	<u>\$2,500,000</u>	<u>\$2,531,044</u>	<u>\$(31,044)</u>

	Add to (Subtract From)		Subcommittee Action	
	LFA Current Level			
<u>Differences</u>	<u>Fiscal 1988</u>	<u>Fiscal 1989</u>	<u>Fiscal 1988</u>	<u>Fiscal 1989</u>

Agency: Commerce

Subcommittee Action

Program: County Land Planning

	----- Fiscal 1988 -----			----- Fiscal 1989 -----		
	<u>Executive</u>	<u>Current Level</u>	<u>Difference</u>	<u>Executive</u>	<u>Current Level</u>	<u>Difference</u>
FTE	0.00	0.00	0.00	0.00	0.00	0.00
Non-Operating Exp.	\$299,000 =====	\$245,469 =====	\$53,531 =====	\$311,000 =====	\$257,571 =====	\$53,429 =====
<u>Funding</u>						
State Spec. Rev.	\$299,000 =====	\$245,469 =====	\$53,531 =====	\$311,000 =====	\$257,571 =====	\$53,429 =====

	Add to (Subtract From)		Subcommittee Action	
	LFA Current Level			
<u>Differences</u>	<u>Fiscal 1988</u>	<u>Fiscal 1989</u>	<u>Fiscal 1988</u>	<u>Fiscal 1989</u>

1. Revenue estimate differences
 - 0.38 percent of total coal severance tax

Agency: Commerce

Subcommittee Action

Program: Local Gov't Block Grant

	----- Fiscal 1988 -----			----- Fiscal 1989 -----		
	<u>Executive</u>	<u>Current Level</u>	<u>Difference</u>	<u>Executive</u>	<u>Current Level</u>	<u>Difference</u>
FTE	0.00	0.00	0.00	0.00	0.00	0.00
Non-Operating Exp.	<u>\$8,836,000</u>	<u>\$17,971,867</u>	<u>\$(9,135,867)</u>	<u>\$9,414,000</u>	<u>\$18,356,358</u>	<u>\$(8,942,358)</u>
<u>Funding</u>						
General Fund	\$ -0-	\$11,557,687	\$(11,557,687)	\$ -0-	\$12,038,358	\$(12,038,358)
State Spec. Rev.	<u>8,836,000</u>	<u>6,414,000</u>	<u>2,422,000</u>	<u>9,414,000</u>	<u>6,318,000</u>	<u>3,096,000</u>
Total Funding	<u>\$8,836,000</u>	<u>\$17,971,687</u>	<u>\$(9,135,687)</u>	<u>\$9,414,000</u>	<u>\$18,356,358</u>	<u>\$(8,942,358)</u>

Add to (Subtract From)

LFA Current Level

Subcommittee Action

DifferencesFiscal 1988Fiscal 1989Fiscal 1988Fiscal 1989

Table 20
Local Government Block Grant Funding Options

	- - - - Fiscal 1988 - - - -		- - - - Fiscal 1989 - - - -	
	<u>Revenues</u>	<u>Percent of Program Funded</u>	<u>Revenues</u>	<u>Percent of Program Funded</u>
Fully Funded LGBG Program	\$17,971,867	100.0%	\$18,356,358	100.0%
Option A:				
Oil Severance Tax	6,414,000	35.7%	6,318,000	34.4%
Option B:				
Oil Severance Tax	6,414,000		6,318,000	
Reinstate Vehicle Fees	<u>2,313,100</u>		<u>2,313,100</u>	
Total Option B	\$ 8,727,100 =====	48.6% =====	\$ 8,631,100 =====	47.0% =====
Option C:				
Oil Severance Tax	6,414,000		6,318,100	
Reinstate Vehicle Fees	2,313,100		2,313,100	
Raise Vehicle Fees (\$5.00/veh)	3,220,000		3,220,000	
General Fund	<u>5,000,000</u>		<u>5,000,000</u>	
Total Option C	\$16,947,100 =====	94.3% =====	\$16,851,200 =====	91.8% =====
Option D:				
Oil Severance Tax	6,414,000		6,318,000	
Reinstate Vehicle Fees	2,313,100		2,313,100	
Raise Vehicle Fees (\$5.00/veh)	<u>3,220,000</u>		<u>3,220,000</u>	
Total Option D	\$11,947,100 =====	66.5% =====	\$11,851,100 =====	64.6% =====
Option E:				
Oil Severance Tax	6,414,000		6,318,000	
(Current Level) General Fund	<u>11,557,867</u>		<u>12,038,358</u>	
Total Option E	\$17,971,867 =====	100.0% =====	\$18,356,358 =====	100.0% =====

Agency: Commerce

Subcommittee Action

Program: Local Gov't Systems

	Fiscal 1988			Fiscal 1989		
	<u>Executive</u>	<u>Current Level</u>	<u>Difference</u>	<u>Executive</u>	<u>Current Level</u>	<u>Difference</u>
FTE	6.00	5.30	0.70	6.00	5.30	0.70
Personal Serv.	\$184,089	\$168,776	\$15,313	\$183,851	\$168,562	\$15,289
Operating Exp.	69,277	68,278	999	67,719	68,505	(786)
Equipment	<u>4,250</u>	<u>4,250</u>	<u>-0-</u>	<u>4,250</u>	<u>4,250</u>	<u>-0-</u>
Total Exp.	<u>\$257,616</u>	<u>\$241,304</u>	<u>\$16,312</u>	<u>\$255,820</u>	<u>\$241,317</u>	<u>\$14,503</u>
<u>Funding</u>						
General Fund	\$ 87,208	\$ 87,177	\$ 91	\$ 87,208	\$ 87,117	\$ 91
State Spec. Rev.	<u>170,408</u>	<u>154,187</u>	<u>16,221</u>	<u>168,612</u>	<u>154,200</u>	<u>14,412</u>
Total Funding	<u>\$257,616</u>	<u>\$241,304</u>	<u>\$16,312</u>	<u>\$255,820</u>	<u>\$241,317</u>	<u>\$14,503</u>

<u>Differences</u>	Add to (Subtract From)		Subcommittee Action	
	<u>Fiscal 1988</u>	<u>Fiscal 1989</u>	<u>Fiscal 1988</u>	<u>Fiscal 1989</u>
1. Vacant position cut by LFA	\$15,313	\$15,289		

Agency: Commerce

Subcommittee Action

Program: L.G. Audit

	----- Fiscal 1988 -----			----- Fiscal 1989 -----		
	<u>Executive</u>	<u>Current Level</u>	<u>Difference</u>	<u>Executive</u>	<u>Current Level</u>	<u>Difference</u>
FTE	28.20	24.70	3.50	28.20	24.70	3.50
Personal Serv.	\$ 758,074	\$ 679,476	\$ 78,598	\$ 758,002	\$ 629,550	\$78,444
Operating Exp.	268,137	237,833	30,304	261,899	231,738	30,252
Equipment	13,000	13,000	-0-	10,500	10,500	-0-
Non-Operating	-0-	87,054	(87,054)	-0-	-0-	87,054
Total Exp.	<u>\$1,039,211</u>	<u>\$1,017,363</u>	<u>\$ 21,848</u>	<u>\$1,030,301</u>	<u>\$1,008,850</u>	<u>\$21,451</u>

Funding

General Fund	\$ 87,768	\$ 87,054	\$ 714	\$ 87,768	\$ 87,054	\$ 714
State Spec. Rev.	<u>951,443</u>	<u>930,309</u>	<u>21,134</u>	<u>942,533</u>	<u>921,796</u>	<u>20,737</u>
Total Funding	<u>\$1,039,211</u>	<u>\$1,017,363</u>	<u>\$ 21,848</u>	<u>\$1,030,301</u>	<u>\$1,008,850</u>	<u>\$21,451</u>

Add to (Subtract From)

LFA Current Level

Subcommittee Action

<u>Differences</u>	<u>Fiscal 1988</u>	<u>Fiscal 1989</u>	<u>Fiscal 1988</u>	<u>Fiscal 1989</u>
1. 2 secretarial positions from Centralized Services to state employees	\$25,433	\$25,388		
2. LFA eliminated 2.0 vacant positions				
A. Personal Services	53,165	53,056		
B. Travel	15,000	15,000		

Agency: Commerce

Subcommittee Action

Program: Local Gov't Admin.

	Fiscal 1988			Fiscal 1989		
	Executive	Current Level	Difference	Executive	Current Level	Difference
FTE	2.00	2.00	0.00	2.00	2.00	0.00
Personal Serv.	\$84,496	\$84,554	\$ (58)	\$84,551	\$84,615	\$ (64)
Operating Exp.	<u>15,424</u>	<u>12,986</u>	<u>2,438</u>	<u>14,967</u>	<u>12,537</u>	<u>2,420</u>
Total Exp.	<u>\$99,920</u>	<u>\$97,540</u>	<u>\$2,380</u>	<u>\$99,518</u>	<u>\$97,152</u>	<u>\$2,366</u>

Funding

State Spec. Rev.	<u>\$99,920</u>	<u>\$97,540</u>	<u>\$2,380</u>	<u>\$99,518</u>	<u>\$97,152</u>	<u>\$2,366</u>
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Add to (Subtract From)

LFA Current Level

Subcommittee Action

Differences

Fiscal 1988

Fiscal 1989

Fiscal 1988

Fiscal 1989

1. Operating expenses for the
attorney position

\$1,650

\$1,650

Agency: Commerce

Subcommittee Action

Program: Housing Assistance

	- - - - - Fiscal 1988 - - - - -			- - - - - Fiscal 1989 - - - - -		
	<u>Executive</u>	<u>Current Level</u>	<u>Difference</u>	<u>Executive</u>	<u>Current Level</u>	<u>Difference</u>
FTE	7.00	7.00	0.00	7.00	7.00	0.00
Personal Serv.	\$ 182,964	\$ 183,101	\$ (137)	\$ 183,206	\$ 183,362	\$ (156)
Operating Exp.	110,313	107,565	2,748	106,732	106,061	671
Equipment	1,249	1,249	-0-	696	696	-0-
Non-Operating	<u>9,740,286</u>	<u>9,732,120</u>	<u>8,166</u>	<u>9,744,360</u>	<u>9,736,196</u>	<u>8,164</u>
Total Exp.	<u>\$10,034,812</u>	<u>\$10,024,035</u>	<u>\$10,777</u>	<u>\$10,034,994</u>	<u>\$10,026,315</u>	<u>\$8,679</u>

Funding

Federal	<u>\$10,034,812</u>	<u>\$10,024,035</u>	<u>\$10,777</u>	<u>\$10,034,994</u>	<u>\$10,026,315</u>	<u>\$8,679</u>
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Total Funding

Add to (Subtract From)

LFA Current Level

Subcommittee Action

<u>Differences</u>	<u>Fiscal 1988</u>	<u>Fiscal 1989</u>	<u>Fiscal 1988</u>	<u>Fiscal 1989</u>
1. Updated Revenue Estimate	\$8,166	\$8,164		

Subcommittee Action

Agency: Commerce

Program: Board of Housing

	Fiscal 1988			Fiscal 1989		
	Executive	Current Level	Difference	Executive	Current Level	Difference
FTE	14.00	14.00	0.00	14.00	14.00	0.00
Personal Serv.	\$ 387,440	\$ 386,787	\$ 653	\$ 388,068	\$ 387,115	\$ 953
Operating Exp.	687,080	809,237	(122,157)	684,792	765,904	(81,112)
Equipment	-0-	2,890	-0-	-0-	2,890	-0-
Total Exp.	<u>\$1,074,520</u>	<u>\$1,198,914</u>	<u>\$(124,394)</u>	<u>\$1,072,860</u>	<u>\$1,155,909</u>	<u>\$(83,049)</u>
<u>Funding</u>						
Proprietary	<u>\$1,074,520</u>	<u>\$1,198,914</u>	<u>\$(124,394)</u>	<u>\$1,072,860</u>	<u>\$1,155,909</u>	<u>\$(83,049)</u>

Differences	Add to (Subtract From) LFA Current Level		Subcommittee Action	
	Fiscal 1988	Fiscal 1989	Fiscal 1988	Fiscal 1989
1. Increased bonding activity	\$(98,000)	\$(98,000)	_____	_____
2. Audit	(20,000)	(20,000)	_____	_____
3. Equipment	(2,890)	(2,890)	_____	_____

Agency: Commerce

Subcommittee Action

Program: Director's Office

	----- Fiscal 1988 -----			----- Fiscal 1989 -----		
	<u>Executive</u>	<u>Current Level</u>	<u>Difference</u>	<u>Executive</u>	<u>Current Level</u>	<u>Difference</u>
FTE	4.00	4.00	0.00	4.00	4.00	0.00
Personal Serv.	\$133,592	\$133,604	\$ (12)	\$133,548	\$133,560	\$ (12)
Operating Exp.	42,321	46,712	(4,391)	42,447	46,851	(4,404)
Equipment	<u>1,180</u>	<u>1,180</u>	<u>-0-</u>	<u>1,180</u>	<u>1,180</u>	<u>-0-</u>
Total Exp.	<u>\$177,093</u>	<u>\$181,496</u>	<u>\$(4,403)</u>	<u>\$177,175</u>	<u>\$181,591</u>	<u>\$(4,416)</u>

Funding

General Fund	\$ 975	\$ 975	\$ -0-	\$ 975	\$ 975	\$ -0-
State Spec. Rev.	<u>176,118</u>	<u>180,521</u>	<u>(4,403)</u>	<u>176,200</u>	<u>180,616</u>	<u>(4,416)</u>
Total Funding	<u>\$177,093</u>	<u>\$181,496</u>	<u>\$(4,403)</u>	<u>\$177,175</u>	<u>\$181,591</u>	<u>\$(4,416)</u>

Add to (Subtract From)

LFA Current Level

Subcommittee Action

<u>Differences</u>	<u>Fiscal 1988</u>	<u>Fiscal 1989</u>	<u>Fiscal 1988</u>	<u>Fiscal 1989</u>
1. Computer maintenance	\$(6,600)	\$(6,600)		
2. Dues: NASDA \$(5,000) National Government Assn dues \$(2,050)	2,050	2,050		

Agency: Commerce

Subcommittee Action

Program: Public Contractors Lic.

	Fiscal 1988			Fiscal 1989		
	Executive	Current Level	Difference	Executive	Current Level	Difference
FTE	1.00	1.00	0.00	1.00	1.00	0.00
Personal Serv.	\$21,968	\$21,974	\$ (6)	\$21,926	\$21,933	\$ (7)
Operating Exp.	8,097	6,650	1,447	5,861	6,417	(556)
Total Exp.	\$30,065	\$28,624	\$1,441	\$27,787	\$28,350	\$(563)
<u>Funding</u>						
Total Funding	\$30,065	\$28,624	\$1,441	\$27,787	\$28,350	\$(563)

Differences	Add to (Subtract From)		Subcommittee Action	
	Fiscal 1988	Fiscal 1989	Fiscal 1988	Fiscal 1989
1. Automation of license system	\$2,000	\$ -0-		
2. Postage (General Fund)	(700)	(700)		

Agency: Commerce

Subcommittee Action

Program: Consumer Protection

	----- Fiscal 1988 -----			----- Fiscal 1989 -----		
	<u>Executive</u>	<u>Current Level</u>	<u>Difference</u>	<u>Executive</u>	<u>Current Level</u>	<u>Difference</u>
FTE	2.50	2.50	0.00	2.50	2.50	0.00
Personal Serv.	\$ 73,631	\$73,501	\$ 130	\$ 73,663	\$73,541	\$ 122
Operating Exp.	32,973	16,694	16,279	25,962	16,657	9,305
Equipment	<u>446</u>	<u>446</u>	<u>-0-</u>	<u>654</u>	<u>446</u>	<u>-0-</u>
Total Exp.	<u>\$107,050</u>	<u>\$90,641</u>	<u>\$16,409</u>	<u>\$100,279</u>	<u>\$90,644</u>	<u>\$9,635</u>
<u>Funding</u>						
General Fund	<u>\$107,050</u>	<u>\$90,641</u>	<u>\$16,409</u>	<u>\$100,279</u>	<u>\$90,644</u>	<u>\$9,635</u>

Add to (Subtract From)

LFA Current Level

Subcommittee Action

DifferencesFiscal 1988Fiscal 1989Fiscal 1988Fiscal 1989

1. MOD - Lemon Law (General Fund)

\$15,483

\$15,483

Agency: Commerce

Subcommittee Action

Program: Legal Services

----- Fiscal 1988 -----

	<u>Executive</u>	<u>Current Level</u>	<u>Difference</u>		<u>Executive</u>	<u>Current Level</u>	<u>Difference</u>
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----- Fiscal 1989 -----

FTE	1.50	1.50	0.00	1.50	1.50	0.00
Personal Serv.	\$41,400	\$41,413	\$ (13)	\$41,328	\$41,339	\$ (11)
Operating Exp.	<u>21,848</u>	<u>22,282</u>	<u>(434)</u>	<u>21,312</u>	<u>22,128</u>	<u>(816)</u>
Total Exp.	<u>\$63,248</u>	<u>\$63,695</u>	<u>\$(447)</u>	<u>\$62,640</u>	<u>\$63,467</u>	<u>\$(827)</u>

Funding

State Spec. Rev.	<u>\$63,248</u>	<u>\$63,695</u>	<u>\$(447)</u>	<u>\$62,640</u>	<u>\$63,467</u>	<u>\$(827)</u>
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Add to (Subtract From)

LFA Current Level

Subcommittee Action

DifferencesFiscal 1988Fiscal 1989Fiscal 1988Fiscal 1989

Agency: Commerce

Subcommittee Action

Program: Programmers

	----- Fiscal 1988 -----			----- Fiscal 1989 -----		
	<u>Executive</u>	<u>Current Level</u>	<u>Difference</u>	<u>Executive</u>	<u>Current Level</u>	<u>Difference</u>
FTE	1.20	1.20	0.00	1.20	1.20	0.00
Personal Serv.	\$39,806	\$39,830	\$ (24)	\$39,761	\$39,785	\$ (24)
Operating Exp.	<u>2,321</u>	<u>2,592</u>	<u>(271)</u>	<u>2,327</u>	<u>2,596</u>	<u>(269)</u>
Total Exp.	<u>\$42,127</u> =====	<u>\$42,422</u> =====	<u>\$(295)</u> =====	<u>\$42,088</u> =====	<u>\$42,381</u> =====	<u>\$(293)</u> =====

Funding

State Spec. Rev.	<u>\$42,127</u> =====	<u>\$42,422</u> =====	<u>\$(295)</u> =====	<u>\$42,088</u> =====	<u>\$42,381</u> =====	<u>\$(293)</u> =====
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Add to (Subtract From)

LFA Current Level

Subcommittee Action

differences

Fiscal 1988

Fiscal 1989

Fiscal 1988

Fiscal 1989

Agency: Commerce

Subcommittee Action

Program: Management Services

	----- Fiscal 1988 -----			----- Fiscal 1989 -----		
	<u>Executive</u>	<u>Current Level</u>	<u>Difference</u>	<u>Executive</u>	<u>Current Level</u>	<u>Difference</u>
FTE	15.00	14.00	1.00	15.00	14.00	1.00
Personal Serv.	\$375,720	\$358,426	\$17,294	\$375,505	\$358,259	\$17,246
Operating Exp.	127,687	120,429	7,258	65,061	58,204	6,857
Equipment	<u>2,599</u>	<u>1,099</u>	<u>-0-</u>	<u>1,308</u>	<u>1,308</u>	<u>-0-</u>
Total Exp.	<u>\$506,006</u>	<u>\$479,954</u>	<u>\$26,052</u>	<u>\$441,874</u>	<u>\$417,771</u>	<u>\$24,103</u>

Funding

State Spec. Rev.	<u>\$506,006</u>	<u>\$479,954</u>	<u>\$26,052</u>	<u>\$441,874</u>	<u>\$417,771</u>	<u>\$24,103</u>
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	Add to (Subtract From)		Subcommittee Action	
	LFA Current Level			
<u>Differences</u>	<u>Fiscal 1988</u>	<u>Fiscal 1989</u>	<u>Fiscal 1988</u>	<u>Fiscal 1989</u>
1. MOD - Addiditional administra- tive position (lottery)	\$20,151	\$18,618	_____	_____
2. Rent ground maintenance	6,002	5,452	_____	_____

TOURISM PROMOTION FIGURES - 11 WESTERN STATES
CASH CONTRIBUTIONS FROM THE PRIVATE SECTOR (1985/86)

<u>STATE</u>	<u>BUDGET</u>	<u>PRIVATE CASH CONTRIBUTIONS</u>	<u>PRIVATE FUNDS AMOUNT TO THE FOLLOWING % OF TOTAL STATE FUNDS</u>
Arizona	2,722,300	\$ 60,000	Less than 1%
California	5,904,791	*	
Colorado	4,500,000	500,000	11%
Idaho	1,670,550	N/A	
Montana	1,225,000	223,000 **	18%
Nevada	2,943,298	-	
New Mexico	2,267,400	295,000	13%
Oregon	1,335,056	-	
Utah	3,993,800	768,400	19%
Washington	2,772,000	N/A	
Wyoming	2,597,696	147,000	2%

* Amount unknown. State tourism brochure is funded by the private sector.

**1984/85 private sector income: \$362,000

Sources of Information:

Budget figures - United States Travel Data Center, 1985/86
Private Cash - Survey by Montana Travel Promotion, 1986

Natural Resources Subcommittee
Exhibit 5

OSPP DATA -- ASSUMPTIONS

1. ~~\$2.2 million settlement not paid from LGRG, but Lewis and Clark~~
County rate changes from \$30.21/vehicle to \$39.91/vehicle in FY87.
2. Vehicle registrations will increase by 2.06% each year between FY86 and FY89.
3. County "allocations" of LGRG will increase at the same rate as vehicle registrations.
4. The outstanding balance on the FY86 LGRG general fund loan will be repaid in FY87 = \$1.674 million.
5. "Allocations" will be discounted by .967553 in FY87 when data is converted from county treasurer to Dept of Justice vehicle registration records. This is a one-time adjustment.
6. The following revenues are projected (\$ million):

	FY87	FY88	FY89
Oil Severance (1/3)	5.5240	6.404	6.940
Vehicle fees *	2.3740	2.432	2.474
General Fund (a)	1.3935		
General Fund (b)	6.3700		
TOTAL REVENUES	15.6645	8.836	9.414

* Assume that district court vehicle registration fees do NOT sunset at FY87.

- (a) Original FY87 GF allocation minus 5% and 2%.
(b) Special Session GF minus 2%.

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MANAGEMENT SERVICES
DIVISION

CALCULATIONS

FY87:

Anticipated revenue	15.664500
Minus GF payback	-1.674000
Revenue to distribute	13.990500

Projected FY87 allocations 17.009041

Revenue & FY87 allocation = \$0.822533

FY88:

Anticipated revenue	8.836000
Projected FY88 allocations	17.352427

Revenue & FY88 allocation = 0.509003

FY89:

Anticipated revenue	9.414000
Projected FY89 allocations	17.717031

Revenue & FY89 allocation = 0.531553

FY88 prorated % = 0.50910 FY89 prorated % = 0.53125

County	FY88 Projected Allocation	FY88 Prorated Reimbursement	FY88 "Shortfall"	FY89 Projected Allocation	FY89 Prorated Reimbursement	FY89 "Shortfall"	FY89 "Shortfall"
Beaverhead	\$105,405	\$53,651	\$51,753	\$107,576	\$57,151	\$50,425	\$102,169
Broadwater	\$39,511	\$20,152	\$19,359	\$40,427	\$21,461	\$18,966	\$38,095
Carbon	\$144,278	\$73,438	\$70,840	\$147,259	\$78,242	\$69,017	\$137,849
Carter	\$25,096	\$12,074	\$12,322	\$25,613	\$13,510	\$12,103	\$24,326
Cascade	\$1,630,325	\$855,133	\$775,192	\$1,714,334	\$911,076	\$803,258	\$1,625,445
Chouteau	\$34,006	\$17,309	\$16,697	\$34,706	\$18,441	\$16,265	\$32,962
Custer	\$320,796	\$163,236	\$157,560	\$327,404	\$173,967	\$153,437	\$310,947
Daniels	\$26,151	\$13,311	\$12,840	\$26,689	\$14,131	\$12,558	\$25,348
Dawson	\$257,350	\$131,245	\$126,105	\$263,161	\$137,832	\$125,329	\$247,933
Deer Lodge	\$451,822	\$229,575	\$222,247	\$461,129	\$245,022	\$216,107	\$437,950
Fergus	\$231,365	\$116,470	\$114,895	\$237,971	\$123,355	\$114,616	\$223,355
Flathead	\$1,161,924	\$591,423	\$570,501	\$1,185,860	\$630,110	\$555,750	\$1,125,851
Gallatin	\$1,295,235	\$659,277	\$635,957	\$1,321,917	\$703,495	\$618,422	\$1,255,469
Garfield	\$12,951	\$6,646	\$6,305	\$13,341	\$7,277	\$6,064	\$12,277
Glasgow	\$77,124	\$40,274	\$36,849	\$79,753	\$42,909	\$36,844	\$72,909
Golden Valley	\$6,200	\$3,156	\$3,044	\$6,328	\$3,362	\$2,966	\$6,010
Granite	\$31,144	\$15,653	\$15,491	\$31,785	\$16,870	\$14,915	\$30,138
Hill	\$229,948	\$117,044	\$112,904	\$234,585	\$124,701	\$109,884	\$222,269
Jefferson	\$194,195	\$98,246	\$95,949	\$198,196	\$105,312	\$92,884	\$193,333
Judith Basin	\$19,108	\$9,726	\$9,382	\$19,501	\$10,362	\$9,139	\$18,361
Lake	\$193,799	\$95,079	\$98,720	\$198,688	\$102,386	\$96,302	\$192,386
Lewis & Clark	\$1,705,503	\$867,088	\$838,415	\$1,738,595	\$923,898	\$814,697	\$1,651,897
Liberty	\$691	\$352	\$340	\$706	\$375	\$331	\$675
Lincoln	\$197,453	\$100,504	\$96,949	\$201,521	\$107,079	\$94,442	\$191,391
Madison	\$25,291	\$13,222	\$12,078	\$25,636	\$13,407	\$12,229	\$24,407
McCone	\$23,303	\$11,844	\$11,454	\$23,758	\$12,640	\$11,118	\$22,640
Meagher	\$43,423	\$22,102	\$21,321	\$44,317	\$23,548	\$20,769	\$42,090
Mineral	\$104,941	\$53,415	\$51,526	\$107,102	\$56,909	\$50,193	\$101,719
Missoula	\$2,622,175	\$1,339,785	\$1,282,390	\$2,686,398	\$1,427,426	\$1,258,972	\$2,551,342
Musselshell	\$35,916	\$18,281	\$17,635	\$36,656	\$19,477	\$17,179	\$34,498
Park	\$238,424	\$121,359	\$117,065	\$243,336	\$129,297	\$114,039	\$231,104
Phillips	\$11,329	\$5,767	\$5,563	\$11,562	\$6,144	\$5,418	\$10,144
Pondera	\$75,756	\$38,560	\$37,176	\$77,317	\$41,083	\$36,234	\$71,049
Powell	\$109,100	\$55,532	\$53,566	\$111,347	\$57,155	\$54,192	\$107,163
Prairie	\$20,134	\$10,248	\$9,386	\$20,549	\$10,919	\$9,630	\$19,919
Ravalli	\$255,876	\$130,242	\$125,634	\$261,147	\$136,761	\$124,386	\$246,020
Roosevelt	\$57,497	\$29,266	\$28,231	\$58,621	\$31,131	\$27,490	\$55,141
Sanders	\$141,760	\$72,156	\$69,604	\$144,620	\$76,876	\$67,744	\$136,908
Silver Bow	\$1,233,630	\$653,371	\$630,259	\$1,210,072	\$626,111	\$583,961	\$1,126,111
Stillwater	\$70,849	\$36,062	\$34,787	\$72,308	\$38,421	\$33,887	\$68,441
Sweet Grass	\$57,552	\$29,274	\$28,258	\$58,738	\$31,210	\$27,527	\$55,735
Teton	\$110,002	\$55,991	\$54,010	\$112,268	\$58,654	\$53,614	\$108,624
Toole	\$40,625	\$20,862	\$20,124	\$41,629	\$22,226	\$19,403	\$39,727
Treasure	\$7,400	\$3,766	\$3,633	\$7,552	\$4,013	\$3,539	\$7,013
Valley	\$266,768	\$135,785	\$130,982	\$272,263	\$144,668	\$127,595	\$254,673
Wheatland	\$49,821	\$25,359	\$24,462	\$50,847	\$27,018	\$23,829	\$47,018
Wibaux	\$6,171	\$3,141	\$3,030	\$6,293	\$3,347	\$2,946	\$5,347
Yellowstone	\$3,158,143	\$1,607,504	\$1,550,639	\$3,223,200	\$1,712,658	\$1,510,543	\$3,061,658
	\$17,357,427	\$8,836,000	\$8,523,427	\$17,717,021	\$9,414,000	\$8,303,021	\$16,826,459

VISITOR'S REGISTER

AGENCY(S) _____ SUBCOMMITTEE _____
DEPARTMENT Commerce DATE 1/21/87

NAME	REPRESENTING	SUP- PORT	OP- POSE
CAROL DALY	DEPT OF COMMERCE		
ANDY POOLE	"		
DICK Kain	MRBH - DOC		
4 Sisters - Ravalli	—		

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR WITNESS STATEMENT.
IF YOU HAVE WRITTEN COMMENTS, PLEASE GIVE A COPY TO THE SECRETARY.