

MINUTES OF THE MEETING  
FINANCE AND CLAIMS COMMITTEE  
MONTANA STATE SENATE

April 7, 1987

The 26th meeting of the Senate Finance and Claims committee met on the above date in room 108 of the State Capitol. Senator Regan called the meeting to order following roll call at 8:02 a.m. to hear House Bills 599, 702, 787, 854, 855 and 867.

ROLL CALL: All members present.

CONSIDERATION OF HOUSE BILL 867: AN ACT APPROPRIATING FUNDS TO THE GOVERNOR'S OFFICE FOR ESTABLISHMENT OF THE SUPER COLLIDER TASK FORCE etc.

Representative Vincent, House District 80 and chief sponsor of House Bill 867 said, this House Bill 867 and the whole super collider effort has kind of been in a P. R. spot light and that is all well and good, but given the tight budget times, I know all of us have to take a good hard look at any expenditure of state funds. House Bill 867 calls for the expenditure of up to \$a million to create a 9 member task force to really mount an aggressive all out effort to get the super collider for Montana. It should be pointed out that a million dollars will actually be appropriated. Given the time frame, Montana should know by October or November of this year whether or not it can remain in the running.

Representative Vincent said by October or November they will know if they are on the short list which is a list of finalists. Estimates on cost have been between \$100,000 and \$300,000, but they just don't know and won't know until August how much it will be to submit the proposal. If they do not make the short list, then the balance will be reverted to the general fund. To be successful in an area like this you don't necessarily have to land the project, there are a number of spin offs that are not only possible, but very likely given the effort. He listed all the assets Montana has, such as water, land, etc.

PROPOSERS TO HOUSE BILL 867: Representative Gould, District 61, and number 2 sponsor of this bill said, I have never seen anyone who won a lottery that did not buy a ticket and we are looking at roughly \$1 from every citizen in the state of Montana for a lottery ticket. The second thing -- I was very much involved in 1966 and 67 in the White House conference on the Handicapped, and that was a very large national workshop that started out with meetings

in every state. I was chairman in Montana, we had 5 sections, local groups of all disabilities, etc. The meeting in Washington D.C. was a zilch -- it was nothing. What was accomplished here in Montana and in every other state was an exceptional help to the handicapped people. Letting them know that Montana is very interested and viably so in the super collider is very important. It brings business and government together to work toward this type of thing in the future.

Jack Sherick, Butte, President of MSE, that's the MHD contractor out of Butte that runs the DOE facility. I am also Montana ambassador and chairman of the ad hoc committee for the super collider for the ambassadors, and here to speak in favor of House Bill 867. He said the spark has ignited and there is now a wide spread support from across the state in trying to put together this project for the state of Montana. He said he would like to remind the committee of two projects that are sometimes over looked. The minute man installation of the late '60's, the Coal Strip installation which was one of the largest construction projects ever completed in the United States, it was completed in this state, on schedule and under budget. He said another was the MHD project in Butte. He handed out an exhibit, marked exhibit 1, House Bill 867, and attached to the minutes. He went through this and discussed it, and said it would cost a lot more than the state was putting into it. The private sector had a good months work in it now and the ad hoc committee had been working on it also.

Dan Regan, talked on behalf of Mr. Shemeckal. He read a statement which mainly repeated what those above had said.

President Bill Teats, President of MSU said he was here to offer the assistance of the University System generally and Montana State University specifically to this project. He said, we have a history of a smaller enterprise which has proven to be quite successful, one which was reviewed with quite an amount of trepidation at the time it was conceived and that is our Montanans on a new track for science. This is a blending of industry, state efforts and the University System -- a program which has turned about \$10 for every dollar invested. He said we do not have the physics expertise here, that will be provided by the project itself, we do have the engineering capability at Montana Tech, at Montana State University, and the business capability and the technical kinds of advisory efforts and resources necessary to put a program of this magnitude together. He said he had looked at some of the new material, a super conductor which is part of the sub basis for the super collider, and some of the material coming forward may even modify that. Those are the kinds of materials that might even be made here in Montana.

Keith Colbo, Director, Department of Commerce spoke in favor of the bill and handed in his written testimony, attached as exhibit 2, H. B. 867. He said this testimony is the same as he will be giving in Washington Thursday morning. Each Governor had been invited to give testimony and this is Montana's.

Kelly Addy, Billings Representative said, I am here today as a proponent of House Bill 867. It is time Montana gets in the game. There is a big change going on in the world economy today and Montana is feeling that change as much as anyone, partly because of our natural resource base and partly because of our sparse population density, but it is time we got in a different kind of a game. He talked about our assets such as space, low water table, stable geologic formations in the east. This is a 52 mile tunnel, about 15 miles by 15 miles, but 52 mile circular or oblong tunnel which will be 30 feet under ground so you can see how important it is to have stable geologic formations with a low water table and we fit right into that. He told about the water available for use, etc.

Alan Evans, President of Montana Chapter of the International Right of Way Association said, they are a group of 140 professional people involved in land management, land services and major project siting here in this state. He said over time they have worked with projects like Coal Strip, Minuteman and things of that nature. He said they endorse Montana's efforts to get a quality program such as this. He said the Canadian National Government has made a commitment of \$500 million to super collider, not necessarily in Montana, but they have made the commitment.

Bill Olson, Montana Contractors Association said he would rise in support of House Bill 867. He said it has been reported we would have approximately 45,000 to 47,000 construction jobs as a result of this particular project and that is extremely important to the state and to the construction industry. Secondly, this is not a project that is going to produce large amounts of radio activity, hazardous waste or anything like that. I am sure it would be compatible with the environment.

Kay Foster, Billings Chamber of Commerce and the city of Billings. We would add our support to the pursuit of this super collider project.

John Morrison. Consulting Engineer, Helena said, our firm has been engaged in competition where not only the top engineering firms in the United States, but International. We have 4 active jobs in Africa right now. He said they have done many projects of the kind we are talking about today. We have the quality to compete with the

professionals, not only in the United States, but in the World.

Don Engels, Montana Chamber of Commerce said they would like to add their support to House Bill 867.

Exhibits 3 and 4 were handed in by one of those testifying, showing the proposed locations and listing them by site. They are attached to the minutes.

Testimony was handed in by a Lee Walker who wished his testimony in the minutes. It is attached as exhibit 5, House Bill 867.

There were no further proponents, no opponents, and Senator Regan asked if there were questions from the committee.

QUESTIONS FROM THE COMMITTEE: Senator Gage asked, I notice one of the things that they indicate on site selection screening is legislative jurisdiction. I assume that kicks out the possibilities of any Indian reservation involvement? Representative John Vincent said, I am not sure. One of the potential sites includes an Indian reservation if I am not mistaken.

Senator Gage said, you talked about some spin off things. Is it possible that those could be considered? The reason I am asking this is that in many federal areas there are some minority preferences in contracting etc., and I was wondering if there is anticipation of involving the Indian nations in this whole program. Representative Vincent answered, I had talked to Dorothy Cody about those possibilities and she says there is a great deal of interest concerning that, but I don't think we have gone far enough in the proposal to really delve into those particulars. I think we should, and I think we can and will, particularly if we make the first cut.

Senator Gage asked, I would assume that somewhere along the way with this whole thing there is going to be a considerable amount of political clout exerted. How do you think Montana can deal with that given the fact that we have four congressional people? Representative Vincent answered, I think that all depends. Right now the strength is in the effort in Congress to put together a coalition of western congressmen and senators. Pat Williams and Ron Marlenee are really spear heading that effort because they are essentially arguing that most of the research dollars in this country go to a very few states and that other states should begin to share in those dollars. If that effort is successful and the final criteria drawn in such a manner is to favor states like Montana and Arizona and Idaho and even South Dakota, then I think we increase our chances. I think that we have some other things that I plan on mentioning in

closing that enhance our chances. There'll be politics involved, there is no doubt about it. I think especially if Montana can come across with a low cost proposal, and that probably weaves in some international aspects as well, we can overcome at least some of that relative to the overall costs. Right now, I would say the key is in the western coalition. Representative Tom Foley who is currently House Majority Leader in the U. S. House is helping in that effort considerably. Washington wants to submit a proposal and they are at a disadvantage as well, just like Montana is relative to Illinois and maybe New York state and some populated areas like that that have traditionally gotten a large proportion of federal research dollars. That effort is being made, it is too early to give you a definitive answer, however.

Senator Himsel asked Representative Vincent, given the tight budget restraints we are in, you are aware of that I am sure, but do we have a budget -- an operating plan so that we know that if in 3 or 4 months we are not in the game at all that we can save this money? It is pretty easy to spend this in promotion and have it lost. I say this because 20 years ago we were all excited as was the rest of Montana about an atom smasher that was going to be put in Arlee. They were going to drill a hole in the mountains for a quarter of a mile and they were going to shoot stuff around in there. Mansfield was in charge of Washington and we were led to believe we were really in the running. I guess we were for the first month. I think there were 85 sites picked and then they were talking about 45 and then all of a sudden they flew in people to look around and we thought we were really in line and the next thing we knew it was located in Illinois where it still is. I guess a burned child dreads the fire and I hate to see a whole lot of money spent on this. There might be some spent on it, but we've been down this road before and I would hate to see, given the priorities we have for money, I wouldn't like to be against this, but I think we ought to exercise a lot of caution and not be misled by what the prospects are. Representative Vincent said, I think your concern is very well taken. I think that we will know pretty early in the game and before a substantial amount of money is spent. I think we will know by fall whether we are in the running or not. There is a reversion clause in the bill whereby, I believe it is July 1 of next year, we are out of the running then the balance of the money will revert. That was the intent to address the concern that you have.

Senator Smith asked Representative Vincent, you made the remark that you've never seen so much enthusiasm from the private business sector. Does the private business sector plan on matching some of the money that is put up by the state on an equal match or anything like that? He was answered, they already have. I can't speak for an equal

match, but there has already been an in kind contribution that is very significant. Their meeting at Fairmont, a lot of other activity has gone on and business has already contributed a lot of in kind contribution as well as I would assume some personal funds to come to meetings, put on the event at Fairmont, an awful lot has been done and that is going to continue and the effort of the Montana Ambassadors; they are essentially carrying the ball and doing all the work and all the coordination all of the effort until the task force comes on board. I think that effort, although you may not see it coming across as hard dollars, but an in kind contribution. It will be there.

Senator Bengtson asked, six potential sites were located, and could you just tell us where those potential sites are? Representative Vincent said, according to the Bureau of Land Management you have 8 sites, near Billings, near Hardin, near Forsyth, near Wolf Point and Havre, Glasgow and Harlem. He handed out exhibits 3 and 4 at this time. (they had been handed out earlier to a few members)

Senator Bengtson said, a million dollars -- there are specific purposes for that? Is that for just preparing the proposal, travel, or what sort of thing? Representative Vincent answered, we don't have a firm spending handle. The million dollars is there to do anything and everything that the task force, which hopefully would be the highest level task force that has ever been put together in the state of Montana, deem necessary and appropriate to pursue the collider. I am sure there will be a marketing aspect of that, a scientific aspect, there will be any number of various initiatives that will have to be taken, but I think it would be up to the task force to develop the agenda and to utilize the money in the most cost effective way.

Senator Story said, you just ruled out 5 out of 6 sites because one of the things they are going to insist on, they are not going to change the standards -- they want an international airport -- that's not foresight, that's not arguing, that's not any of those other places. Glasgow does not have the transportation which you need, it does not have the airline infrastructure you need, so you've got Billings. Representative Vincent said, I don't know, if this is located in California they are going to be 100 miles from the nearest international airport. Any state that you look at -- Great Falls is an international airport; Billings is not, but it could be. That is the potential here. A project like this could lead to some expansions and improvements that would upgrade our own infrastructure in this state. I don't know about Glasgow, they certainly have an international capability relative to the runway that they have up there. I just don't know the weight that will be given to the international airport criteria, but I would say that no state is going to be able to build this super

collider 15 minutes from an international airport. It's going to be 50 to 150 miles. The ARCO National Labs down in Idaho, they don't have an international airport within 200 or 300 miles unless Boise qualifies, and I don't think it does.

There were no further questions and Representative Vincent closed by saying, I would like to reinforce what Kelly Addy said. I think it is time for us to send a signal. We sit here and try to tell ourselves we can't do things like this, we aren't ready for this. It is time to say we are. He said, I think there are some things that need to be mentioned as to why Montana is a better place. First the international aspect; only New York state can compete with Montana relative to the international potential here. Canada is the key for that international potential but if you join the Canadian, U. S. effort if it comes to something like that and you brought the Japanese in and we were able to use our former Senator Mansfield in that area you might be able to reduce the cost of this project so substantially that Montana could become an optimum site simply on that basis alone. The western states coalition is a key as well. I think this really boiled down to two things; a hard business decision and a decision as to whether we as a Board of Directors are going to take this opportunity and make an investment and hopefully get a good solid return on our investment even if we are not successful in securing the collider.

Senator Regan declared the hearing closed and said we would hear House Bill 855 which was also sponsored by Representative Vincent.

CONSIDERATION OF HOUSE BILL 855:AN ACT AUTHORIZING THE DEPARTMENT OF COMMERCE TO MATCH EXPENDITURES BY THE MONTANA AMBASSADORS FOR NEW BUSINESS RECRUITMENT; etc.

Representative Vincent, House District 80 and chief sponsor of House Bill 855 said this would use the money appropriated in House Bill 862 to match equal expenditures by the Montana ambassadors. He said, right now when we send someone out of state we are eliminated. They have an expense account, the same one you do, and you don't do a very effective job of recruiting a first class business to Montana when you are limited to a \$12.50 dinner and you have no capability to entertain and recruit the way other states do. He said this bill would free up some of the officials so that it would not make it impossible for them to do a first class job of recruitment. He said, this bill is one of several that is going to be coming before this committee that has 862 amended into it; the money was taken out of this bill which was a straight simple \$420,000 appropriation and put in according to some at least into House Bill 2 and into House Bill 862, and you will get any number of bills in

the next week in this committee that have these two bills amended into them. I have opposed that strenuously, I don't know what is going on, it is a very complex web, and it may be a web of strategy, I am not sure. I think you ought to have a bill, put your appropriation in it and it ought to be passed or defeated one way or another. I supported 862 but the problem is to do that, it is all Education Trust Fund money.

There were no proponents, no opponents, and no questions from the committee. Representative Vincent said he would close by saying he was sure that Mr. Colbo had been monitoring this bill and 862 and House Bill 2 relative to all the interplays that are going on there and that he would, I am sure, be willing to talk to any committee member and the Chairman to try to explain to you individually or in executive session just what those dollars are and what they really mean as he sees his budget at this time. Senator Regan declared the hearing closed.

Senator Boylan said he was sorry to come up with a question after the hearing was closed, but we have the Business Promotion in our subcommittee and we took some money out and then the money was put back in. Why isn't this correlated with the business promotion of the Department of Commerce that they already have in place? Representative Vincent said, because this money was intended to be additional, and I wanted to have it clean. I did not want to build it into anything else, I wanted it to be up front, clean, clear, so that everyone knew exactly what it was for and it is specifically focused and targeted for that one purpose and is not blended into anything else. Also in this bill there is a little different spending requirements so they are not locked in to the stringent requirements that we all are on our spending and it requires the Director of the Department of Commerce to make a report to the Audit Committee on a periodic basis to report dollar for dollar exactly how that money is to be spent.

Senator Bengtson said, on 862, you can't help but go to 862 and see what is happening there. Are you saying that the money appropriated in 862 actually takes care of all these cats and dogs or is that up to Keith Colbo to sort it out?

Senator Regan that since the bill was closed it could be addressed in the next bill since the same issue arises in it.

CONSIDERATION OF HOUSE BILL 854: AN ACT SPECIFYING THAT MONEY IS APPROPRIATED TO THE DEPARTMENT OF COMMERCE TO DEVELOP PLANS FOR ONE-STOP BUSINESS LICENSING etc.

Representative Vincent, House District 80 and chief sponsor of House Bill 854 said, this bill was introduced to give



some additional money to the Department of Commerce so that they could continue their work and hopefully develop a good solid plan for unified one-stop business licensing system in Montana. He said, let me tell you why I put this particular bill in. In Washington state as of January 1 of this year they instituted what is probably the model one-stop business licensing system in the United States. You can't do it for the appropriation that was in this bill and is now in 862, but you can at least get a final plan drawn up and maybe go from there. In Washington state they utilized field offices of the Department of Revenue. Once a year for your state and your city and county licenses whether you as a business need one or thirteen, you go to the office, fill out a form and that is it. You are done, all your licenses are coordinated unless you have a violation of some code or some standard, they are automatically renewed on one form called something like the Washington State Master Business License. I think we ought to look at it, see what we can do for a given appropriation so that business people in this state either by phone or a personal visit one time each year and get all their business licenses with one simple action instead of having to do it the way they do now. This bill had \$5,000 in it, the money has been amended out and amended into House Bill 862 and may be amended into House Bill 2 as well.

There were no further proponents, no opponents and Chairman Regan asked if there were questions from the committee.

QUESTIONS FROM THE COMMITTEE: Senator Bengtson said, I would like to ask Keith Colbo how he intends to handle all this.

Keith Colbo, Director, Department of Commerce answered, I am going to handle whatever I am left with when we are all done. It is confusing. As it stands right now you have these bills that are being heard this morning that do not have appropriations attached, however the same concepts have been included in 862 and amended into House Bill 2. The language in the amendment to House Bill 2 contains a savings clause that would leave the business assistance program at its current level, basically. What it would do if 862 fails, and that is the earmarking part of the coal tax Education Trust Fund, would be to eliminate all of these extra's. It would revert back to a general fund appropriation base for the business assistance program. You would lose the one-stop funding, the protocol money justified in the other bill, you would just go back to the basics. If 862 is passed it remains a part of House Bill 2 then funding for these two measures would be included.

Senator Boylan asked Representative Vincent, if my memory serves me right, I think you've had one of these bills up here -- that one-stop licensing, for a number of sessions,

but it still has never happened. We go into these stores and they have a whole big list of county, city, and state licenses and it has never been resolved. He was answered, yes that is right. I had another bill in that was defeated that appropriated the kind of money that you would actually need to establish a one-stop business licensing system. I had a million dollars in it and I don't know if you would need that much, but more than we are talking about here. I am just trying to keep that effort going in statute form and give some positive direction to the Department of Commerce that by the time we come in here the next time around we want to see a hard fast proposal and the cost figure attached to it so we can finally, once and for all, make the decision of going that direction or not. One of the reasons it has not happened is that a jurisdictional dispute developed at one time between the Secretary of State and the Executive branch over who was going to do it. Hopefully I think that is taken care of now.

Senator Boylan said, we have beer license, wine license, scale license, etc., you go into these stores and they are real long, and all by different agencies and different departments. Representative Vincent said, it is ridiculous, and again in Washington State, just pick up the phone or go to one of those offices and that is it -- it is all taken care of in one step and in a very few minutes because it is on a computerized system.

Senator Story said, I am trying to dredge my memory. Didn't we actually study it at one time? Representative Vincent answered, yes, we have. Senator Story asked, what did the study come up with? Keith Colbo answered that the committee could get the report that came back to the Legislature. He said, it bore a cost, as I recall, of about \$100,000 to get to a one-stop scheme by use of computer system, it did not address the jurisdiction question.

Senator Smith said, in regard to the funding, I don't know what is in House Bill 2. As I understand it, it is supposed to take money out of the Educational Trust account. What's the difference if you take it out of the general fund -- you just switch money around anyway, but is that they way the funding is supposed to come, from the Educational Trust? Representative Vincent answered, yes. House Bill 862 -- all of the funding in that bill is from the Educational Trust. It just doesn't take it one time, it permanently reallocates the Educational Trust money to a number of different things, so you take away from the flow into the Educational Trust and you also lose the interest on that money in to the Educational Trust. That is a policy decision the Senate will have to make on 862. It is not simply just a question of one pot of money, it's a long term policy decision because you will be making a permanent earmarking of

Education Trust dollars, taking them away from education and putting them into something else.

Senator Smith, on the licensing, as I see in this particular bill, in the subcommittee that Senator Story, Senator Boylan and I served on, a lot of those monies are going to fund that department of government. Take the scales for example. I have a scale and that money is paid in for that particular service, and I don't know how in the world you are going to bring this mishmash together in one bill and still be able to separate the money out. You may end up with a worse situation than you have now. Representative Vincent answered, I certainly want to avoid that. I don't know all the particulars of the licensing system in this state, all I know is, there is a great model out there and that if Washington can do it, we can do it.

There were no further questions and Representative Vincent said, I just close.

CONSIDERATION OF HOUSE BILL 702: AN ACT ESTABLISHING A LEGISLATIVE REORGANIZATION AND IMPROVEMENT COMMISSION TO CONDUCT A STUDY OF THE LEGISLATIVE BRANCH OF STATE GOVERNMENT, etc.

Representative Vincent, House District 80 and chief sponsor of House Bill 702 said, House Bill 702 is on a little different topic. It was introduced by myself and Speaker Marks, would establish a legislative reorganization and improvement commission. It is unlike the other bills in that it started at \$15,000 of general fund money, it still has that in there, it is not connected with any other bill. It requires the raising of a substantial amount of money from the private sector. My estimate of that would be about \$85,000 to conduct the study of the legislative structure, and hopefully as well, the legislative rules. I made a study since I've been in leadership of legislatures around the country and although we work hard and do our best, it is amazing to me that we do as well as we do given the structure we have. I really believe that the Montana Legislature may be the most antiquated and least cost effective legislature in the United States. If it isn't it is awfully close to it. We are so locked in to the way that we've been doing things that we just accept it. We are killing ourselves in the process. We are wearing ourselves out. We can't get farmers and ranchers back into the fields when they need to be, we've got people dropping out; 87% of all incumbents that run for the Montana Legislature win, but still when I came into this legislature in 1975 with Representative Bengtson there was 67 freshmen in the Montana House of Representatives. There are only 5 of us left, and very few of them were defeated in elections. We just don't have a system that is working. It is a pressure cooker, you look at the work we have to do in the next 15 days and ask

yourself if any business would survive if it tried to do the same amount of work and tried to make the same number of decisions in the same amount of time. It is unbelievable the job that needs to be done. In Minnesota they have the same problem, they said let's do something about it, made a commitment of a few thousand dollars, and because a single senator went out he was able to raise the balance up to about \$150,000 from the private sector. He said, I would be willing to go out and try to raise the \$85,000 in the effort to match the \$15,000 in this bill so that once and for all we could sit down, put a panel together, hopefully develop the kind of credibility we would need and hopefully come in during the next session or a special session if it were called for another purpose, and hopefully change some things in this House and Senate that need to be changed. It needs to be independent. An effort was made in the House to have the Legislative Council staff the study and you can't do that if you want independence and objectivity. Montana at this time has probably the most extensive joint rules in the entire United States. If you look at your rule book you will see that the biggest section is the joint rules. In most states they are about 1 or 2 pages. They have to do with transmittal deadlines and that's it. The House has its own and the Senate has its own and the only joint rules are those necessary to make sure of an easy flow of business between the two. He submitted a letter from Stephen Lakis which is attached as exhibit 1, House Bill 2.

PROPOSERS TO HOUSE BILL 702: John Lahr, representing Montana Power Company said, I would be the last person in the world to suggest that this legislature and its leaders and procedures are less than perfect, but I am used to them and have learned to love them. I would note, however that the constitutional convention when it passed the constitution which was passed in 1972 provided for a 20 year review of the constitution. Local government review is a regular procedure in Montana under our new constitution. We had a major reorganization of the Executive branch some years ago, Montana Power Company and both its utility division and its in-tech natural resources division have recently undergone a review by nationally recognized companies that came in and spent months examining the organization procedures and policies and personnel of the companies and recommending changes. So, I don't think it is unreasonable to establish a review of the Montana Legislature. To examine other states' legislative bodies and procedures for ideas for how to better operate this legislature. I would urge your support of House Bill 702.

Deane Blanton, Department of Administration, said the Department really doesn't have a position on this bill, but we would like to point out a concern with page 3, section 4, part 2; the meeting facilities and office space can be

provided assuming we are not restricted on the use of Legislative space during the interim. However the Department has no funding for the equipment and supplies for the commission staff. I would just like to make the committee aware of this.

There were no further proponents, no opponents, and Chairman Regan asked if there were questions from the committee.

QUESTIONS FROM THE COMMITTEE: Senator Smith asked Representative Vincent, I am sure you were around and remember in 1972 when we were told if had executive reorganization that state government would be more efficient and more responsive? We end up with the same kind of a problem here where they finally recognize that it didn't do the job it was supposed to and we had better take another look at it. Representative Vincent said, I wasn't here in 1972 but I remember the Executive Reorganization. I might differ a little bit about that, I think that was a big step forward. That is not to say there isn't more work to be done, but we've never done it as far as I know in regard to the Legislature in full scale, and I think because it is a smaller entity the chances for making substantial progress in cost efficiencies is really great. I just think there is tremendous potential here.

Senator Keating said I would ask one that has bothered me. We have had a lot of studies recommending for the Legislature various proposals, methods of change, things to change, reasons to change, and yet there has never been any change, and I am wondering why you think that we would be any more successful after looked at this that the makeup of this body would have the combined will to make a change. Representative Vincent said, I think there is a growing realization that we need to make some changes. I think the frustration level has grown enough that people are finally willing to entertain some change. Secondly, I don't look at this as another interim study. It's an independent commission that will be funded substantially -- the vast majority of money spent would be private sector dollars, and I think that the membership -- there would be at least 4 private Montana citizens on this commission, and as many as 8 given the selection criteria, and I think that would give it the kind of credibility it would need. It just wouldn't be another interim study. There are no guarantees, but I think the recommendations that come out of a serious study commission a substantial number of them would be so solid and so obviously in the best interests of the legislature that they would have an excellent chance of being adopted.

Senator Keating said, I guess I should have referred specifically to the Governor's Council on Management that was conducted at the expense of the private sector on a voluntary basis and at each individual's own expense; and

some of them spent 3 or 4 months of their time trying to make government more efficient and more responsive, and we as a legislative body took practically none of it to heart to make any of the specific changes that that council recommended. That is why my pessimism was expressed here in regard to this. Representative Vincent said, my answer to that is, what's the alternative? I have confidence that this would result in some positive and necessary changes and some good cost efficient changes as well. If we don't do this, we won't accomplish anything. I think we need a substantial basis of support like this and some solid decisions in order to give leadership the kind of direction needed to pick up the ball and run with it and try to implement some of these things.

Senator Boylan said, you introduced a resolution to go to annual sessions. Would that coincide with study if we go that way, or the same old type of every two year legislature. Representative Vincent said, I think it could begin to address some of the annual session questions but we don't know if that's going to make it yet. We wouldn't know, it will be voted on in November '88 and I think it has a delayed effective date in it so it wouldn't go into effect until the '91 session, so I would think one of the things we would have to do is to take a look at some of the things we can do in the existing system before we get to annuals.

Senator Regan said she had two questions she would like to address. One of them deals with actual and necessary expenses as opposed to the per deim that we normally use. That is on page 2, line 15. Is per deim included there, and then actual and necessary expenses, we have held even the judges to the state rate. Why actual and necessary for these members? Representative Vincent said, I think because many of them are going to be private sector members. If you are uncomfortable with that language, we have no salaries in it. Senator Regan asked, there is no salaries? He answered no, there is no salary.

Senator Regan asked, in response to the question raised by the Department of Administration, page 3, lines 9 through 12, the facilities, office space, equipment and supplies. Do you see any real problem there? Representative Vincent said, no, I don't because I think the state's requirements are easy to meet through the Legislature and the others, I would assume, would be contracted, and they would be paid out of the appropriation in this bill out of private dollars. If that is not clear enough given this language, I have no objection to making sure it is.

Senator Story said he had a comment, this legislature and in fact Congress spends only 1/2 of 1% of its budget of the general fund budget on the legislative process, so we got stuck when we studied the High Tongue Dam, we spent more

money than we have on most of our special sessions put together. It is what we do that costs the taxpayers money, it is not what we spend on ourselves in the process of doing it. It is the mistakes we make.

There were no further questions and Representative Vincent said he closed.

CONSIDERATION OF HOUSE BILL 787: AN ACT APPROPRIATING MONEY TO EXTEND BY SATELLITE THE UNIVERSITY OF MONTANA MASTER OF BUSINESS ADMINISTRATION PROGRAM TO BILLINGS, TO BE OFFERED IN COOPERATION WITH PROGRAMS AT EASTERN MONTANA COLLEGE BUT WITH A DEGREE FROM THE UNIVERSITY OF MONTANA.

Representative Addy, House District 94, and chief sponsor of House Bill 787, said there is a demand for this class in Billings. I taught business law at EMC in the evening for 2 years, 60 members in a class always over subscribed; 90% plus of whom were trying to complete their undergraduate credits required for entry into the Master of Business Administration Program. This is a couple of years ago and the demand has been there for this program. He said it was a good market to assist, it is a fairly diverse market, equidistant between Minneapolis and Seattle, between Calgary and Denver and a good diverse market to provide this kind of technical assistance that we have available in Montana. He said the MBA program is actually only about half the bill because of the way we are delivering higher education services to the people of Montana is the start of a great idea. It is an up link in the University of Montana whereby they would be able to transmit visually and by sound the classroom experience that is going on in the U of M. Anybody with a satellite dish can tune into this class. You could not credit unless you enroll and you can't ask questions of the professor unless you are present in one of the designated satellite classrooms. It does wonders for accessibility for higher education in Montana.

Representative Addy said many private businesses are interested and mentioned Montana Power, Mountain Bell, etc. This is about a 6 to 1 match on our money and we are extending the MBA program to a new market and developing a new communication system.

PROPOSERS TO HOUSE BILL 787: Jim Koch, President of the University of Montana said, I think Representative Addy said it with precision and eloquence. I would like to add that we're offering an MBA program in Great Falls and we have almost 300 people in that program. Billings is obviously a larger market so I have every anticipation that the demand is there and that we can serve a considerable number of people and based on our experience in Great Falls it will work well and serve the state well.

Carrol Krause, Commissioner of Higher Education said, the MBA program has been around for awhile, and it was approved during the last biennium for approximately \$250,000 a year. The program was not started, primarily because of the special session and that was part of the budget cuts. We have been able to reduce the cost, and certainly the Board of Regents is in full support of this program.

Ken Heikes, Administrative Vice President EMC, said, Eastern has been interested in this program. The need has been documented, and is still there. We want to cooperate any way we can with the U of M and the University System.

Kay Foster, Chamber of Commerce, Billings said they support the extension of the MBA program to the Billings community. She said 2 years ago Forward Billings, which is their Economic Development Corporation in Billings took an extensive survey on what kinds of things are really important to give people in their community in order to relocate and keep business in our community. One of the things was touched upon by Representative Addy was that those corporations willing to move in or willing to stay and that are moving forward want to be able to offer their employees an opportunity to have further education at the secondary level, and preferably at the graduate level. She said many of them have spouses who want further education and that cannot be offered at Billings at the present time. We in Billings are willing to be the guinea pig, we will guarantee President Koch that we will have a lot of people interested in the MBA program and hope you will take this opportunity to be innovative and use the current technology to get this program going.

Ms. Kelly, student at Montana Eastern College said, I find many of my classmates and my peers are also feeling the same way, they are in the business degree program at Eastern and would like to continue their education but find themselves forced to choose between moving and relocating to Missoula or Bozeman or being satisfied with the education that we do receive at the level of their college degree. This would greatly improve the business courses at EMC and it would extend an opportunity and an access to many students, young business men and women who are working in the community and



would like to continue their education and this would be a way of doing it.

There were no further proponents, no opponents, and Senator Hims1 who had taken over the committee, asked if there were questions from the committee.

Senator Harding asked, Representative Addy, you mentioned a 6-1 match and the bill I see says \$165,000. Would you explain that? She was answered, I was talking about Murdock Trust would be willing to provide by way of grants to train U of M professors to make quality presentations. It would be about a 1-1 match there. What the U of M has there that would put the program together, on the ground literally, at U of M and that would be another 1 1/2 match; then Mountain Bell and Montana Power are more. I must also point out that if we don't use all of our satellite time it is possible that we could sell it back to someone else.

Senator Keating said, I would like to ask Ken Heikes if this program were appropriated, how many additional students or non students would pay tuition for this program, and how much tuition would you anticipate for this course? Ken Heikes answered, these students that are enrolled would pay the tuition to the U of M. Perhaps the question should be addressed to President Koch.

Senator Keating said, I was thinking as I listened to the testimony here that there were businesses in Billings that had people who wanted to take advantage of this course and they would pay tuition, I am sure. I was trying to get a handle on how much tuition we might expect for reimbursement toward the cost of this program. Carrol Krause answered, I think th at additionally we would be looking at 50 FTE students with certainly more head count than that. The average full time student takes 12 hours which is the graduate load, and the tuition for the income would be approximately \$35 for a credit hour. It would be  $12 \times 35 \times 50$  and that would be the approximate income. Tuition normally pays about 20% of the cost of the program.

Senator Hims1 said, I guess I have always had a high regard for the MBA degree. I thought it was a prestigious degree; something you don't get through a catalog or a sample course. I guess I am wondering, is this watering down that degree to a point where we are just going to pick those things out for revenue or something. Mr. Krause said we will be using some of the Eastern faculty but not much of the program will be offered via telecommunications, but it will be the same quality and it will be accredited by the American Assembly of Business.

Senator Hims1 asked, is that giving it a status that it doesn't deserve? I thought a n MBA degree was something

really prestigious. You just don't get that all the time. Mr. Krause answered, that is correct. It is usually a higher level degree and it requires more work than some of the other masters levels. It is more intense. It will have all of the intensity of the traditional program but it will be a combination. Some of the courses will be resident, certainly, but those that we do not have the expertise in Billings will be satellite. It will be the same quality, it will be iterated so the student sitting in the classroom can ask questions of the instructor, just simply visually they will be watching television rather than seeing the instructor. They will be using the state microwave system and will be able to interact with the faculty in the classroom just as the student would, and these are becoming quite prominent in the country. There are several of these and we will continue to keep that program accredited by the American Assembly of Business just as our current MBA program is.

Senator Himsl asked, was this program reviewed by our subcommittee of higher education? Mr. Krause answered, the subcommittee on Higher Education passed this bill out to the full Appropriations committee in the House and it went through the Senate subcommittee on Education that reviewed it and passed it to the full appropriations committee, at a higher level, I might add. He added, no, it was for the same amount, but was approved by them.

Dr. Koch said, Senator Himsl, only about 10% of business programs nationally at the graduate level are accredited and the University of Montana is one and we intend to maintain that accreditation and so there will be significant entrance requirements and prerequisites, etc., and we don't in any sense intend to adulterate that accreditation. It will continue to be a fine program and other states indicate that if we can get that done it will work.

Senator Smith said he had a question of Doctor Krause, if we are eliminating educational opportunities such as pharmacy, architect etc. because of our budget problems, how can we justify spending an additional \$163,000 for this program which I understand is available in some of our Universities? Mr. Krause answered, this is a difficult question. One of the concerns that the board has is trying to accommodate access and one of the reasons we would not approve a separate program for EMC is that we just wanted one. We are trying to extend the existing program that is approved in Missoula to the Billings campus. We are not actually -- the board does not see this as approving an new program but rather as extending that to a different location. We intend to save money and avoid duplication of programs. Mr. Krause said as the session went on they would do everything they could to salvage the architect and pharmacy programs through

super tuition. We will have to see the state of our budget before we can know this for sure.

Senator Keating asked, why is this a separate bill, why isn't it a part of the appropriation bill? Representative Addy answered, I had a separate bill, and it was my hope that I would be able to talk about an MBA program so that the appropriations committee might consider it. When this program came down the pipe it took off. There was a lot of interest by members of the Appropriations committee.

Senator Keating said, the appropriation from the MBA program with Eastern was in the big bill last time. Representative Addy answered, after my bill died in the House. Senator Himsel said, it was testified here that it was reviewed by the subcommittee on Higher Education.

Senator Smith said, Dr. Krause mentioned that they do plan on continuing with the pharmacy school, what about the architect school in Bozeman, Dr. Krause answered, the Board of Regents last week did approve the \$300 per quarter additional tuition and surcharge so that we are going to definitely keep the pharmacy.

Senator Smith asked if there were any other place where students could go to get architect or pharmacy. Dr. Krause answered that there was only one place they could get those or MBA.

Senator Stimatz said the school of audiology is a very prestigious school and it seems that for a couple hundred thousand bucks it seems we are going to dismantle that from the University System. Dr. Krause said, the intent is to look at that program for continuation as well. What I think the board will focus on after the budget is adopted, will be trying to look at duplication. There are some duplicated programs that are on a contingency plan, and I think some of those definitely will be reduced.

Representative Addy closed by saying, let me point out that the students in Billings are place bound. If they can't get that kind of service in Billings, they are tied to family and a job in Billings that makes it impossible to go to another University. This is not a new program, it is an extension. It is a pilot program. He said you can with this have a course given at all the universities at the same time, or you can split it up.

Senator Himsel declared the hearing closed.

CONSIDERATION OF HOUSE BILL 599: AN ACT APPROPRIATING MONEY FROM THE GENERAL FUND AND THE DEPARTMENT OF FISH, WILDLIFE, AND PARKS TO THE UNIVERSITY OF MONTANA FOR ACQUISITION OF EQUIPMENT AND HIRING OF SCIENTIFIC AND

ADMINISTRATIVE PERSONNEL FOR THE UNIVERSITY OF MONTANA  
BIOLOGICAL STATION AT YELLOW BAY ON FLATHEAD LAKE.

Representative Mercer, House District 50 and chief sponsor of House Bill 599 said, this is funding for the Yellow Bay Biological station for the University of Montana. (Exhibits were passed around and are listed and attached as exhibit 1, 2, 3, and 4 House Bill 599.) He said the peninsula shown on the front of exhibit 1 showed the Yellow Bay area and said they have a biological station there. He said they owned properties there in the neighborhood of \$50 million. The biological station there, they are funding 1/2 of the salary of one scientist and they are trying to get more state dollars in to have more utilization of this facility. He said this is not in his district but the benefits of what go on there literally flow through the community of Polson. He said the front page of exhibit 2 is taken on the shores of Wild Horse Island and the green stuff in the water is algae. About 3 or 4 years ago the green stuff started showing up in the lake. Jack Stanford who is here, is the director of the biological station. He came forward to the communities and has began to explain why it is beginning to appear in the lake. It has to do with many things which are somewhat beyond my knowledge but has to do with the eco system and the relationship between phosphate concentrations that go into the lake from sewage and other natural and unnatural events and algae, micro crustaceans, little fish and big fish and all kinds of things, but at least he was able to draw to our knowledge that this was not the cleanest lake in the world.

Representative Mercer said they have since tried to find out something about it and said they are working out of the station there on the Clark Fork River, the Milk River, the Yellowstone River, the Missouri River, some rivers in Colorado and even internationally some work over in Norway and other places. This is a very distinguished biological station and is doing things to benefit everyone. He discussed the wet lands, the impact of the fish spawning activities, in 1977 the Department of Fish and Wildlife planted some maeces shrimp up in Whitefish Lake which found their way down in Flathead Lake. The Maeces shrimp were planted because they were supposed to be food for the kokanee salmon, but as it turns out the maeces shrimp eat the food that the kokanee used to eat and when the kokanee feed the maeces go to the bottom and the kokanee don't so now the kokanee population is dropping. Some of the things that the Fish Wildlife and Parks are doing, they would be well served to have some of these studies done by the Yellow Bay Station and that is why it should be put together.

Representative Mercer said this deals with applied academics. This is an example of where actual applied scientific research has a great benefit to the public and

they see it because they are seeing the results in Flathead Lake and they are learning about why it happens.

PROPOSERS TO HOUSE BILL 599: Jack Stanford, Professor of the University of Montana and the Director of the Biological Station, said if you don't do anything we are not going to go away, we will continue to bring in about \$3 for every dollar you invested in us. I would like you to look at the last page of the handout. The Lakers pointed out to me that every county in the state have some sort of investment in Flathead Lake. Our research does affect everybody in the state and we are working outside the Flathead Basin. He showed the satellite picture and said Flathead Lake was the result of the waters in the park and the wilderness area, and the work they have done on Flathead Lake is as well known internationally as it is here in the state. He said he just came back from Australia and New Zealand where they talked about the work they are doing. He said the station has been there since 1900. The oldest active one in the United States. Until 1977 it was predominately a summer program. He said they now have a state of the art facility at Yellow Bay to do the kind of work that attracts the grants and so on in to us. The problem is we just don't have a basic funding level for salaries, telephones, etc. so that we can generate the funds. He said his salary was covered in part by an endowment from an outside source, and a lot of the money is actually private sources. He said the sheet shows how many are employed and what percentage is state funding.

Richard Hower, works at the biological station, said one of the things they do is -- several years ago I worked at a National Lab in the Southeast, and there they have a base level of funding in excess of \$12 million a year. They have over 100 people working at that laboratory. Their productivity in terms of their research, in terms of their community involvement, etc., is less 10% of the funding. Ours is nearly 100% of the funding, so our staff there is exceedingly productive. They do a lot for the community, for research and translate it into something that is understandable at the community level. He said they have a 300% return investment at the station.

Jim Koch, President U of M said, this is truly one of the best programs at the U of M, do take seriously what they tell you of what they will do because everything they have said thus far in turns of returning dollars they have come through on. This is a high quality operation and I think you should regard it as an investment.

There were no further proponents, no opponents, and Senator Himsl asked if there were any questions.

QUESTIONS FROM THE COMMITTEE: Senator Boylan said, I thought you were going to come in here for some money to get rid of that algae, and of course that's a problem in all the lakes in the state of Montana, and it is highly poisonous. Have you done anything with that? Dr. Stanford said, we are educating the people as to what the problem is and then the people are taking care of the problem. In Flathead Lake, we've been able to show where the problem is coming from. It is coming from urban sewage in this case. 17% of the problem nutrients that stimulate the algae in this picture are coming from the urban sewage treatment plants. We have been able to show that. It took us 9 years of hard work to very thoroughly, scientifically, with a 95% probability show where the problem is coming from. Now that we have done that, the Water Quality Bureau has used our information, stepping in, going out and getting EPA in line, getting the sewage treatment plants updated in the Basin. It doesn't happen over night, but it is moving along on the basis of the education that we have provided. Other lakes in the state could follow the same path that we followed at Flathead Lake as soon as we have the information on it. In fact other lakes in the United States are following the same lessons we have learned at Flathead Lake and we were recently delighted to see that the Lake system in Japan were following the same steps.

Senator Himsel said, Senator Boylan, I could tell you that the north end of the Flathead Lake, they just let a bid for central sewage collection which follows up on the information based the \$5 million collection of sewage from Lakeside all the way up which will include the whole area on the north end of the Lake. It is an innovative program that the federal government contributed 75%, the district 25% except that because of the innovative nature of this some of the contribution has been to the extent of 85% to 15% because of the type of collection system that is being developed in this unique area. It has never been done in Montana before, it is the only lake this process is being used on right now. It results from the study of those people on the algae that is coming into the lake. Other sewage systems in Columbia Falls and Big Fork and Whitefish, they have all had to spend millions of dollars to upgrade to take this phosphorus out of this whole process.

Senator Story said, I have a question, I did understand that there were other lakes that have poisonous algae, is it always a sewage problem? I thought there were some lakes that didn't have so much as an out house near them that still have this. Dr. Stanford answered, sure there are lakes in Montana that are going to have algae in them no matter what because the drain areas of the state have a high phosphorus content and a high nitrogen content from the rocks.

Dr. Stanford mentioned the drainage system into the Missouri River as an example and said as a result there was algae in the Canyon Ferry Reservoir and places like that, but if you didn't have the basic understanding of the system to be able to compare Canyon Ferry with Flathead then you wouldn't know how to deal with it. You are quite right, he said, many lakes in the state that are very productive of algae and there isn't anything around them.

Senator Harding said, I would like to have Dr. Stanford explain -- you mentioned the Big Fork treatment plant and that has just started at Big Fork now, but also our phosphorus ban. Have we seen any results? That has just been initiated from our last session. Dr. Stanford answered, we now have in Flathead and Lake Counties, a ban -- a local option ban on the sale of phosphorus containing detergents and we feel this can decrease the problem at the treatment plant level and at the Basin wide level as well. It is too early yet to have documented any changes because there is a tremendous amount of variability year to year in the amount of materials that are delivered to the lake, but we do feel it is a very positive and community oriented step in the right direction. I would like to add just one other thing, our work also interfaces the international problem of the Cabin Creek Coal Mine, which has been on the back burner for some time, but we are in the process of an RJC reference on Cabin Creek and one of the things that we found worked is that there will be quite a lot of nitrogen and phosphorus coming out of that system when the mine is put in and this places even more importance on the U. S. side doing what we can at the local level.

Senator Smith, of Representative Mercer, in the 1969 or 1971 session, believe it or not, I sponsored legislation on behalf of Flathead Lake and some of the people there. The legislation was to curtail or to limit the disposal of sewage into the Lake. They even had the city officials come in and oppose the legislation. However, we did get legislation in place, and my question is, was that the beginning when they did finally start recognizing the problems that could be created by sewage disposal? Representative Mercer said, it is difficult for me to answer that question for two reasons. In 1969 I was 12 years old, but I seriously think that people did not understand the problem in the local area. I, as a citizen who lives there, was under the assumption that everything was great, the water was snow filled in the mountains, it melted and it came down and the Lake was all fresh and clean each year.

Senator Gage asked, in the '85 session when we were working on the local option phosphorus ban on detergents, as I recall the testimony that was given by the detergent people, it was to the effect that perhaps Agriculture and Livestock operations were contributing more to the phosphorus problems

in the Lake than the phosphorus detergents. Do you have any indication that you could leave with us as to the effect that Agriculture might be having on that? Dr. Stanford answered, the soap and detergent industry was wrong in their testimony and we showed them very clearly that if you backed off all the sources, leaving only the Stillwater drainage where all of the Agriculture that would affect Flathead Lake is located, you come up with no more than a few percentage points that could be attributed to Agriculture. Again, look at the satellite picture, the amount of agricultural lands that are affecting Flathead Lake are so small, there is no way they can affect it that much. They went out on a limb so far on their testimony that we cut it off on them and secondly cut it off on them so badly they are now funding our program.

Senator Hammond said, I asked part of this before. In the Nelson Reservoir the algae got so bad that the cattle died a few years ago. What can be done about that and why was it the first time it was ever happened there? Dr. Stanford answered that they did not the full data, but maybe it was just a circumstance of the livestock and the algae being there just at the right moment. It was a very low water year, but it is very clear though that this stuff is extremely toxic because the cows will die within seconds after ingesting the algae. What can be done about it is not so much in the case of Nelson Reservoir as it is with Flathead in trying to keep it from blooming. Rather it is understanding why it blooms when it does to the extent that it can be predicted to some degree. I think we are close to that now. I think we can say, given certain water conditions and certain concentrations of nutrients, nitrogen and phosphorus as observed in the water we can pretty well predict that a bloom is going to occur and it might be possible to advise livestock owners to keep their cows away until those conditions change.

Senator Stimatz said, I am kind of amazed at hearing all these nice things about Yellow Bay because for years it had the reputation of just being a kind of summer home for the scientists at Missoula. When did that reputation change? Carrol Krause answered, I am not sure I can answer that because since I've been in Montana there's been a tremendous amount of progress, and I think that evolved ahead of some of the programs. They were never really able to gear up their research on a continuing basis like they are today with a year around operation, and I don't know if any of us were here when that reputation was there. Certainly I know their reputation today is very very high throughout the nation.

Senator Stimatz asked, how long has Dr. Stanford been here? Dr. Stanford answered, I was a student here in 1971 through '74, left the area for awhile and kept the research going



there and came back in 1979 full time and became director in 1980 and professor last year. I am well aware of what you are talking about because prior to the research program becoming well entrenched where we are really doing scientific work instead of playing around, the program was largely a summer program where students came and took courses and that sort of thing, and I can tell you very precisely as being director, it is hard to keep a rein on everybody that are coming from all over the United States to have a good time and also try to learn something. Very often what the people saw in the community when they came cruising by, was the students skinny dipping in the lake and everybody just looking like they were having a gay old time. While the atmosphere has changed now, it is a very intense atmosphere, students still have a lot of fun there. I would like to add one more thing. It hasn't always even in the long history of the biological station, been felt that it was a sort of play ground for these students because we're constantly receiving letters and visits and even financial support from students who attended the biological station way back when -- in the 1920's, saying that their experience there actually molded their careers.

Senator Stimatz asked, how many people there are on the state payroll? Dr. Stanford answered, the state payroll today has about 1/2 of my salary, 2 secretaries on state payroll and 3 maintenance people. That's it. None of the scientific staff is on the state payroll other than that. Our summer program is still in effect, a high visibility program, our enrollment stayed high and each summer we bring in 6 people -- 6 professors from around the state so some University of Montana and Montana State teach. Their salary is paid by the state through the summer portion program portion of our operation. However, the tuition that we generate during the summer session comes within 10% of paying that. That's the extent of the program and we have roughly 22 people, in other words 15 people, on extramural support at this time. That includes 3 other PHD scientists, and 2 senior scientists.

Senator Manning asked, does this algae that is in the water affect the fish at all? Dr. Stanford answered, sure. The algae is at the base of the food chain, just like the grass growing out in the pasture, consequently the fish are dependent on it. It's a matter of balance, however. You want enough productivity to support the fish and not too much to drown them in it. Most of the time a clean system, a pristine system like the Flathead has everything in balance. You only mess it up by changing the components. That's why we're so adamant and vocal about the macees problem. It changes the components, changes the way in which they are interacting, and it is very difficult to manage if we do that.

Representative Mercer closed by saying, there is one technical point on the bill. The Director of Fish, Wildlife and Parks, Mr. Flynn, asks that if the bill is concurred in that the \$50,000 that comes from his state special revenue fund be line item or at least in House Bill 2, or considered by the subcommittee, there is a particular way that that needs to be put into the fisheries budget under a contract thing, and Mr. Flynn said he would work with them.

Senator Himsel closed the hearing and Senator Regan resumed the chair. She said she would like to take some executive action on bills the committee had had time to look at. Those to consider were H. B. 599, 702, 787, 867, 744, 814 and 811.

DISPOSITION OF HOUSE BILL 599: Motion by Senator Himsel that we concur subject to the amendment necessary to satisfy the Fish and Game. Voted, passed, unanimous. Senator Hardy to carry the bill. At the request of the Chairman, the LFA will prepare the amendment as well as the amendment prepared for House Bill 2.

DISPOSITION OF HOUSE BILL 702: CREATE LEGISLATIVE REORGANIZATION COMMISSION.

Motion that House Bill 702 be concurred in. .

Senator Bengtson said possibly this bill needed an amendment. The Department of Administration said they don't have anybody taking care of this -- there is no appropriation for staff to take care of it.

Senator Jergeson said, lots of these studies I have a problem with because I think they just go off and exercise the political will or whatever. Over the years we fight the problems we have and I don't know that studies of any kind can cause us to exercise the political will we need to make changes.

Senator Smith said, I have visited with several legislators around the nation and when they talk about having days off etc., they are talking a full time legislature, and the thing that concerns me is that if we have a full time legislature and the people have to come down here to protect themselves for that length of time, I don't know what this will cost the general public. If they can help the system, great, but the experiences in the past on reorganization hasn't resulted in what they claim it will.

Question was called, oral vote uncertain and a roll call vote was taken. Voted, passed, 8-7. Senator Manning to carry the bill.

DISPOSITION OF HOUSE BILL 787: EXTEND UNIVERSITY OF MONTANA MBA PROGRAM TO EMC.

Motion by Senator Bengtson that Senate Bill 787 be concurred in.

Senator Smith said, I have a concern and it wasn't completely answered. In regard to the Board of Regents, they have suggested the two courses, state architect and state pharmacy and they said they didn't have the money for it, and now they want to extend this program.

Senator Regan said, two years ago we did appropriate money for the MBA and then during the cuts this was one of those cuts that were made. In some respects this is a better deal because you are starting with a satellite program and I think that holds great promise for all the units.

Senator Smith, I guess my concern is, is this just opening the door and then they get something started in 2 years we may go up to your figure last time or maybe beyond that so that we get another program started and then expand it.

Senator Regan said, the intent of this bill, as was the intent of the last bill, was simply to put the MBA program in Eastern, but under the University of Montana Cooperative Program. It was approved 2 years ago, we are asking the same approval but for less money. I think it is a good buy for the money, but then I am prejudiced.

Senator Jergeson said he would respond just briefly to Senator Smith's question, is that this \$163,000 would provide the capacity to send that signal up to the satellite and that is the cost at this point. The use of that technology is fairly cheap then to do other programs with, so really it is a start up that will make some savings in other programs. I think it is a good start.

Senator Smith asked, but what about the Architect's and pharmacy program? Senator Jergeson answered, I think that with what the House did yesterday there will probably be a pharmacy program.

Senator Keating said, while this discussion was going on I was envisioning that this might lend itself to satisfy some of the dispute over the nursing degree as well, so that some of the nursing students training in Billings have to go to Bozeman for their quarter and it disrupts their family life, or with some of them it is impossible for them to go to Bozeman for a quarter. I don't know if that's a hands on course or not, but I suspect that a similar situation might occur in that nursing field.

Senator Bengtson said, it is a pilot program, who knows where it may go.

Question was called, voted, passed, Senators Story, Smith and Gage voting no.

CONSIDERATION OF HOUSE BILL 867: This was the super collider bill. It was requested by Senator Bengtson that this bill be set aside for the day.

DISPOSITION OF HOUSE BILL 744: APPROPRIATING MONEY FOR A COUNTY CONSOLIDATION COMMISSION.

Motion by Senator Story that House Bill 744 be not concurred in.

Senator Keating said, this is a lot more comprehensive than Senator Gage's resolution 14, but I am wondering if the do not concur are because of the \$50,000 expense or because of the idea itself. I would hope that the members of the Senate would vote to place that resolution 14 a little higher on the list when they are rating these various interim studies because I think there is a lot of merit in the idea of taking the work of some county consolidation from the standpoint of efficiency and expense in the state. I know that rural areas are a bit suspicious of a study like that but as I travel around and run title in all of those counties, I can see the need for consolidation in a lot of areas and I would hope you would consider that study as beneficial.

Senator Harding said, if you look at our 56 county structure, there are 11 counties that have less than 5,000 people in them according to the census, and I think that they're probably in the same position as the state government because the state government we had to take care of 820,000 people, and out of 56 counties you have 11 of those that take care of the government for less than 5,000 people. It just looks to me that we need to take a look at all of the government structures in the state of Montana. I think this would be a good beginning.

Senator Story asked if he could close on his motion. He said one, I don't think that unless you change your constitution and can tell people to consolidate without a vote you are never going to get it. One county will have a lower mill levy than the other, and the county with the lower mill levy is not going to vote for it. The second thing, is there are some things that is proper to do now and we aren't doing them. Billings has a regional jail. There are other aspects. Park county and other counties are sharing sanitariums. Thirdly, you are not going to get the savings you think you are going to get out of consolidation because those court houses are going to stay there, and people rather than troop from Livingston over to Bozeman or wherever it is are going to have a satellite office and the satellite office will end up with the same number of people

in those areas that you had first, but you will increase your mileage and you will inconvenience the people because there are some things that won't be in the satellite office. The car registration instead of going 120 miles from Cook City to Livingston will now go 170 miles from Cook City to Bozeman, so these are some of the reasons for whatever little savings you get by having fewer elected officials, you lose by adding mileage to the people. For all these reasons I think this is an exercise in futility and I hope if you want to do it you would do it by the cheaper way by voting for the study method, not this one.

Senator Smith asked the committee to look at page 2, beginning on line 7. I think that is quite a mandate to dictate. I think we all realize we have to begin to cut consolidating services and cut costs, but the state was not a good example. I think we should clean up our own act first before we start dictating to the counties and local governments.

Question was called on Senator Story's motion to not concur in House Bill 744. Senator Story will carry the adverse committee report.

HOUSE BILL 814: STATE MEAT INSPECTION PROGRAM.

Motion by Senator Bengtson that House Bill 814 be concurred in.

Senator Himsel said, I have a problem with this bill. We were happy a few years ago when we took the state out of this because the feds were doing it and we thought we were doing the right thing. I guess I'm not convinced that there is a compelling reason for making this change now. The feds don't recognize the state inspections and you have this duplication of inspection anyway, they're going to that for interstate. I think the concern is for public health, and just because the feds are really tight, if that's what it is, then I don't see anything wrong with it. There'll be a duplication of it, and if there is a duplication the federal inspection prevails, so what have we really accomplished other than just set up another inspection?

Senator Hammond said, there isn't a duplication as long as it is in the state. They'll have to get the feds if the meat is going out of the state. When the state was in the business we had meat packing plants at Glasgow, we had one at Havre, and after the state was no longer in the business the feds took over and we lost them. We lost them all over the state, they weren't big ones, but they were serving a real purpose, and we shot ourselves in the foot, that's what we did when we dropped out of this program, and I think it is time we get back in.

Senator Boylan said, you can still get federal inspection but the cost is tremendous and it really costs to the packing plants. You still have to meet federal criteria like the grocery in Bozeman, they walked in one day with a badge on and put the hammer on them because they were selling too much meat. Without federal inspection they could only sell up to so many pounds of meat. He had sold over that amount and they put the hammer on him.

Senator Manning asked, We've had about 4 or 5 small packing plants in and around Great Falls and the federal requisite on inspections is much much tougher than it would be for a Montana inspection where it is sold in Montana. It is still perfectly clean, the bacteria count is down etc., there are no health problems, but the federal inspectors criteria are much more critical, much more picky, and they just put these young people and these small people completely out of business.

Senator Story said, I am sorry I missed the presentation of this bill, but can we have lower or different standard? Senator Manning said no, Montana standards and federal standards.

Senator Jergeson said, our state inspectors would have to meet federal standards, but there is a certain question that these federal inspectors have been arbitrary and have been interpreting the federal standards in a way that has not been in the interests of our packers in Montana. When that happens people contact Melcher or Marlenee and those guys raise hell for a couple of weeks and the inspectors back off on their rules for a couple of weeks and then when they think Melcher or Marlenee is distracted on something else back in Washington they are back to the same old game again.

Senator Story said, but theoretically the plants must be equipped, the cutting tables are the same, etc.

Senator Hammond said, the question was asked if it was ever proved that there were any deaths from uncleanness or anything of that nature and there wasn't any.

Senator Smith said, actually wasn't it also mentioned that the people that did have these establishments would have to pay a fee and they would pick up the major portion of this cost? I believe it is on page 28.

Senator Story asked, are the fees intended to replace general fund money? Senator Regan answered, you cannot use fees, as I understand it, to replace general fund money by federal law.

Senator Story said, there will be a high enough fee going into the state to match? Senator Regan said, no. There

will be some federal match, but this is general fund money only, it is not fee generated.

Senator Boylan says in subsection 2 they assume there is a funding split 50-50 between state general fund and federal government.

Question was called, voted, passed, Senators Regan, Hims1, Story and Stimatz voted no.

DISPOSITION OF HOUSE BILL 881: PROVIDE FOR ADULT COMMUNITY CORRECT FACILITIES AND PROGRAMS.

Motion by Senator Jergeson that House Bill 881 be concurred in.

Senator Hammond said, this is a sort of half way house for people who would have gone to prison.

Senator Smith said he had talked to Representative Thoft who said if he had known about the bill he would have come and testified against it. He said he was in touch and he did give the heads of the Department in Colorado and they have just put a 3 cent tax on all food items to try and increase their prison facilities. I guess the argument was, yes, it helps but it doesn't solve the problem.

Senator Regan said, it would have to be in a rather large city in order to provide jobs for these people. One of the intents, I believe, is that the person who is being detained have a job and help pay for their own board and room.

Senator Hammond said, they only pay \$5 on their board and room but if they have families they have to provide some money for the care of those families.

Senator Stimatz said there would be a big liability problem, food poisoning, etc. It will never work.

Question was called, voted, passed, roll call vote, 8-7.

The meeting was adjourned.

  
-----  
Senator Regan, Chairman

ROLL CALL

50th LEGISLATIVE SESSION - - 1987

Date 4-7-87

| -----            |         |        |         |
|------------------|---------|--------|---------|
| NAME             | PRESENT | ABSENT | EXCUSED |
| SENATOR REGAN    | ✓       |        |         |
| SENATOR HIMSL    | ✓       |        |         |
| SENATOR JACOBSON | ✓       |        |         |
| SENATOR BENGTON  | ✓       |        |         |
| SENATOR STIMATZ  | ✓       |        |         |
| SENATOR HARDING  | ✓       |        |         |
| SENATOR HAFLEY   | ✓       |        |         |
| SENATOR SMITH    | ✓       |        |         |
| SENATOR KEATING  | ✓       |        |         |
| SENATOR STORY    | ✓       |        |         |
| SENATOR BOYLAN   | ✓       |        |         |
| SENATOR JERGESON | ✓       |        |         |
| SENATOR TVEIT    | ✓       |        |         |
| SENATOR MANNING  | ✓       |        |         |
| SENATOR HAMMOND  | ✓       |        |         |
| SENATOR GAGE     | ✓       |        |         |
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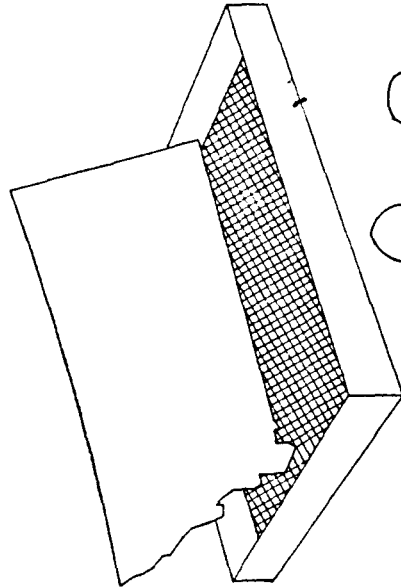




*John L. Butler  
Sponsor*

SENATE FINANCE AND CLAIMS  
EXHIBIT NO. 1  
DATE 4-7-87  
BILL NO. HB 867

STUDY AREA

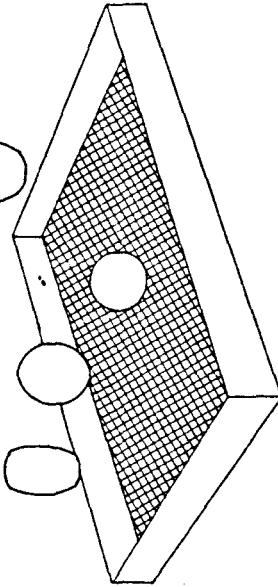


PRELIMINARY SCREENING

MUSTS -- THAT ARE INHERENT.

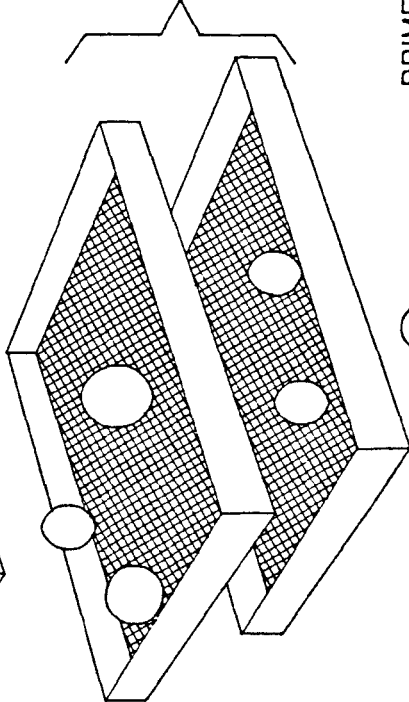


QUALIFYING SITES



SECONDARY SCREENING

MUSTS -- THAT CAN READILY BE PROVIDED.



FINAL SCREENING

WANTS -- WEIGHTED IN ORDER OF  
RELATIVE IMPORTANCE.



PRIME CANDIDATE SITE FOR SUPERCONDUCTING  
SUPER COLLIDER.

BASIC PROCEDURE FOR SELECTING SITES FOR SSC PROPOSAL.

# SITE SELECTION SCREENING

1. WHAT SELECTED SITES MUST PROVIDE THAT CANNOT BE READILY PROVIDED BY ECONOMIC CONSTRUCTION OR OTHER MEANS TO BE ELIGIBLE FOR PROPOSAL CONSIDERATIONS

EXAMPLE: SEISMICALLY STABLE

ESSENTIALLY FLAT

WATER TABLE BELOW 100 FEET

READILY AVAILABLE UTILITIES

READY ACCESS TO HIGHWAYS, RAILROADS, COMMERCIAL AIRLINES  
NONPERVIOUS SOIL

ENVIRONMENTALLY SUITABLE

2. WHAT SELECTED SITES MUST PROVIDE THAT CAN BE PROVIDED ECONOMICALLY BY LOCATION, CONSTRUCTION, OR OTHER MEANS

EXAMPLE: LEGISLATIVE JURISDICTION

AVAILABLE WORKFORCE

INDUSTRIAL RESOURCES

WASTE DISPOSAL RESOURCES

3. WHAT SELECTED SITES CAN PROVIDE THAT ARE DESIRED, IN ORDER OF THEIR RELATIVE IMPORTANCE

EXAMPLE: EDUCATIONAL AND RESEARCH FACILITIES

HOUSING AND COMMUNITY SERVICE

RECREATIONAL RESOURCES

SENATE FINANCE AND CLAIMS

EXHIBIT NO. 1 Page 2

DATE 4-7-87

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## RESOURCES WE NEED TO INVEST

PEOPLE WHO ARE KNOWLEDGEABLE AND HAVE THE FACILITIES TO PROVIDE DETAILED INFORMATION IN THE FOLLOWING AREAS:

- ENVIRONMENT OF THESE SITES
- GEOLOGY OF THESE SITES
- CONSTRUCTION - TUNNELLING
- AVAILABLE WORK FORCE (BOTH TECHNICAL AND ADMINISTRATIVE)
- HOUSING AND COMMUNITY SERVICES
- INDUSTRIAL RESOURCES
- EDUCATIONAL AND RESEARCH FACILITIES
- RECREATIONAL AND CULTURAL RESOURCES
- TRANSPORTATION RESOURCES
- POWER AND FUEL RESOURCES
- WATER RESOURCES
- WASTE DISPOSAL RESOURCES
- NOISE AND VIBRATION AT SITE AREAS
- CLIMATE HISTORY
- COSTING AND SCHEDULING
- LEGISLATIVE CRITERIA, TAXES
- RADIOACTIVITY MONITORING

SENATE FINANCE AND CLAIMS

EXHIBIT NO. 1 p93

DATE 4-7-87

BILL NO. HB 867

# KEY PROPOSAL ELEMENTS

1. EXECUTIVE SUMMARY
2. TECHNICAL PROPOSAL
3. MANAGEMENT PROPOSAL
4. COST PROPOSAL

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DATE 4-7-87  
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## RESPONSIBILITIES OF THE PROPOSAL TEAM

- INSURING PROPOSAL SCHEDULE MAINTAINED
- ESTABLISHING FORMAT AND GENERAL LAYOUT
- PROVIDING EXECUTIVE SUMMARY AND ALL INTRODUCTORY MATERIAL
- ORGANIZING PROJECT/PROGRAM TEAM CAPABILITIES
- INSURING OVERALL PROPOSAL CONSISTENCY
- OVERSEEING PREPARATION OF PROPOSAL
- COORDINATING REVIEWS
- RESOLVING REVIEW COMMENTS
- PROVIDING REWRITES IF NECESSARY
- COORDINATING REPRODUCTION/PRINTING
- INSURING DELIVERY

SENATE FINANCE AND CLAIMS  
EXHIBIT NO. 1 Pg. 5  
DATE 4-7-87  
BILL NO. H B 867

# DOE SCHEDULE AS PROVIDED FEBRUARY 23

4/87 REQUEST FOR PROPOSALS AVAILABLE FROM:

SSC SITE TASK FORCE  
OFFICE OF ENERGY RESEARCH , ER-22, GTN  
U.S. DEPARTMENT OF ENERGY  
WASHINGTON, D.C. 20545

8/87 PROPOSALS DUE

9/87 QUALIFIED PROPOSALS TO NAS/NAE FOR EVALUATION

12/87 NAS/NAE RECOMMENDS BEST QUALIFIED SITES

12/88 SELECT PREFERRED SITES

(1/89) (12/88) ENVIRONMENTAL IMPACT ASSESSMENT

(12/88) (1/89) FINAL SITE SELECTION

SENATE FINANCE AND CLAIMS  
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DATE 4-7-87  
BILL NO. HB 867

| ITEM   | MONTH |   | MARCH |    |    | APRIL |   |    | MAY |    |   | JUNE |    |    | JULY |    |    | AUGUST |   |    |    |    |    |   |    |    |    |
|--|-------|---|-------|----|----|-------|---|----|-----|----|---|------|----|----|------|----|----|--------|---|----|----|----|----|---|----|----|----|
|  | DATE  |   | 6     | 13 | 20 | 27    | 3 | 10 | 17  | 24 | 8 | 15   | 22 | 29 | 5    | 12 | 19 | 26     | 3 | 10 | 17 | 24 | 31 | 7 | 14 | 21 | 28 |
| 1. REQUEST RFP   |       | ▲ |       |    |    |       |   |    |     |    |   |      |    |    |      |    |    |        |   |    |    |    |    |   |    |    |    |
| 2. FORM PROPOSAL TEAM<br>(A) ESTABLISH PROPOSAL<br>HQ                    |       | — |       |    |    |       | — |    |     |    |   |      |    |    |      |    |    |        |   |    |    |    |    |   |    |    |    |
| 3. RECEIVE RFP   |       |   |       |    |    |       | — |    |     |    |   |      |    |    |      |    |    |        |   |    |    |    |    |   |    |    |    |
| 4. IDENTIFY POTENTIAL<br>SITES (3)                                       |       |   |       |    |    |       | — |    |     |    |   |      |    |    |      |    |    |        |   |    |    |    |    |   |    |    |    |
| 5. SELECT BEST SITES   |       |   |       |    |    |       |   |    |     |    |   |      |    |    |      |    |    |        |   |    |    |    |    |   |    |    |    |
| 6. DATA ACQUISITION &<br>REDUCTION,<br>(8 CATEGORIES --<br>17 RESOURCES) |       |   |       |    |    |       |   |    |     |    |   |      |    |    |      |    |    |        |   |    |    |    |    |   |    |    |    |
| 7. DRAFT PROPOSAL  |       |   |       |    |    |       |   |    |     |    |   |      |    |    |      |    |    |        |   |    |    |    |    |   |    |    |    |
| 8. REVIEW  |       |   |       |    |    |       |   |    |     |    |   |      |    |    |      |    |    |        |   |    |    |    |    |   |    |    |    |
| 9. FINALIZE & ISSUE  |       |   |       |    |    |       |   |    |     |    |   |      |    |    |      |    |    |        |   |    |    |    |    |   |    |    |    |

SENATE FINANCE AND CLAIMS

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SENATE FINANCE AND CLAIMS

EXHIBIT NO. 1

DATE 4-7-87

BILL NO. HB 867



exh 2-  
Colbo

Oral Testimony of Keith L. Colbo, Director  
Montana Department of Commerce

Presented to  
The U.S. House of Representatives  
Science, Space and Technology Committee

April 8, 1987

EXHIBIT NO. 2  
DATE 4-7-87  
BILL NO. HB 867

I am Keith Colbo, director of the Montana state Department of Commerce. Our governor, Ted Schwinden, is unable to attend today and asked me to testify on his behalf. I ask that his written testimony be entered into the published proceedings of this hearing. In consideration of your time limits, my testimony today summarizes his written testimony.

Montana is excited about the Superconducting Super Collider project. It represents a significant, positive action by the United States to maintain this country's leadership and preeminence in high energy physics. We see this project as the establishment of a new national laboratory--significantly different from present laboratories and capabilities--designed to satisfy the future needs of research in the high energy physics area.

Traveling around the United States, I have discovered that Montana means different things to different people. We have the reputation as an outdoor recreation land with a big sky, mountains, forests, rivers and streams that offer outstanding outdoor activities like hunting and fishing, skiing, backpacking and mountain climbing. To others our reputation is one of rich natural resources, with a large hydroelectric and fossil fuel power base, with gold, silver, copper, talc and coal mining industries as well as wood products and oil and gas industries. Still others think of vast federal lands, wheat fields, cattle herds, sheep and wild hay. Montana is all of these.

Page 2

We are not, however, often linked with the term "high tech." Yet, development of new technology capabilities is an increasing part of our public and private efforts and the faculty and graduates of our university system augment the work of a growing number of developmental and industrial firms in our state.

Already a number of sites within our boundaries that meet the SSC siting criteria have been investigated. These efforts have been informal, mostly voluntary, and without publicity, but a great deal of work has already been accomplished. To augment this task, our Legislature is currently considering H.B. 867, which will appropriate funds to complete the formal proposal.

In addition, on March 16, a conference of state political, business and academic leaders shared existing SSC information--an action that unified the Montana effort. The conclusion of this and subsequent meetings was to endorse Montana's entry into the SSC siting competition.

#### Why site the SSC in Montana?

- Montana has vast areas of suitable low seismic land;
- We can meet the water requirement of 2,000 gallons per minute;
- Many areas in the eastern half of the state provide near perfect topographic and geological formations;
- Montana has an abundance of electrical power at one of the most economical rates in the United States;

- All sites investigated are served by major highways, railroads, electrical power grid feeders and other utilities;
- Montana has the physical setting, the clean environment, the community resources and a proven top quality lifestyle;
- And, Montana has proven that it can support mega-projects. The Minute Man installations, the Magnetohydrodynamics technical development, and the Colstrip Power Plant are examples of the diversity and capability of our construction and crafts workforce.

In summary, Montana has the seismic, geographical and physical setting, community resources, abundant water and electrical power, construction and tunneling expertise, an acceptable climate, strong technical universities, and the kind of people who will make the Superconducting Super Collider a successful reality.

We welcome the competition for siting the SSC and fully endorse its undertaking.

4B 867

**Superconducting Super Collider Conference  
Fairmont Hot Springs, Anaconda, Montana  
March 16, 1987**

**Bureau of Land Management Presentation**

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- Geologic Map

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- Topographic Map
- Geologic Map

6. Site 5 — Harlem Area

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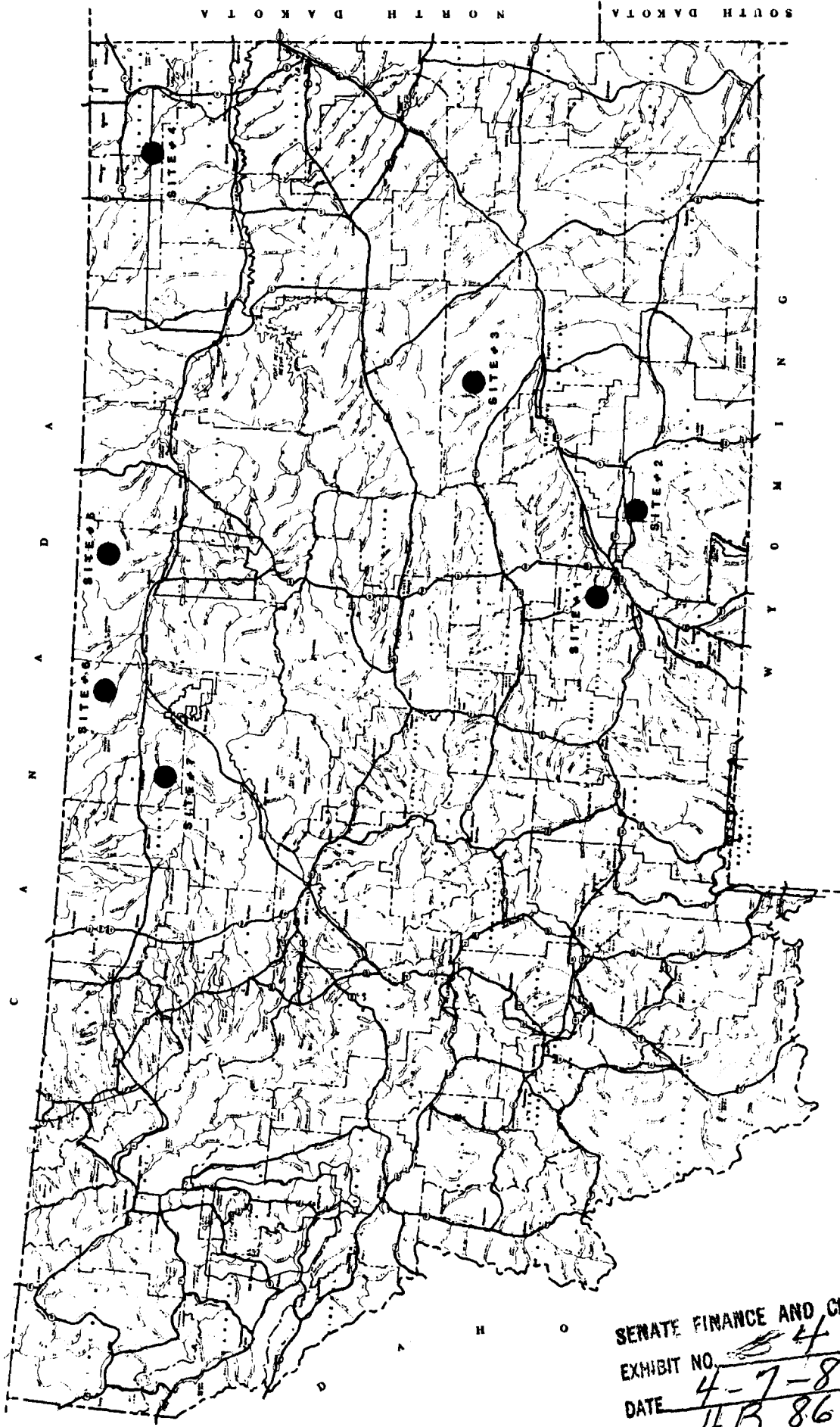
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SENATE FINANCE AND CLAIMS  
EXHIBIT NO. 3  
DATE 4-7-87  
BILL NO. HB 867



MONTANA  
0 10 20 Miles

*Handwritten signature*

SENATE FINANCE AND CLAIMS  
EXHIBIT NO. 44  
DATE 4-7-87  
BILL NO. HB 867

HH 867  
My name is Lee Walker, and I am Chairman of Northern Engineering and Testing, Inc., a consulting Civil and Geological Engineering firm with nine offices in the Northern Rocky Mountain Region.

I appear before you in support of HB867.

Several weeks ago I was asked to be a part of a small ad hoc group to review the site parameters Document for the Superconducting Supercollider. We were to determine, based on information available to us, and our knowledge of the State, if there are sites which would meet the parameters outlined. If these preliminary studies were positive, then they would provide a basis for action by the Governor and the legislature in responding (or not responding) to the formal request for a proposal, which was received by the Governor last week.

Our ad hoc Committee has identified several sites which appear to meet the geologic, topographic, construction materials, groundwater, surface water and seismic parameters.

Among those sites, we have identified sites which meet the requirements for power, communications, energy (gas, etc.), railroad, highway and airline service.

With a positive approach, we can respond positively to the other criteria.

Can it be done in Montana? I refer you to two projects of similar magnitude - accomplished more than successfully - the Minuteman Missile Project, centered in Great Falls in the 1960's, and the Colstrip Power Project in the 70's and early 80's. Both are of the same dollar magnitude.

Montana has a skilled work force - intelligent, productive, dependable - as was proven by these two projects.

We have many capable contractors, experienced in the kind of work involved with this project. We have two of the 200 largest construction firms in the U.S. located in Montana.

My purpose is to assure you that we can prepare a proposal which will positively respond to the required site parameters. The purpose of HB867 is to provide the mechanism, and very modest financial assistance in preparation of the proposal. I urge your support.

SENATE FINANCE AND CLAIMS  
EXHIBIT NO. 5  
DATE 4-7-87  
BILL NO. HB 867

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President of the Senate, Massachusetts

*Vice Chairman*

HON. MARY McCLURE  
Senate President Pro Tem, South Dakota

*President*

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Senate Minority Leader, Tennessee

HON. JIM BARKER  
Speaker of the House, Oklahoma

HON. WILLIE LEWIS BROWN, JR.  
Speaker of the Assembly, California

HON. LARRY L. CAMPBELL  
House Minority Leader, Oregon

HON. JOHN M. ENGLER  
Senate Majority Leader, Michigan

HON. JAMES I. GIBSON  
Senate Minority Leader, Nevada

HON. BOB F. GRIFFIN  
Speaker of the House, Missouri

HON. RICK W. HALFORD  
Senate Majority Floor Leader, Alaska

HON. ART HAMILTON  
House Minority Leader, Arizona

HON. CHUCK HARDWICK  
Speaker of the Assembly, New Jersey

HON. DAVID J. HEINEMANN  
House Speaker Pro Tem, Kansas

HON. JEROME M. HUGHES  
President of the Senate, Minnesota

HON. JACK C. KENNEVICK  
House Majority Leader, Idaho

HON. JOSEPH E. KING  
Speaker of the House, Washington

HON. GIBSON D. (GIB) LEWIS  
Speaker of the House, Texas

HON. JAMES J. MANDERINO  
House Majority Leader, Pennsylvania

HON. JOHN L. MARTIN  
Speaker of the House, Maine

HON. HARRY MESHEL  
Senate Minority Leader, Ohio

HON. JON MILLS  
Speaker of the House, Florida

HON. THOMAS B. MURPHY  
Speaker of the House, Georgia

HON. C.B. (BUDDIE) NEWMAN  
Speaker of the House, Mississippi

HON. WILLIAM A. OBERLE  
House Majority Leader, Delaware

HON. JOHN C. REVENS, JR.  
Senate Majority Leader, Rhode Island

HON. PHILIP J. ROCK  
President of the Senate, Illinois

HON. IRVING J. STOLBERG  
Speaker of the House, Connecticut

HON. DANIEL B. WALSH  
Assembly Majority Leader, New York

HON. JOHN VINCENT  
House Minority Leader, Montana

HON. RICHARD S. H. WONG  
President of the Senate, Hawaii

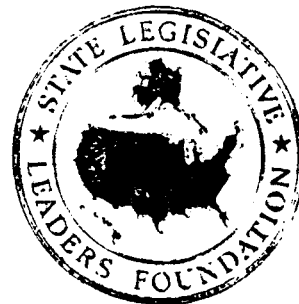
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HON. JAMES D. HORSMAN, Q.C.  
Attorney General and  
Deputy Government House Leader  
Alberta, CANADA

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Democratic Party, Tokyo, JAPAN

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Berlin, WEST GERMANY

HON. KAO YU-JEN  
Speaker, Taiwan Provincial Assembly  
Hsien, TAIWAN



250 BOYLSTON STREET  
BOSTON, MASSACHUSETTS 02116  
Telephone (617) 771-3821

March 17, 1987

Representative John Vincent  
House Minority Leader  
Montana State Legislature  
Room 348 - Capitol Station  
Helena, MT 59620

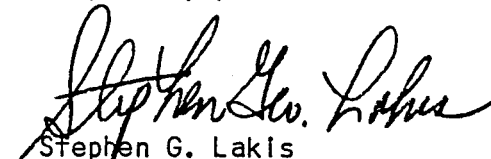
Dear Representative Vincent:

Pursuant to our conversation of March 6, 1987, I am writing to support your proposal to create an independent study commission on the Montana State Legislature.

In my experience with reorganizations in both the public and private sectors, successful efforts have always been founded on a high degree of independence and objectivity. This is an essential component of a plan which will reflect Montana's need for a responsive and efficient legislature. Your desire to seek private funding for this endeavor makes an independent commission even more imperative. To do otherwise would, I believe, seriously impair your credibility with private interests, and limit the effectiveness of any eventual change in structure or process.

I wish you well in your proposal.

Very truly yours,

  
Stephen G. Lakis  
President

SENATE  
EXHIBIT NO. 1  
DATE 4-7-87  
BILL NO. HB 702

3-10-87

FLATHEAD LAKE BIOLOGICAL STATION FUNDING

- \* FY-87 State support = \$150,000
  - Salaries = \$98,848
    - 1/2 Director's base pay
    - 2 Secretaries
    - 3 Maintenance persons
  - \$45,700 for operations and expendable supplies
  - not including utilities and campus administration
  - student tuitions = salaries of summer academic faculty
  - this level of State support is based on a summer academic program and baseline maintenance of the facility; no provision has ever been made for the operation of a large research program even though \$2 million in extramural funds have been spent since 1981 to build a water research laboratory and additional staff housing
- \* So far in FY-87 the extramural research program has generated \$250,000; grant applications totaling > \$300,000 are pending
  - our success rate on proposal funding is > 90%
  - grants currently support
    - 1/2 Director's base pay
    - 3 PhD research scientists
    - 3 senior scientists
    - 4 technicians
    - 1/2 accountant
- \* Our track record: \$1 State generates \$3 extramural
- \* Our research is important to the economy and quality of life in Montana (see Lakers brochure)
- \* HB 599 would provide additional research support in form of salaries for non-academic staff presently funded extramurally; it would also provide several research assistantships for graduate students and buy a variety of badly needed instruments
- \* Accountability challenge:  
With the added support we will generate \$6 extramurally for every \$1 from the State

Priority:

- 1.) Salaries for 2 PhD researchers = \$65,000 per year
- 2.) Two critical instruments (image analysis system; water quality autoanalyzer) = \$47,500 first year
- Priority total for biennium = \$177,500

DATE 4-7-87  
BILL NO. HB 599

DATE AND CLAIMS



DPH 2-HB 599

4-7-87

THE RESULTS OF A PUBLIC SURVEY OF ISSUES AND OPINIONS  
ABOUT FLATHEAD LAKE

# ISSUES and ACTIONS

for the

## FLATHEAD LAKERS

Sponsored by the Flathead Lakers, a citizens' organization  
dedicated to the protection of Flathead Lake and the high  
quality of life on its shores.

## FLATHEAD LAKE BIOLOGICAL STATION

University of Montana

State Funding Support

Fiscal Year 1987

RC 1003      RC 1113      RC 1377      Total  
 Bio.      Bio. Station      Bio. Station  
 Station      Research      Phys. Plant

Salaries  
 Stanford, Director      \$25,981      \$ 5,430      \$31,411  
                                  (.67 fte)      (.14 fte)

Gillespie, Admin. Asst.      15,683           15,683  
 MacLachlan, Admin. Aide           11,344      11,344  
 Potter, Maint. Supervisor                \$21,585      21,585  
 Barker, Maintenance                20,554      20,554  
 Morrison, Custodian                13,872      13,872  
 Hourly      693      945      1,638

---

Total Salaries      42,357      17,719      56,011      116,087

Operating Expenses  
 Contracted Services      400           567      967  
 Supplies      6,375           7,475      13,850  
 Communications      3,825           1,758      5,583  
 Travel      5,306           1,051      6,357  
 Utilities                30,000      30,000  
 Repair & Maintenance      3,500           12,807      16,307  
 Other                2,118      2,118

---

Total Operating Expenses      19,406           55,776      75,182

---

GRAND TOTAL      \$61,763      \$17,719      \$111,787      \$191,269

## Grants Received to Date in FY 1987

Jessie Bierman      \$ 35,000  
 Bitterroot Fund      7,000  
 National Science Foundation - Stream Symposium      59,900  
 Montana Power Company - Systems Analysis...Kerr      101,914  
 National Park Service      12,500  
 Flathead Lake Monitoring Program\*      79,587  
 Bureau of Indian Affairs - Lower River Zoobenthos      43,500  
 Montana Water Resources Research Center - Mineralogy      6,084  
 Montana Dept. Fish, Wildlife, & Parks - Otoliths      3,000  
 Soap & Detergent Association - Large Lake Eco. Model      65,000  
 Fed. Highway Administration - N. Fork Road      9,246  
 Montana Bureau of Mines & Geology - North Fork      33,676  
     (Funding from Montana Coal Board)  
 Total Grants      \$456,407  
 \*Agency Consortium

Proposals Pending:

Dept. of Nat. Resources & Conservation - Shoreline Leachates      100,000  
 Environmental Protection Agency - New Generation Simulation      588,471  
 National Science Foundation - Ecology of Riverine Hyporheos      281,916  
 National Science Foundation - Research Boat      88,000  
 Total Pending      \$1,058,387

GRAND TOTAL (Grants and Proposals Pending)

\$1,514,794

STATE FINANCE AND CLAIMS

EXHIBIT NO. 3

DATE 4-7-87

BILL NO. 599

3-27-87

LOCAL RESEARCH FUNDING  
FROM GRANTS AND CONTRACTS

FY-87

Flathead Lake Biological Station  
University of Montana

| AGENCY OR PRIVATE SOURCE                | AMOUNT           |
|---|------------------|
| Flathead County                         | \$ 29,059        |
| Lake County                             | 11,000           |
| Confederated Salish and Kootenai Tribes | 8,156            |
| Montana Water Quality Bureau            | 26,372           |
| Montana Coal Board                      | 33,676           |
| Montana Power Company                   | 101,914          |
| Montana Power Company                   | 5,000            |
| Private Contributions                   | <u>42,000</u>    |
| Total                                   | <u>\$257,177</u> |

In recent years we have received financial assistance in the form of journal subscriptions and equipment purchases from the Friends of the Biological Station and the Flathead Lakers. We have also received major research support for work on Whitefish Lake from Whitefish County Water and Sewer District.

SENATE FINANCE AND CLAIMS  
EXHIBIT NO. 4  
DATE 4-7-87  
H. BILL NO. 599

3-27-87

RESEARCH SITES FY-87

Flathead Lake Biological Station  
University of Montana

WATER BODY

STUDY EMPHASIS

*IN STATE*

|                                  |  |
|----------------------------------|--|
| Flathead Lake, Montana           | Water Quality, Plankton, Benthos, Fish |
| Whitefish Lake, Montana          | Water Quality, Plankton                |
| McDonald Lake (GNP), Montana     | Water Quality, Plankton, Fish          |
| Waterton Lake (GNP), Montana     | Water Quality, Plankton                |
| St. Mary's Lake (GNP), Montana   | Water Quality, Plankton                |
| Two Medicine Lake (GNP), Montana | Water Quality, Plankton                |
| Backcountry Lakes (GNP), Montana | Water Quality, Plankton                |
| Flathead River, Montana & Canada | Water Quality, Benthos                 |
| Swan River, Montana              | Water Quality, Benthos                 |
| Kootenay River, Montana & Canada | Benthos                                |
| Clark Fork River, Montana        | Water Quality, Benthos                 |
| St. Mary's River, Montana        | Benthos                                |
| Milk River, Montana              | Benthos                                |
| Yellowstone River, Montana       | Water Quality, Benthos                 |
| Missouri River, Montana          | Water Quality, Benthos                 |

*NATIONAL AND INTERNATIONAL*

|                                    |                              |
|------------------------------------|------------------------------|
| Gunnison River, Colorado           | Water Quality, Benthos, Fish |
| Colorado River, Colorado & Arizona | Water Quality, Benthos, Fish |
| Ogeechee River, Georgia            | Water Quality, Benthos       |
| Frazer River, Canada               | Benthos                      |
| Alta River, Norway                 | Water Quality, Benthos       |
| Sepic River, Papua New Guinea      | Water Quality, Benthos, Fish |

Note: Plankton are algae and microscopic organisms (including some insects and opossum shrimp) living in the water column of lakes; benthos are microbes and invertebrates, mainly insects, living on the bottom of lakes and rivers.

Listings of the Flathead River and Swan River above include numerous tributary creeks within the respective drainage basins.

SENATE FINANCE AND CLAIMS  
EXHIBIT NO. 5  
DATE 4-7-87  
H.B. BILL NO. 599



# COMMON CAUSE/MONTANA

P.O. Box 623  
Helena, Montana 59624

(406) 442-9251

## TESTIMONY ON HB 702

Before Senate Financing and Claims Committee  
April 7, 1987

Madam Chairwoman and members of the committee:

Common Cause strongly supports HB 702, John Vincent's bill to create a legislative reorganization. We have traditionally been concerned with the efficient operation of the legislature as a means of ensuring good government in Montana. The rash of special sessions the last several years, as well as the rushed nature of the current proceedings, illustrate the existence of serious problems with our system. Last Tuesday's "call of the house" and the accompanying lock-out of the public while the legislature still convened is a graphic - if unique - example of the compelling need for Montana to reexamine the way the legislature works.

We have seen several bills this session dealing with legislative reform: annual sessions, limitations on bill introduction, reductions in the size of the legislature. But these are all only pieces of a big picture. We believe a study commission will enable us to examine together all options for legislative improvement. A more efficient legislature will not only improve governmental operations but will also increase public access and participation.

Common Cause's national office has voluminous data on legislative operations in all other states, and we would be happy to assist the commission to the greatest extent possible. We urge your support for HB 702.

Kim Wilson

SENATE FINANCE AND CLAIMS  
EXHIBIT NO. 1  
DATE 4-7-87  
BILL NO. HB 702

ROLL CALL VOTE

SENATE COMMITTEE

FINANCE AND CLAIMS

DATE 4-7-87 H Bill No. 702 Time 10:35

| NAME             | YES | NO |
|------------------|-----|----|
| SENATOR HIMSL    | ✓   |    |
| SENATOR JACOBSON | ✓   |    |
| SENATOR BENGTON  | ✓   |    |
| SENATOR STIMATZ  | ✓   |    |
| SENATOR HARDING  | ✓   |    |
| SENATOR HAFLEY   | ✓   |    |
| SENATOR SMITH    |     | ✓  |
| SENATOR KEATING  |     | ✓  |
| SENATOR STORY    |     | ✓  |
| SENATOR BOYLAN   |     | ✓  |
| SENATOR JERGESON |     | ✓  |
| SENATOR TVEIT    |     |    |
| SENATOR MANNING  | ✓   |    |
| SENATOR HAMMOND  |     | ✓  |
| SENATOR GAGE     |     | ✓  |
| SENATOR REGAN    | ✓   |    |
|                  |     |    |
|                  |     |    |
|                  |     |    |
|                  | 8   | 7  |

Sylvia Kinsey  
Secretary

Senator Regan  
Chairman

MOTION: Manning Be Concurred  
Manning & Co.

ROLL CALL VOTE

SENATE COMMITTEE

FINANCE AND CLAIMS

DATE 4-7-87

Bill No. 881

Time \_\_\_\_\_

| NAME             | YES | NO |
|------------------|-----|----|
| SENATOR HIMSL    | ✓   |    |
| SENATOR JACOBSON |     | ✓  |
| SENATOR BENGTSON | ✓   |    |
| SENATOR STIMATZ  |     | ✓  |
| SENATOR HARDING  | ✓   |    |
| SENATOR HAFPEY   | ✓   |    |
| SENATOR SMITH    |     | ✓  |
| SENATOR KEATING  |     | ✓  |
| SENATOR STORY    |     | ✓  |
| SENATOR BOYLAN   | ✓   |    |
| SENATOR JERGSON  | ✓   |    |
| SENATOR TVEIT    |     |    |
| SENATOR MANNING  | ✓   |    |
| SENATOR HAMMOND  |     | ✓  |
| SENATOR GAGE     |     | ✓  |
| SENATOR REGAN    | ✓   |    |
|                  |     |    |
|                  |     |    |
|                  |     |    |
|                  |     |    |
|                  | 8   | 7  |

Sylvia Kinsey  
Secretary

Senator Regan  
Chairman

MOTION: Be conc. July

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

# STANDING COMMITTEE REPORT

April 7 1987

RR

19.....

MR. PRESIDENT

## FINANCE AND CLAIMS

We, your committee on .....

having had under consideration..... House Bill..... No. 599

~~third~~ reading copy ( blue )  
color

APPROPRIATING \$150,000 FOR THE U OF M BIOLOGICAL STATION AT  
YELLOW BAY

MERCER (Harding)

Respectfully report as follows: That..... House Bill..... No. 599,

be amended as follows:

1. Page 2, line 18.

Strike: "\$150,000"

Insert: "\$100,000 general fund and \$50,000 from the department  
of fish, wildlife and parks"

2. Page 2, line 19.

Following: "1989"

Strike: ", "

Insert: "."

3. Page 3, line 4.

Strike: line 4

Insert: "The department of fish, wildlife, and parks is  
appropriated \$50,000 of"

4. Page 3, line 6.

Following: "97-1-601"

Insert: "to grant to the university of Montana biological  
station at Yellow Bay on Flathead Lake"

AND AS AMENDED  
BE CONCURRED IN

XXXXXX

XXXXXXXX

SENATOR REGAN

Chairman.



# STANDING COMMITTEE REPORT

.....April 7..... 19 87.....

MR. PRESIDENT

We, your committee on.....**FINANCE AND CLAIMS**.....

having had under consideration.....**House Bill**..... No. **702**.....

third reading copy ( blue )  
color

**CREATE LEGISLATIVE REORGANIZATION COMMISSION**

**VINCENT (Manning)**

Respectfully report as follows: That.....**House Bill**..... No. **702**.....

**BE CONCURRED IN**

~~XXXXXX~~  
~~DO PASS~~

~~XXXXXXXXXX~~

.....  
**SENATOR REGAN**

.....  
Chairman.

# STANDING COMMITTEE REPORT

.....April 7..... 19..87

MR. PRESIDENT

We, your committee on.....FINANCE AND CLAIMS.....

having had under consideration.....House Bill..... No. 744.....

third reading copy ( blue )  
color

APPROPRIATING MONEY FOR A COUNTY CONSOLIDATION COMMISSION

RANIREZ (Story)

Respectfully report as follows: That.....House Bill..... No. 744.....

BE NOT CONCURRED IN

XXXXXX

XXXXXXXXXX

.....SENATOR REGAN.....

Chairman.

# STANDING COMMITTEE REPORT

April 7

1987

MR. PRESIDENT

We, your committee on **FINANCE AND CLAIMS**

having had under consideration **House Bill** No. **787**

**third** reading copy ( **blue** )  
color

**EXTEND UNIVERSITY OF MONTANA MBA PROGRAM TO EASTERN COLLEGE**

**ADDY (Regan)**

Respectfully report as follows: That **House Bill** No. **787**

**BE CONCURRED IN**

**XXXXXXX**  
DO PASS

**XXXXXXXXXX**  
DO NOT PASS

**SENATOR REGAN**

Chairman.

# STANDING COMMITTEE REPORT

April 7

19 87

MR. PRESIDENT

We, your committee on FINANCE AND CLAIMS

having had under consideration House Bill No. 814

third reading copy ( blue )  
color

STATE MEAT INSPECTION PROGRAM

DONALDSON (Benqtson)

Respectfully report as follows: That House Bill No. 814

BE CONCURRED IN

DEPARE

XXXXXXXXXX

SENATOR REGAN

Chairman.

# STANDING COMMITTEE REPORT

April 7

37

19.....

MR. PRESIDENT

## FINANCE AND CLAIMS

We, your committee on.....

having had under consideration..... House Bill No. 881

third reading copy ( blue )

color

PROVIDE FOR ADULT COMMUNITY CORRECTIONAL FACILITIES AND PROGRAMS

BRADLEY (Jergeson)

Respectfully report as follows: That..... House Bill No. 881

BE CONCURRED IN

XXXXXX

XXXXXXXXXX

SENATOR REGAN

Chairman.