

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 51st LEGISLATURE - REGULAR SESSION

SUBCOMMITTEE ON NATURAL RESOURCES

Call to Order: By Chairman Gary Spaeth, on February 6, 1989, at 8:00 a.m.

ROLL CALL

Members Present: All members were present.

Members Excused: None

Members Absent: None

Staff Present: Carl Schweitzer, LFA; Jane Hamman, OBPP; Donna Grace, Committee Secretary

HEARING ON DEPARTMENT OF FISH, WILDLIFE AND PARKS

List of Proponents and Groups they Represent

Ron Marcoux, FWP
Representative Bert Guthrie, District 11, Teton County
Senator Paul Rapp-Svrcek, District 26, Sanders County
Gary Graham, FWP
Dave Mott, FWP

Saline Seep 51:A (001)

Senator Jergeson stated that he had meet with the department and the OBPP and they had agreed on the following language to be added to the appropriations bill, "Item ____ shall be used by the department to contract with the Montana Salinity Control Association for salinity control programs which provide benefits to fish and wildlife habitats. Salinity control projects which involve privately owned land shall be financed on a grant basis." (Exhibit 1) This language will enable the department to use all sorts of instruments such as cost share, easement and leases. This is the language to be attached to the appropriations bill. He stated that Mr. Schweitzer would decide if it were to go into Administration or Wildlife budgets. It would take \$100,000 out of the Upland Game Bird Management money, \$25,000 out of House Bill 526 money and \$25,000 from the Fish and Wildlife Enhancement budget modification in the Administration Division's budget which was discussed on February 3. This would provide for a \$150,000 biennial appropriation.

Mr. Marcoux said the Department would work with the Salinity

Control Association and they would work to identify projects that would qualify for the funds and prepare contracts to get the work done to enhance the fish and wildlife habitat.

Mr. Schweitzer said that technically the way he would like to handle this was in the wildlife budget because that is where the pheasant habitat program is. He would reduce that program by \$100,000 and put it into administration and \$25,000 for the habitat money that really isn't in the budget because it is in capital outlay. There will be \$25,000 less for capital outlay and the last \$25,000, general license fee money, would come out of the budget modification so the budget modification would be reduced by that amount. He will put this in the administration budget as a line item as a biennial appropriation.

Chairman Spaeth stated that he thought the Salinity Control Association should have some permanent funding somewhere. One thought was to set up a special district and levy a special mill. Senator Jergeson said he thought it was critical that they develop some sort of permanent, on-going method of financing this. The problems are becoming severe and it will take some time to reclaim all the areas that have been affected. Representative Iverson said it bothered him to take user fees and he felt it should be financed by the people causing the problems in agriculture.

MOTION: Senator Jergeson made a motion to adopt the language and add the money into the appropriations bill as outlined by the fiscal analyst with the stipulation that this program be reviewed in two years.

VOTE: MOTION PASSED. All committee members voted in favor.

Administration Division (155)

Budget Modification - Fish and Wildlife Enhancement. This modification would provide matching funds for Federal Bureau of Land Management and U. S. Forest Service challenge grants for fish and wildlife enhancement projects.

MOTION: Senator Jergeson made a motion to approve this modification at \$100,000 for 1990 and \$75,000 for 1991.

VOTE: MOTION PASSED. All voted yes.

Predator Control (170)

Mr. Marcoux discussed a letter from the House Agriculture Committee addressed to the Natural Resources Subcommittee regarding predator control. Exhibit 2. He said that he had sat in on the hearing on HB 50 and could recognize the concerns of the Department of Livestock. The department is requesting \$20,000 per year to assist in the predator control program. Mr. Marcoux stated that the Department of

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FWP had a good working relationship with the Department of Livestock and had no objection to providing them with \$20,000 for this purpose.

MOTION: Senator Devlin made a motion to approve a budget modification requested by the Department of Livestock in the amount of \$20,000 annually.

VOTE: MOTION PASSED. All members were in favor.

For the record, Representative Bert Guthrie and Representative Don Steppler appeared in behalf of the Agriculture Committee to support the increased funding for predator control.

Senator Paul Rapp-Svrcek appeared before the committee, representing parts of three counties that have a long rugged borders with Idaho. The counties are rural and isolated in many instances. He stated that, in particular, Sanders County has not only a long border but is known virtually world wide as a hot spot for elk hunting. The people in Western Sanders County have been pushing very hard for an additional game warden. They have only one to cover a county approximately 150 miles long and very wide, and particularly during hunting season, the warden is stretched to the maximum. In addition, this person is often called away to serve in other areas such as Lake Kookanoosa or Flathead Lake. The people in Sanders County are very concerned about poaching and game violations and had asked him to ask for an additional warden to concentrate on law enforcement.

Mr. Marcoux said that he would agree with Senator Rapp-Svrcek and another option would be to focus on that area on a saturation basis where the department would go in periodically, particularly in the areas of concern, and address the problem in that way. Senator Rapp-Svrcek stated that he thought that would allay a lot of the fears of the people in the area.

Representative Iverson asked how many wardens there were statewide compared to the number of biologists. Mr. Marcoux said he would obtain that information for the committee.

Chairman Spaeth asked Mr. Schweitzer and the Senator to discuss this matter with the department and come back with a recommendation as to the amount of money that would be necessary to increase patrolling in the Sanders County area.

Fisheries Division (414)

Budget Modification - Senate Bill 183 is the Little Missouri River Reservation bill that hasn't passed yet. Mr. Graham stated, however, that it had passed the Senate unanimously. He said this would expand the water reservation for the lower Missouri Basin to include the Little Missouri Basin.

The budget request did not reflect that. They have identified that some work would have to be done by biologists on a number of streams. They estimate the cost would be \$54,295 and would require 1.50 FTE of work. The analysis could be done by existing staff. This would be 25% earmarked revenue and 75% federal revenue and it would require a biennial appropriation so they could get started by July 1 and could carry some of the expenses over. It would be a one year only program.

MOTION: Representative Iverson made a motion to include a biennial appropriation of \$54,295 in the budget for expansion of the water reservation process for the Lower Missouri Basin to include the Little Missouri Basin dependent on the passage of SB 183.

VOTE: MOTION PASSED. The vote was unanimous.

Issue No. 13. Equipment. This issue had been discussed earlier and the division was asked to provide more information regarding the trucks they were proposing to purchase in the coming biennium. Mr. Graham said they had looked into the situation and the figures they obtained are contained in Exhibit 3. Discussion followed.

Mr. Schweitzer stated that a motion had been made and passed approving the purchase of the trucks with language indicating that they could not spend more than \$93,000 or more than \$73,000 on each of the trucks and the division had only been asked to come back with more information on what the differences would be.

MOTION: Representative Swift made a motion to line item the purchase of the two trucks so that the money not spent could not be diverted to any other area of equipment.

VOTE: MOTION PASSED. The vote was unanimous in favor of the motion.

Management Services (690)

Printing. The committee had asked for additional information relative to printing costs on Issue No. 2 of the LFA analysis for this division. The total they were requesting was \$5,936 and Mr. Mott said this was to cover the cost of printing a field book including all the statutes relating to fish, wildlife and parks and the planning document that the department puts together every five years. Mr. Mott said the difference between the LFA and the executive was the additional cost of printing the planning document.

MOTION: Senator Devlin made a motion to adopt the executive recommendation.

VOTE: MOTION PASSED. All present voted in favor.

Mr. Mott handed out a copy of some language the department was requesting be added to the general appropriations bill. Exhibit 4. This is the same language that appeared in the appropriations bill in the last session regarding Legislative Contract Authority. The department is suggesting some changes which would involve the reporting requirements. They are suggesting that they insert language that they would provide a description of the project along with the dollar amount to the LFA and the Budget Office and delete the provisions that they provide a description of the additional services provided by each grant and an evaluation of the effectiveness of the additional services relating to each grant.

Mr. Mott said they were already reporting the information to the federal government but in a different format. What they end up doing is creating a double set of paperwork that they don't feel is benefiting anyone. They feel there is adequate control in the three points listed in the language and if additional information is requested by the LFA or the OBPP, they can obtain it from the department's files as they are open for review.

Mr. Schweitzer stated that from the LFA perspective, the information requested is what is requested of all agencies when they request a budget amendment. He said that he could not honestly say that he scrutinized all of the evaluation reports. The LFA's position is that this is something that should be addressed regarding LCA for all agencies and not just for this agency.

Ms. Hamman said the OBPP supported the description of the project language because they think it would be adequate to look up the contracts if necessary. They have proven that they can document anything that is asked for, either financial or programmatic, and they believe having a description would give them enough information to go and get a specific evaluation.

Senator Jergeson made a motion to adopt the change in the boilerplate language as outlined in Exhibit 4.

VOTE: MOTION PASSED. All present voted in favor.

HEARING ON DEPARTMENT OF AGRICULTURE

List of Proponents and Group they Represent

Everett Snortland, Department of Agriculture
Ralph Peck, Department of Agriculture
Sandra Luchau, Department of Agriculture
Gary Gingery, Department of Agriculture
Celestine Lacey, Weed Management Service
Representative Bob Marks, District 75, Clancy

Kim Enkerud, Montana Stockgrowers
Ray Bjornson, Department of Agriculture

Weed Control (51:B (205))

Mr. Everett Snortland, new Director of this department, introduced Ralph Peck who presented testimony relative to the Weed Control Program. Exhibit 5, page 5.

The department believes the weed program should continue as per the current level and modified budget request. The prepared testimony outlines a plan to introduce legislation to allow funding to be taken out of the weed revenue (state special account) but it has not been introduced as of this date. Without this legislation, the department is forced to ask for general fund support for the weed program.

Representative Marks stated that there were some individuals at the meeting who wished to testify regarding the Noxious Weed Control Program. He asked permission to have them give their presentations so that they would not have to return at the time this program is scheduled for testimony on February 7.

Representative Marks, stated that he represents Jefferson and part of Broadwater County, one of the areas in the state that has come up with some innovative approaches to noxious weed control. He said that he and Representative Grady feel that the ongoing use of the weed trust fund should be confined as the legislature originally provided. They think the work the Department of Agriculture is doing in noxious weed effort is of public interest, not just in the agricultural community and it is an obligation the state should have. He said he thought the people in the department were doing a fine job. He said that he had worked with the department this past year in an accidental spill and it was of public interest, a health concern, and that is the reason he said that use of general funds was appropriate.

Celestine Lacey, representing a private consulting business in Helena that works with weed management, said she would agree with Representative Marks and when the Weed Coordinator's position was set up, it was set up as a general fund position because it is a concern for the whole state and the money should come from the general fund. The money in the trust fund, she said, was earmarked specifically for weed management projects and weed research. She said the reasons they have received so much public support is because the Noxious Weed Trust Fund was earmarked specifically for weed management projects and not administrative purposes.

Kim Enkerud (323), Natural Resources Coordinator for the Montana Stockgrowers Association, said they were in support of the bill when it was passed in 1987 and a lot of the

organization's members were under the impression that the administration would come out of the general fund.

Mr. Schweitzer stated that he had recommended using \$68,400 from general fund for the Noxious Weed Program funding and the executive had recommended using funds from the trust fund. He also referred to Issue No. 6, page 10 of the analysis in which he recommends using trust funds for part of centralized services costs and the executive has used \$28,000 of general fund. The difference between the two is \$40,000 of general funds.

Rep. Marks again stated that the comments he had made about the general fund should support the entire effort because what they are doing is a benefit to the entire state. Ms. Lacey also supported that position.

Chairman Spaeth stated that this matter would be discussed further on February 7 and executive action would be taken at that time.

Mr. Snortland then continued with the overview of the Department of Agriculture as contained in Exhibit 5.

Executive Action: 52:A (057)

LFA Analysis - Exhibit 6.

Environmental Management

Mr. Gary Gingery, Administrator provided pertinent information and answered questions.

Issue No. 1. Rodent Advisor. Mr. Schweitzer stated that in fiscal 88 the expenditures were only about \$200 and, since this is a new program, the executive provided about \$22,000 more per year which reflects the legislation. There is a question as to whether the revenue will come in to support the program.

MOTION: Senator Devlin made a motion to approve the executive with language to be included that would limit expenditures to the amount of revenue taken in, not to exceed the amount recommended by the executive.

VOTE: MOTION PASSED. All committee members voted yes.

Issue No. 2. Employee Benefits. Mr. Schweitzer stated that it appears the executive put some additional money in for employee benefits when actually the benefits are being funded by the university system. The department recommended going with the LFA recommendation.

MOTION: Senator Jergeson made a motion to accept the LFA.

VOTE: MOTION PASSED. All present voted in favor.

Issue No. 3. Printing of pesticide use and sales forms, printing of pesticide act, administrative rules and special inspection forms and reports. Mr. Gingery explained that the printing costs were increasing because of additional rules, report forms, etc. These are grant funds.

MOTION: Representative Swift made a motion to accept the executive recommendation.

VOTE: MOTION PASSED. The vote was unanimous in favor.

Issue No. 5. Contracting with University Personnel. Mr. Schweitzer stated that this is a contract with the university. Mr. Gingrey said they have a manual which is required for industrial institution type applicators and it does need to be modified. It isn't the best guide to be used for testing and they would like to contract with the University to use grant or training funds to develop a better manual.

MOTION: Representative Kimberley made a motion to accept the executive recommendation.

VOTE: MOTION PASSED. All committee members were in favor of the motion.

Issue No. 6. Laboratory Supplies. The LFA has used fiscal 1988 base of \$26,463 and the executive has used \$34,000 per year of federal funds. Mr. Gingrey stated the primary increase is in laboratory supplies. The funds are either enforcement or grant money requested from the EPA. There is an increase in supplies for testing of new pesticides and it is becoming more complicated as new pesticides and herbicides come onto the market.

MOTION: Representative Iverson made a motion to accept the executive.

VOTE: MOTION PASSED. All members voted in favor.

Issue No. 7. Field services and technical services bureaus, supplies, communication, staff training and professional periodicals. Mr. Gingrey stated that this was a combination of small items in which there have been increases. The funds are all grant or training funds.

MOTION: Representative Swift made a motion to adopt the executive recommendation.

VOTE: MOTION PASSED. Devlin voted no. All others voted yes.

Issue No. 8. Travel. Mr. Schweitzer stated that the executive includes \$7,704 more for travel than the LFA, primarily for

out of state travel. Mr. Gingery stated that this is primarily an increase in grant funds from the EPA for trips involving EPA's upgrading compliance, and enforcement programs and the EPA has requested that states put money in their budgets to send field inspectors for training in specialized areas. They also need to send their new botanist for training at the University of Michigan and the cost for that is \$3,200.

Ms. Hamman stated that even with the addition of the \$7,704, the executive budget is still lower than the FY 1989 budget.

MOTION: Representative Iverson made a motion to accept the executive.

VOTE: MOTION PASSED. All in favor.

Issue No. 9. Maintenance contract on gas chromatograph/mass spectrometer. This is a piece of equipment which the department is asking to purchase through a budget modification. This issue will be considered in connection with the budget modification.

Issue No. 10. Additional maintenance on older vehicles. Vehicles that were purchased in 1984 need some work.

MOTION: Representative Kimberley made a motion to accept the executive.

VOTE: MOTION PASSED. All present voted yes.

Issue No. 11. Equipment. Mr. Schweitzer stated that the executive had given the department \$9,272 less for travel than the LFA. The primary difference is in the replacement of computers. Ms. Hamman stated that they did not replace any computers in the executive budget for any agency.

MOTION: Senator Devlin made a motion to approve the funds asked for in Issue No. 11 except for any general fund that might have been included with the LFA recommendation.

VOTE: MOTION PASSED. All present voted yes.

Mr. Schweitzer stated that on the funding of this division it was hard to identify general fund to a particular item and he stated, if the committee would approve, that he meet with Sandy Luchau to go through the budget to try to maximize the non-general funds as much as possible and come back to the committee with a summary. The committee approved.

Budget Modification - Pesticide Labeling. This modification is proposed to implement a new EPA pesticide labeling program on ground water, endangered species pesticide disposal, and farm worker pesticide protection standards and certification. Mr. Gingery said the reason for this request

deals with what the EPA is doing in implementing new programs for endangered species which will begin this spring.

These programs will require additional training and certification and enforcement. To fund the general portion of the pesticide labeling program, well monitoring, and equipment purchase, the executive budget proposes raising certain pesticide registration and licensing fees. The income from the registration and licensing of pesticide products and the people who sell or use them is deposited into the general fund. The most significant increase is in the product registration fee which the executive proposes to increase from \$50 to \$75 per product. The proposed increase would generate \$132,450 per year while the general fund expenditure increase for the three pesticide related modifieds is \$97,995 in fiscal 1990 and \$98,604 in fiscal 1991. This is included in House Bill 190 which is being considered in the House Agriculture Committee. They also propose to raise the commercial applicator fee from \$35 to \$45 and the commercial dealer fee from \$35 to \$45.

Chairman Spaeth stated that he was hesitant to put general funds into this budget modification without a funding source. Therefore, he suggested that the committee not take any action at this time until they see what the disposition of HB 190 is to be.

Plant Industries Division 52:B (193)

LFA Analysis - Exhibit 7.

Ray Bjornson, Administrator of the Plant Industries Division gave a short review of the division's activities.

Issue No. 1. Overtime difference for (a) potato and cherry inspectors and (b) the grain lab. Mr. Schweitzer stated that he gave them what they expended last year. Mr. Bjornson said that he believed the amount the LFA gave them for the cherry and potato inspectors was appropriate. Ms. Hamman stated that personal services increased by \$59,000 for the biennium and that was the reason why she felt there should be some adjustment. Mr. Schweitzer stated that he had met with the department and they had gone over the personal services budget because it was up so significantly. He said they had reviewed every position and their explanations seemed legitimate as to why they needed their base brought up so he added it into the budget.

MOTION. Senator Devlin made a motion to accept the LFA recommendation for the cherry and potato inspectors.

VOTE: MOTION PASSED. All in favor. Chairman Spaeth asked the Division to supply Mr. Schweitzer with the amount of expected revenue in case he was asked for those figures in

the Appropriations Committee. If he was asked that question, he could show that there was not much impact on the general fund.

The committee then considered the request of \$2,000 additional for overtime for the grain lab. The employees in the grain lab work overtime when necessary and the division would like to continue to have the flexibility to do this. It is a self-funding program and this money goes into an earmarked fund and does not go into the general fund.

MOTION: Representative Swift made a motion to approve the LFA which would provide \$2,000 additional for overtime for employees in the grain lab.

VOTE: MOTION PASSED. All present voted in favor. Senator Devlin asked for the same sort of report that was requested in connection with the cherry and potato inspector's overtime.

Issue No. 2. Computer subscription rate to Department of Administration. This request is for money to contract with the Department of Administration when they need special programming or support of any kind. This is an item that should have been included in the budget for the last biennium and wasn't.

MOTION: Senator Jergeson made a motion to adopt the executive.

VOTE: MOTION PASSED. All present voted in favor.

Issue No. 3. Increase in federal inspection fees. Mr. Bjornson said this included a late billing from the USDA that wasn't included in 1988 expenditures and there is also a new inspection service on tomatoes. They are also anticipating a 5% increase for grain inspection.

MOTION: Senator Jenkins made a motion to adopt the executive. Chairman Spaeth again asked for information relative to the amount of fees being received from the federal government.

Issue No. 4. Medicated feed and grain lab supplies and materials. Mr. Schweitzer said that this is a federally funded program and he gave them the 1988 base. The additional money is to cover a 20% increase in the cost of supplies and materials and there has also been an increased workload.

MOTION: Senator Jergeson made a motion to accept the executive recommendation.

VOTE: MOTION PASSED. All present voted yes.

Issue No. 5. Travel. This is a general increase in travel. Approximately \$800 is for the medicated feed and grain lab

and the rest are programs like the apple and other commodity inspectors. Ms. Hamman advised that Mr. Bjornson was the Chairman of the National Plant Committee and the executive office recognized that honor and felt that some additional travel should be provided for him when he is serving on that board.

MOTION: Representative Iverson made a motion to accept the executive with the understanding that the travel budget will be reduced when Mr. Bjornson no longer serves as Chairman of the National Plant Committee. It should not show up in the current level for the next biennium.

VOTE: MOTION PASSED. All present voted in favor.

Issue No. 6. Rent. This is an item charged to every agency. Mr. Schweitzer stated that the rent is based on square feet.

MOTION: Representative Swift made a motion to accept the executive.

VOTE: MOTION PASSED. The vote was unanimous in favor.

Issue No. 7. Grain lab building maintenance. Mr. Schweitzer said this was an increase to be used for painting the trim on the building. The money for this project would come from grain/feed funds.

MOTION: Representative Iverson made a motion to accept the executive.

VOTE: MOTION PASSED. All present voted yes.

Issue No. 8. Training. The executive has said that other departments have funds available for training of staff members and this department does not have anything. Ms. Hamman stated that the funds were minimal, \$75.00 per employee per biennium.

MOTION: Senator Jergeson made a motion to accept the executive recommendation.

VOTE: MOTION PASSED. All present voted in favor.

Issue No. 9. Equipment. This is for an additional \$6,500 to purchase a vehicle for the grain lab in 1991.

MOTION: Senator Devlin made a motion to adopt the executive.

VOTE: MOTION PASSED. All present voted yes.

Issue No. 10. The House Appropriations Committee eliminated 1.41 FTE which was a grain inspector, a part-time typist, a part-time administrative clerk. Mr. Peck stated that the one position was not filled because they did not want to

encumber the expense and it is the potential position which would provide for a trainee if one of their grain inspectors quit. The bureau chief has been quite concerned because he does not have anyone trained for grain inspection. They said they could get along without the other .41 FTE.

MOTION: Senator Devlin made a motion to retain the 1.00 FTE grain inspector.

VOTE: MOTION PASSED. All present voted yes.

Boilerplate Language. Mr. Peck stated that as the Director outlined in his opening statement, they would request consideration of boilerplate language to meet the emergency criteria of budget amendment should there be an increase in workload which would allow them to meet a workload with an additional FTE and operation costs. They do not anticipate that this will happen but if they should have a big harvest this fall they would have a hard time in the grain lab in meeting the demands.

MOTION: Senator Jergeson made a motin to adopt the suggested language.

VOTE: MOTION PASSED. All present voted in favor.

Mr. Schweitzer stated that he understood what the department was asking, but he wished there was another way of doing it. Chairman Spaeth asked Mr. Schweitzer to discuss the matter with Jane and the Department to see if there was another option to putting the boilerplate in the appropriations bill.

Representative Iverson also commented that he was concerned about vacancy savings. The appropriations committee says it won't be included and the executive says it will. It will be a real problem if these people have to go back and pick up a 4% vacancy savings as all the "soft spots" have been eliminated. He felt it would have to be faced soon.

Announcements/Discussion: None.

ADJOURNMENT

Adjournment At: 12:00 Noon.



REP. GARY SPAETH, Chairman

GS/dg

3126.mina

EXHIBIT 1
DATE 2-6-89
HB 100

Item ____ shall be used by the department to contract with the Montana Salinity Control Association for salinity control programs which provide benefits to fish and wildlife habitats. Salinity control projects which involve privately owned land shall be financed on a ^{GRANT} ~~cost share~~ basis.

Representative Gary Spaeth, Chairman
Senator Gerry Devlin, Vice Chairman
Natural Resources Committee

HB 50 by Representative John Cobb was brought before our committee earlier in the session. The bill would have appropriated \$500,000 for payment to livestock owners of animals killed by predatory bears, including the Grizzly and mountain lions. The House Agriculture committee has tabled this bill, but nonetheless is concerned over the apparent financial loss the livestock industry is carrying because of predatory animals.

The Montana Stockgrowers and the Montana Wool Growers associations both testified on the bill. They along with the Farm Bureau pointed out some very severe predator losses to Montana livestock growers. It was evident in their testimony that these groups were not too keen on the idea of having the state reimburse them for the lost animals, but rather they want better effort made in controlling predatory animals. They testified that by accepting payment, the livestock operator would be giving "implied consent" to the killing of livestock by predators. Stockmen were not interested in the predator to become another marketer of livestock meant for human consumption.

The undersigned members of the House Agriculture committee are expressing their concern over an apparent inadequate predator control program. We are requesting that your joint subcommittee appropriate more monies from the Fish, Wildlife and Parks department for predator control through their contract with the Montana Department of Livestock. Currently the budget is for \$70,000 annually with another \$20,000 that is used for rabies control. We would recommend that be increased a minimum of \$20,000 yearly. We recognize the budget concerns each and every department has in this session, but this matter of predator control must be addressed.

Bob Bachini

Bob Bachini, Chairman

Francis Koehnke

Francis Koehnke, Vice Chairman

Beit Luthie
member

Vernon L. Westlake

Getty Lou Tostan

Vernon Keller

Gene CheMaw

Lucia Adson

Oswald S. Ellison

John Peterson

Don Stepples

Marian H. Hanson

Allett

Background Specifications for Hatchery Vehicles

Vehicle Identification Number

FG-1980

FG-2003

FY 91

FY 90

Replace

Axle

Tandem dual wheel axles,
selectively driven

Single axle, dual wheels

GVW

Current

Minimum Needed

Current

Minimum Needed

Front axle 12,000

12,000

9,000

12,000

Rear axle 38,000

38,000

19,000

21,000

Wheel Base

203"

184"

Transmission

(current)

10 speed Fuller

5 speed, dual speed rear
end

Transmission

(needed)

10 speed Fuller

9 speed Fuller

Total Current

Gear Reduction

Unknown

Unknown

Total Gear

Reduction

Needed

74:1

49:1

Model Number

Ford or

Equivalent

LTS-9000-845

LN-9000-842 with stretched
frame and driveline

Single Vehicle

Purchase

Verbal Quote

\$93,500

\$73,500

Fleet Projected

Cost of similar

but not identi-

cal vehicles

\$52,500

\$24,700

Estimated costs
to purchase one
different vehi-
cle with fleet
bid

\$ 5,000 retrofit tank
and distribution
monitoring equipment

\$ 5,000 retrofit
tank and distribu-
tion monitoring
equipment

\$ 5,000 different
wheel base

\$5,000 different
wheel base

\$ 7,500 selectively
driven
tandem axles

\$ 5,500 higher GVW
rating

Subtotal \$17,500

\$15,500

Potential
Fleet
Purchase
Price

\$70,000

\$40,000

Department of Fish, Wildlife & Parks
Suggested Changes in the boiler Plate Language

1. Legislative contract authority applies only to federal and private funds.
2. Legislative contract authority expenditures must be reported on state accounting records. The records must be separate from current level operations.
3. A report must be submitted by the department to the legislative fiscal analyst following the end of each fiscal year of the biennium. The report must include the following:
a description of projects with the related amount of expenditures for each project.
~~a. a description of the additional services provided by each grant of federal or private funds;~~
~~b. an evaluation of the effectiveness of the additional services relating to each grant.~~

31.2



STAN STEPHENS
GOVERNOR

STATE OF MONTANA
DEPARTMENT OF AGRICULTURE

OFFICE OF THE DIRECTOR
AGRICULTURE/LIVESTOCK BLDG.
CAPITOL STATION
HELENA, MONTANA 59620-0201

EXHIBIT 5
DATE 2-6-89
HB 100

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EVERETT M. SNORTLAND
DIRECTOR

TESTIMONY OF MONTANA DEPARTMENT OF AGRICULTURE
FOR THE NATURAL RESOURCES JOINT SUBCOMMITTEE
OF THE APPROPRIATIONS - FINANCE AND CLAIMS COMMITTEES
ROOM 420
MONDAY, FEBRUARY 6, 1989
HELENA, MONTANA

Chairman Spaeth, members of the committee. Thank you for this opportunity to address the committee at this time. I would like to provide a brief overview of the department and then identify a couple areas of concern.

The Department Director is responsible for administration of the department's annual budget and its 79 full-time and 11 seasonal FTE. I oversee the department's programs which are organized in four divisions. It may be beneficial to summarize the programs by division. I will try to be brief in presenting an overview and provide additional detail in response to your questions as you go through the departments budget.

The Centralized Services Division performs technical, fiscal, and administrative support functions for the department. Responsibilities of the division include activities for internal operations of the department, such as budgeting, accounting, systems analysis, inventory control, etc. The Director's office is included in Centralized Services budget.

The Environmental Management Division is responsible for the registration of 4,700 pesticide products; the certification and licensing of 1,250 commercial and government applicators, 880 operators, 540 pesticide dealers, and 7,540 private applicators. The division is also responsible for enforcement of the pesticide act and rules; providing technical environmental services to agriculture; providing an evaluation of pest management problems and programs; and providing analytical laboratory and consultative services.

The Plant Industry Division is responsible for the administration and enforcement of regulatory laws controlling the production, manufacturing, and sale of agricultural commodities exported from or distributed within Montana. The division investigates consumer complaints; performs technical inspections; issues federal-state grade certificates; and provides regulatory technical expertise and licenses for 5,200 bee yards, 550 nurseries, 650 feed dealers, 350 fertilizer dealers, 300 seed dealers, and 325 grain merchandisers. The division also registers some 3,300 commercial feed products and 1,000 fertilizers. The division's grain laboratory in Great Falls provides U.S.D.A. official grain grading services in the state.

The Agricultural Development Division is responsible for administering programs directed at promoting and enhancing Montana agriculture. The Agriculture Finance program administers federal funds through a federal use agreement with the U.S.D.A. It is responsible for making grants and lower interest-rate loans

available to rural youth, rural youth organizations, and other qualified farmers and ranchers. The division's Agricultural Assistance program is responsible for providing peer counseling, financial consulting, and debt mediation assistance.

The Weed Control program is responsible for administering statewide efforts aimed at control and/or eradication of noxious and other weeds. The State Hail Insurance program, under the guidelines and policies developed by the State Board of Hail Insurance, insures any type of crop growing in Montana from losses caused by hail damage.

The Marketing program is responsible for identifying major needs and priorities by coordinating agricultural product development through improvement of direct markets from the producer to the consumer. The division, through the Alfalfa Seed Act, is responsible for market development for alfalfa seed growing in Montana.

Statewide agricultural statistics and projections are developed through a Federal/State cooperative agreement administered through the division, which are made available through a comprehensive agricultural statistics bulletin and grain movement summary along with other production, price, and income reports.

The Wheat and Barley program is a producer-financed program responsible for promoting and encouraging intensive scientific

and practical research in all phases of wheat culture, production, and marketing under the guidelines and policies developed by the Montana Wheat and Barley Committee. Producer assessment dollars are used to contract for work in areas such as barley improvement, disease control, insect control, cropping practices, and for foreign market promotion.

The Department of Agriculture supports the executive budget but as you review the Department's budget I would like to bring a few areas of concern to your attention.

Plant Industry Division (Program 40)

Overtime: OBPP budgeted \$600 for overtime. Last year we expended \$4,240 for seed potato and cherry inspections. These producers require the inspection services in order to sell their crops and cannot be expected to wait for the state inspectors on an 8 to 5 work schedule. We are committed to keeping the overtime to a minimum, and the industry works with us to do that, but the department needs overtime funding to meet the industry demands.

Grain Lab Boiler Plate Language: Because the grain lab workload is dependent on production, marketing demands, and federal programs (CCC grain) the department needs the flexibility to increase services should the

workload mandate that action. We would like you to consider appropriation language to allow the Grain Services Program to meet state special budget amendment emergency requirements should workload demand additional services and F.T.E.

Agriculture Development Division (Program 50):

Agricultural Statistics Bulletin: The bulletin is currently funded by general funds in the first year of the biennium and other special funds from sale of bulletins the second year. We would request continuation of this in the next biennium. We believe this is simply correcting a funding error in the computerized budget sheets.

Noxious Weed Funding: The department believes the weed program should continue as per our current level and modified budget request. Existing legislation limits vehicle fee and surcharge revenue use to two administrative functions:

1. The support of the noxious weed advisory committee.
2. Provides for a maximum of 3% of the surcharge revenue to be used for surcharge collections.

In accordance with executive budget, we requested draft legislation (LC#888) to allow total program expenses to be taken from the revenue generated. We presented this

draft legislation request to Representative Grady for introduction. Representative Grady and Representative Marks then met with us and stated that the weed coordinator and related administration costs should come from the general fund. The draft legislation to allow funding to be taken out of the weed revenue (state special account) has not been introduced as of this date. Without this legislation we are forced to ask for general fund support for the weed program.

Agricultural Assistance Modified: The proposed modified budget proposal for peer counseling, financial consulting, and mediation does not allow enough expenditure authority to address the projected workload. We believe that work demand will be in accordance with the level projected (\$150,000 per year, \$300,000 biennium) in the fiscal note accompanying HB273. How to properly fund a \$300,000 program level is best determined at your discretion. Should you agree to fund a majority of the program with fees, the department requests legislative direction to collect those fees up front rather than after the fact for the services provided. If fees are not collected prior to service received, we could be forced to accumulate a large accounts receivable. These fees would potentially be uncollectible resulting in exposure to the state. It would also be detrimental in trying to provide ongoing service to meet our legislative mandate.

Montana Agriculture Development Council: HB18 has passed both the House and Senate moving the Montana Agriculture Development Council from the Department of Commerce to the Department of Agriculture. We would request that the budget and associated FTE be moved from the Department of Commerce to the Department of Agriculture to accommodate HB18.

As you review the Department's budget, we would request, starting with Program 30, the Environmental Management Division, and concluding with Program 15, Centralized Services. This would allow program review prior to determining indirect funding requirements for the Director's office and Centralized Services.

I would like to introduce staff that are here as a resource today - - - - -.

I hope we can provide the assistance you require.

Thank you, Mr. Chairman

EXHIBIT 6
DATE 2-6-89
HB 100

AGENCY: Department of Agriculture LEGISLATIVE ACTION PROGRAM: Environmental Management Division

BUDGET ITEM	Executive	Fiscal 1990 LFA Curr Lvl	Difference	Executive	Fiscal 1991 LFA Curr Lvl	Difference
FTE	25.50	25.50	0.00	25.50	25.50	0.00
Personal Services	\$675,971	\$667,366	(\$8,605)	\$678,315	\$669,667	(\$8,648)
Operating Expenses	216,903	192,991	(23,912)	216,816	195,002	(21,814)
Equipment	51,220	56,592	5,372	30,857	34,755	3,898
Non-Operating	17,081	0	(17,081)	17,081	0	(17,081)
TOTAL EXPENSES	\$961,175	\$916,949	(\$44,226)	\$943,069	\$899,424	(\$43,645)

General Fund	\$584,316	\$595,512	\$11,196	\$571,690	\$581,667	\$9,977
State Special Rev	176,267	145,223	(31,044)	167,778	136,688	(31,090)
Federal Revenue	200,592	176,214	(24,378)	203,601	181,069	(22,532)
TOTAL FUNDING	\$961,175	\$916,949	(\$44,226)	\$943,069	\$899,424	(\$43,645)

Environmental Management	FTE	General Fund	Gross
1. Rodent Advisor - LFA used fiscal 1988 expenditures. Executive used 1987 legislation.	0.00	\$ -0-	\$44,284
2. Employee benefits.	0.00	-0-	1,800
3. Printing of pesticide use and sales forms, printing of pesticide act, administrative rules, and special inspection forms and reports.	0.00	-0-	10,750
4. Insurance adjustment.	0.00	-0-	550

Environmental Management

	<u>FTE</u>	<u>General Fund</u>	<u>Gross</u>
5. Contracting with university personnel to develop a pesticide training manual.	0.00	-0-	\$ 1,700
6. Laboratory supplies - LFA used fiscal 1988 base of \$26,463. Executive has \$34,000/year federal funds.	0.00	-0-	15,074
7. Field services and technical services bureaus, supplies, communication, staff trainings, and professional periodicals.	0.00	-0-	4,768
8. Travel	0.00	-0-	7,704
9. Maintenance contract on gas chromatograph/mass spectrometer.	0.00	-0-	(9,900)
10. Additional maintenance on older vehicles.	0.00	-0-	5,150
11. Equipment	0.00	-0-	(9,272)

Budget Modifications

The executive budget proposes three budget modifications for the Environmental Management Division. Table A details the three budget modifications.

Table A
Environmental Management Division
Budget Modifications

<u>Budget Modification</u>	<u>FTE</u>	<u>Fiscal 1990 General Fund</u>	<u>Total</u>	<u>FTE</u>	<u>Fiscal 1991 General Fund</u>	<u>Total</u>
Pesticide Labeling	0.25	\$ 7,483	\$ 22,119	1.00	\$24,619	\$ 49,519
Well Monitoring	0.25	6,420	15,320	1.00	22,485	40,685
Equipment Purchase	0.00	84,092	84,092	0.00	51,500	51,500
Total Budget Modifications	0.50	\$97,995	\$121,531	2.00	\$98,604	\$141,704

The first three budget modifications involve regulation and detection of pesticides. The modifications would be added to the Environmental Management Division. The pesticide labeling budget modification is proposed to implement a new EPA pesticide labeling program on ground water, endangered species, pesticide disposal, and farm worker pesticide protection standards and certification. The well monitoring budget modification is proposed to sample wells for pesticide contamination. The equipment purchase budget modification is to replace the department's gas chromatograph/mass spectrometer and related data system.

To fund the general portion of the pesticide labeling program, well monitoring, and equipment purchase, the executive budget proposes raising certain pesticide registration and licensing fees. The income from the registration and licensing of pesticide products and the people who sell or use them, is deposited into the general fund. The most significant increase is in the product registration fee which the executive proposes to increase from \$50 to \$75 per product. The proposed increase would generate \$132,450 per year while the general fund expenditure increase for the three pesticide related modifieds is \$97,995 in fiscal 1990 and \$98,604 in fiscal 1991.

DATE 2-6-89
HB 100

BUDGET ITEM	LEGISLATIVE ACTION				PROGRAM: Plant Industry Division			
	Executive	Fiscal 1990	Difference		Executive	Fiscal 1991	Difference	
FTE	31.50	31.83	0.33		31.50	31.83	0.33	
Personal Services	\$769,507	\$760,701	(\$8,806)		\$771,861	\$763,011	(\$8,850)	
Operating Expenses	152,916	137,439	(15,477)		152,351	138,343	(14,008)	
Equipment	34,198	30,000	(4,198)		32,281	30,000	(2,281)	
TOTAL EXPENSES	\$956,621	\$928,140	(\$28,481)		\$956,493	\$931,354	(\$25,139)	
FUNDING								
General Fund	\$433,090	\$423,759	(\$9,331)		\$420,934	\$420,166	(\$768)	
State Special Rev	482,600	465,765	(16,835)		494,727	472,437	(22,290)	
Federal Revenue	10,215	7,173	(3,042)		9,967	7,156	(2,811)	
Other Revenue	30,716	31,443	727		30,865	31,595	730	
TOTAL FUNDING	\$956,621	\$928,140	(\$28,481)		\$956,493	\$931,354	(\$25,139)	

Plant Industries	General Fund		Gross	
	FTE			
1. Overtime difference for potato and cherry inspectors.	0.00	\$(7,000)	\$(7,000)	
			(2,000)	
2. Computer subscription rate to Department of Administration.	0.00	3,700	3,700	
3. Increase federal inspection fees.	0.00	3,300	4,800	
4. Medicated feed and grain lab supplies and materials.	0.00	-0-	5,300	

A.
B. *grain lab.*

Plant Industries

5. Travel (- 276 Plant Committee)

6. Rent

7. Grain lab building maintenance.

8. Training

9. Equipment

10. House Appropriations eliminated 1.41 FTE which was a grain inspector, a part-time typist, and a part-time administrative clerk.

Boilerplate Language

<u>FTE</u>	<u>General Fund</u>	<u>Gross</u>
0.00	5,500	7,700
0.00	800	800
0.00	-0-	1,500
0.00	1,300	2,100
0.00	-0-	6,500
1.00	4,862	50,492

VISITOR'S REGISTER

SUBCOMMITTEE

AGENCY (S)

DATE _____

Feb. 6, 1989

DEPARTMENT

[illegible]

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