

MINUTES

MONTANA SENATE 51st LEGISLATURE - REGULAR SESSION

COMMITTEE ON FINANCE AND CLAIMS

Call to Order: By CHAIRMAN PETE STORY, on APRIL 7, 1989, at
8:00 A.M.

ROLL CALL

Members Present: Senator Gary Aklestad, Senator Loren Jenkins, Senator Esther Bengtson, Senator Matt Hims1, Senator Paul Boylan, Senator Tom Keating, Senator Judy Jacobson, Senator Pat Regan, Senator Larry Tveit, Senator Fred Van Valkenburg, Senator Dennis Nathe, Senator Greg Jergeson, Senator Gerry Devlin, Senator Richard Manning, Senator Sam Hofman, Senator Lawrence Stimatz, Senator Ethel Harding, Senator Pete Story

Members Excused: Senator H.W. "Swede" Hammond

Members Absent: None

Staff Present: Clayton Schenck, LFA

Announcements/Discussion: None

HEARING ON HOUSE BILL 507

Presentation and Opening Statement by Sponsor:

Representative Mary Ellen Connelly, House District 8, presented HB 507. She was chairman of the Long Range Planning Committee. She explained that the bill would revise the laws governing administration of the cultural and aesthetic projects grants program. She pointed out that the Montana Arts Council stipulates conditions of the grant and does require a match.

Senator Hims1 offered an amendment that would enable the Grandstreet Theatre to put air conditioning in their building and they would match the funds. They had been approved for a grant to expand their building but now had a different purpose.

Don McGlaughlin, Executive Director of Grandstreet Theatre, explained that a proposal had been made to hire a project director to help raise the money to build an additional wing for the theatre. The project was started by a feasibility study through a Montana Arts

Council grant. It was decided that the way the grant was written, if the \$10,000 was received then the same plan to raise a million dollars would have to be pursued. The \$10,000 was declined. Part of the reason for adding to the facility was the need to cool the building in the summer. Since box office sales decline in the summer due to the heat, it is necessary to ensure income in the summer.

Questions From Committee Members:

Senator Regan asked about the Cascade Country Artists.

Representative Connelly replied that it was a book put together to be used statewide with Montana artists. She read the project description.

Senator Keating asked how the priorities or the list was established.

Representative Connelly replied that first they apply to the Montana Arts Council and a committee reviews the project. Recommendations are made, and priorities set. The subcommittee again goes through the projects and sets priorities. She pointed out that because it is on a pro-rata basis it doesn't make a difference what order they are in.

Senator Van Valkenburg asked how the challenge grants were working since last biennium.

Mr. Nelson replied that they were working even though it is tough times. He pointed out that money was left through a legacy but not necessarily for operating expenses.

Senator Himsl moved the amendment regarding the Grandstreet Theatre (Exhibit #1).

The question was called. The motion passed with one no vote.

Senator Van Valkenburg commented that he was concerned that the quality was diluted by spreading the money too thin.

Senator Keating said this money came from a statutory appropriation earmarked funds and the purpose of the funds was to provide a service to the taxpayer that he can't provide for himself. He pointed out that those that enjoy these nice things realize that this is at the expense of the coal miners, royalty owners and

other people that might make private donations but instead it is taken from them by law. He said he wanted people to be aware of where the funds were coming from and who is paying them and why.

Senator Regan commented that there was a basic philosophy that coal is a natural resource and part of the Montana treasure. As it is dug from the ground and left in a mess that needs to be covered up, an irreplaceable resource is being taken from Montana. After seeing what happened to Butte in 100 years, a commitment was made that it would not happen again. Consequently a tax was put on to leave a legacy of those that would not benefit by the coal immediately. A very small grant was made that said there were other treasures in Montana that should be supported and why not take some of that money to support them.

Senator Jenkins moved to do pass HB 507. The question was called. The motion passed with one no vote by Senator Keating.

HOUSE BILL 775

Representative Mary Ellen Connelly presented HB 775. She said the bill was to appropriate money to the Department of Natural Resources and Conservation for loans and grants in the water development program and the renewable resource development program. She noted that there was a mistake on line 9, page 8 that says reservoir and it should say reservation. She had an amendment to correct that. She said the grant approved for the University of Montana and Montana State University did not include funding for indirect cost. She said there was some contingencies on the State Library regarding the water information system and the natural heritage program (693). Recommended projects on the prioritized list that are not recipients of available grant funds must be offered the opportunity for loan funds for up to the total recommended project amount.

Representative Connelly mentioned that Representative Westlake's HB 398 was considered top priority and would go to the top of the list and knock off about 8 projects on the bottom. After a meeting with the subcommittee, some of the projects were moved from the water development to the renewable resource so that everybody could be funded.

Senator Story said that action may have to be held on the bill if there were a complication.

Senator Keating asked if the grants that are in the bill the only ones that qualify. He said there were two lists of projects that exceeded the amount of money available. Were only those projects that are affordable in this bill.

Representative Connelly replied that projects were added to the bill.

Chairman Story asked for proponents that may address the amendments and how they affect projects.

Carroll South, LFA, explained that as the bill came from the House, there were enough revenues that were estimated to be available to pay for all of the grants in the bill. The Westlake bill would take \$160,000 out of renewable resource account. The proposed amendment permits DNRC to transfer projects that were approved in the renewable resource category into the water development category where there is money available. The Long Range Planning Committee decided to use cash accounting system in the water development program. This means that the \$500,000 balance that is available, on a strict accounting procedure, the Long Range Planning Committee decided not to use it. So if using the standard accounting procedure that the state uses which is the accrual system there would be \$500,000 left in the water development account after all these grants are funded. He said this was the reason for suggested language. It permits water projects to be taken out of renewable resources where there may not be any money and puts them in water development.

Senator Story asked if anyone would lose.

Carroll South explained that no one would lose. The reason there is \$500,000 available in water development is because of the cash accounting system. If the accrual accounting system is used, this session, there are additional quarters worth of revenue which is about \$464,000. The department, should this amendment be adopted, would like some kind of legislative intent as to whether to continue using the cash accounting system or the accrual system.

Senator Himsl pointed out that the projects are all funded but are funded out of two different programs. He said it would be better off staying on the cash basis because then they could move the projects from one place to another.

(Tape 1-B)

Senator Devlin asked for clarification regarding the accrual system.

Carroll South replied that the accrual system was already being used in the renewable resource account and in reclamation and development. For some reason in water development the cash accounting system has been used. This makes an additional quarters worth of revenue available. It is a one time thing.

Senator Story asked if the effect of this would be a smaller amount next biennium.

Carroll South replied that two years from now there would be two years worth of revenue. If the accounting system is used there would be two years and a quarter of revenue.

Representative Connelly said that there was another amendment on page 3, line 12 to insert "and such deposits are hereby appropriated". She said this is so the Montana Library program can use the money if they receive charges for these various projects.

Questions of the Committee:

Senator Keating asked if there was something in the bill that changes the system from cash to accrual.

Carroll South said the reason it was being discussed is that if changed from the cash to the accrual system there would be a half of million dollars more to spend. It counts the revenue when it is earned rather than accounting when it is received.

Senator Bengtson asked about the language on page 10, line 4 when does the Library get to spend the fees charged from the private sector for the use of that information system. If the grants are funded at the approved level then they must be deposited in renewable resources development account. If they are funded at less than the approved level, money collected from the charge system must be deposited in Montana State Library's account.

Representative Connelly replied that they have to have a meeting with the committee to develop the charges. She said the charges would go into the information system to help pay for it so that the state would not have to fund them.

Richard Miller, Montana State Librarian, explained that the intent of the language was if the full funding comes through as proposed in the bill, the money would revert to DNRC. If it does not it goes into the account of the State Library for the use as replacement of that (123).

Representative Connelly closed.

Senator Aklestad took the chair so Senator Story could present an amendment.

Senator Manning moved amendments #1, #2, #3 (Exhibit #2).

The question was called. The motion passed unanimously.

Senator Story presented an amendment. (Exhibit #3) He said this project occurs on his ranch but he did not benefit from it. He explained that there was a canal in Park County that serves 50 some ranches and 15-18,000 acres. He said it starts on his ranch but his ranch did not receive water from it. He said there is a terrific problem with graveling. An application was approved by the department, it went to the Long Range Building Committee and was on the list of projects to be approved. He said there was misunderstanding in the House as to what the water users were paying for their water. The figure was lower that most water users pay so Representative Thoft figured they could pay for their own project. The figure was incorrect. He pointed out that the work was being volunteered for maintaining the canal. The total was the \$6 figure which is roughly what everyone else is paying (237). This amendment puts them on the list but does not bump anyone. The water is so fast that it gravels the inlets and requires a bulldozer to be put in the river. This project would put a set of baffles in the entrance and will keep the gravel clear. He moved the amendment.

Bill Hunt, representing the Park Conservation District and the HKM Engineering, discussed the proposal. He said when it was originally submitted the application last May they were under the impression it would be 100% funding. They applied for \$49,715. During the process of the review one of the first lists they had received the entire amount. In January, there was notification of reconsideration and was dropped down to \$24,857. During the hearing on January 27, discussion of operation and maintenance costs, Representative Thoft

indicated that the users were getting by cheaply. However, there are two types of O and M agreements. Those in which the users pay the out-of-pocket expenses and those in which the projects contract out all of their O and M costs. The two user groups, Paradise Valley Canal Group and the Park Branch Canal, pay their out of pocket expenses but do not keep track of the manhours that they put in. Other projects that are contracted out have equipment rental plus paying for all the labor. This was not addressed in how the O and M costs are developed. The proposal was resubmitted and found that there are other funds available. He distributed a handout requesting funds from the water development program and other programs and photographs of the area (Exhibit #3A).

Senator Jenkins asked about EPA threats.

Senator Story replied that they were not giving permission to clean the canal.

Peggy Haaglund, Montana Association of Conservation Districts, replied that for years irrigation companies in Montana have been under an exemption. Last summer, EPA started looking at projects closely and is not wanting to give the irrigation exemption any more. They feel that this is a good faith effort to try to solve the problem for the canal.

Senator Keating asked about the Water Development Advisory Committee review the staff of the DNRC that establish priorities on the application for grants based on a number system devised according to public good, etc. He noted that this project was higher on the list and has more merit.

The question was called. The motion passed unanimously.

Senator Story moved do pass HB 775.

Senator Manning (486) pointed out that the amendment allowing the use of the accrual system rather than the cash system was important to have this legislative intent mentioned in the minutes.

Carroll South said that the last instruction that the DNRC would get was to stay on the cash accounting system in water development. The amendment that was just placed in there and the fact that the renewable resources are overexpended by \$85,000 would not permit them to transfer any projects over into the water development

area unless they go to the accrual accounting system. They are reluctant to do that without some mention in the minutes from the committee that would like to have them switch. He pointed out that it did not take an amendment because the standard accounting system of the state of Montana is the accrual system. He said it did not need to be in the bill but rather it is instruction given to the department by the subcommittee where the choice was given where they could stay with the cash system or the accrual system. The only legislative intent is in the subcommittee minutes.

Senator Regan noted that this bill had trouble and needed much deeper discussion before action on it (552).

Senator Story said that since she did and there was not enough time, then this bill would be held at this point.

HOUSE BILL 776

Representative Mary Ellen Connelly presented HB 776. She said the bill was an act appropriating money to the Department of Natural Resources and Conservation for grants for designated projects under the reclamation and development grants program. She pointed out that an amendment would be needed for Montana State Library to use money from the fees.

Questions of the Committee:

Senator Regan asked if there was a cutoff point. Carroll South replied that the figure was an estimation of average revenue.

Senator Keating asked about the Department of Health appropriation. Representative Connelly replied that it was for special projects on airports at Miles City, Geraldine, Richey, Lake County, and Carbon County. Senator Keating asked if RIT money was part of their regular budget. Representative Connelly replied that this was an addition.

Representative Connelly said that all the projects were reviewed and priorities were set. She closed.

Senator Manning moved the amendment (Exhibit #4).

The question was called. The motion passed unanimously.

HB 776

Senator Bengtson moved the bill as amended. The motion passed with one no vote by Senator Keating.

Senator Van Valkenburg moved that the Committee direct the Department of Natural Resources and Conservation to use the accrual method of accounting with respect to administration of the grants that were discussed today.

The question was called. The motion passed with 3 no votes.

HB 775

Senator Jenkins moved that HB 775 do pass. The question was called. The motion passed with 2 no votes by Senators Regan and Keating.

HOUSE BILL 777

Representative Mary Ellen Connelly presented HB 777. She explained that this bill appropriated money for capital projects and would authorize insurance and sale of long range bonds. The projects are listed on page 2 of the bill. She said this would provide funding for 66 projects. She pointed out that because of the sale of the bonds the bill required a 2/3 vote.

Questions of the Committee:

Senator Nathe asked if the general fund was obligated in any way for issuance of the bonds.

Carroll South noted that there was complex issue. He explained that Western Montana College had \$1.4 million in federal obligations bonds sold in 1985. They didn't do the job that they had intended to do and the money was left. In reviewing the situation, Western couldn't retain the bonds, so the Long Range Planning Committee took \$1.1 million that was remaining and pro-rated it to these projects. There will be \$150,000 a year repayment liability on the general fund for that \$1.1 million dollars, which is an exception.

Senator Van Valkenburg asked what happened with the swimming pool at Western.

Carroll South replied that the Board of Regents decided that if the \$1.4 million was spent then they did not have the resources to pay it back. Payments have been made since 1985 with a combination of Western internal

resources and also interest on the unspent bond proceeds. (260)

(Tape 2-A)

Senator Regan asked about the women's prison.

Tom O'Connell, Architecture and Engineering, said there was \$45,000 in the bill for remodeling in the low security side. He noted that this would make the facility habitable by repairing roofs, and minor work.

Senator Keating asked about page 7, section 9, wildlife habitat acquisition statewide, if this bill authorized the sale of bonds for the purpose of buying lands for wildlife habitation.

Representative Connelly read the existing law.

Senator Keating mentioned that there was a bill for the authorization of wildlife habitat and pheasant enhancement. He said it was argued that the money would be used to lease lands for habitat. He asked if this was talking about spending \$5 million to actually buy lands for this purpose.

Ron Marcoux, Department of Fish, Wildlife and Parks, replied that the department pursues, as much as possible, the use of easements and leases in the program. Any acquisitions have to have approval from the Commission. Approval is also needed from the Land Board and then legislative committee review.

Senator Keating asked about the bonds provision in the bill as it relates to FWP.

Ron Marcoux replied that there were requests for bonding. A new headquarters in Miles City, major construction on hatcheries are being looked at.

Senator Keating noted that there was \$26 million appropriated in this bill. Some of that is from bond proceeds that are already sold and then there are new bonds. How much new bonding authority is included in this bill. (130)

Representative Connelly replied \$3,543,000.

Senator Keating asked about the balance if they were bond proceeds that were already sold.

Mr. O'Connell replied (143) the approximately \$20 million left was about \$5 million of the long range building

cigarette tax, the remaining was funds like FWP revenue, highway gasoline tax, some federal spending authority in military affairs, and those kinds of funds. Very little was from the bonds.

Senator Van Valkenburg asked about the authorization of construction of the low security unit at Montana State Prison with inmate labor and if controversy might affect the completion of that project.

Representative Connelly replied that it was talked about in the committee and that unions had been negotiated with.

Senator Van Valkenburg asked about testimony in subcommittee regarding major university building construction, such as the physical science at MSU and the business administration building at U of M.

Representative Connelly replied that the business building at Missoula was reviewed and talked about. She said the bonding program was discussed and Representative Bardanoue and Senator Himsl felt the state was putting out too much in bonding. The committee felt that they could not afford to do that and did not want to obligate the state (202). She said the committee felt the business school was needed because it was just not set up for the number of students that they have. General maintenance was needed around the state first.

Senator Keating pointed out that it was a long-range committee and yet the longest range was every two years. He asked if there were any real long range plans.

Mr. O'Connell replied that two years for long range plans were fairly accurate. One of the reasons was funding on projects were completed with cash revenue. The system can not be taken care of with the revenue in the long range building program, he said.

Senator Hofman asked about the acquisition language and the long range goals of FWP.

Mr. Marcoux replied that they are identifying key habitat areas around the state of Montana and then obtaining some interest in land in those areas. This is dependent on funding.

Senator Jenkins asked about the fishing access sites whether the department had enough money to maintain these site plus new ones.

Mr. Marcoux replied that the dollars were outlined for acquisition on fishing access as a result of earmarking of previous legislation for purchasing fishing access sites. 25% of the revenues raised would go back to the agency for operations of the fishing access sites. Within the budget there will be additional federal dollars (400) going to development and maintenance program for fishing access sites.

Representative Connelly closed. She said that a lot of time was spent on these and priorities were set.

EXECUTIVE ACTION

HB 777

Senator Himsl moved an amendment regarding donation authority for East Gallatin Park at Bozeman to change federal special revenue to state federal revenue (Exhibit #5). This way donations would go to the state special revenue and not the federal (480).

The question was called. The motion passed unanimously.

Senator Himsl moved an amendment regarding additional federal Dingell/Johnson funds that were available to match state funds for fishing access site maintenance and development (Exhibit 5A).

The question was called. The motion passed unanimously.

Senator Himsl moved an amendment which would allow the department to spend funds from the Bureau of Reclamation for improvements at Canyon Ferry and continue to operate. (Exhibit 5B)

The question was called. The motion passed unanimously.

Senator Jergeson moved an amendment regarding river restoration projects (Exhibit #6). He pointed out that the amendment allows the department to spend funds generated by HB 754 to fund river restoration projects.

The question was called. The motion passed unanimously.

Senator Manning moved that HB 777 do pass as amended. The question was called. The motion passed with 3 no votes by Senators Nathe, Keating, and Hofman.

HOUSE BILL 778

Representative Mary Ellen Connelly discussed HB 778. She said the bill would appropriate money to the Department of Natural Resources and Conservation for loans under the Water Development Program to approve issuance of coal severance tax bonds for certain water development projects. She read the bill. She pointed out that this would require a 3/4 vote of each house.

Senator Nathe asked if the coal severance tax bonds were backed.

Carroll South replied that the coal severance tax bonds that would be sold here are not backed by the trust. They are backed by the revenues they pull in the trust. If the trust itself is pledged to the sale of bonds then the trust is subject to arbitrage laws. (846)

Senator Jergeson moved to do pass HB 778.

The question was called. The motion passed with 3 no votes by Senators Devlin, Hofman, and Keating.

HOUSE BILL 789

Representative Mary Ellen Connelly presented HB 789, the Tobin Mansion. She said this bill would lend the support of the state Legislature to the Land Board to accept the Tobin Mansion. She noted that earlier the Governor had said he did not want to accept the mansion because he felt it would cost too much money for restoration. In the meantime, the State Land Board did accept it and then the Governor had no objection. She pointed out that private money could be raised. Because of the historical value of this building it should be accepted.

Senator Manning distributed an editorial from the McStar Newspaper (Exhibit #7).

(Tape 3-A)

Mr. O'Connell, from Architecture and Engineering, noted that the deeds were looked over. He said there was no specific agreement by the donors that indicated that it had to remain as a Governors Mansion.

Senator Manning asked about the upkeep for grounds. He pointed out that it was another bill to take care of.

Representative Connelly said that anywhere the Governor lives is going to need upkeep. She said that building could be sold or used for office space. (071)

Mr. O'Connell replied that at the last Land Board meeting an estimate for renovation was presented of a bottom line figure of \$130,000. He pointed out that it had to be rewired and the kitchen had to be remodeled.

Chairman Story pointed out that this bill was necessary for the purpose of authorizing setting up an account for donations.

Mr. O'Connell discussed the restriction at the present mansion about the height of the trees. Senator Story pointed out that in future years, security guards and security measures such as fences, may prove to be a necessity.

Senator Hofman pointed out that the heating cost of the Tobin Mansion was 1/2 the cost of the present mansion. He said that none of the house had ever been closed off.

Representative Connelly closed. She pointed out that the state has until 1990 to come up with proposals. The opportunity should be accepted due to the history. It does cover one city block so there is plenty of room. She asked for the committee to approve the bill.

Chairman Story turned the chair over to Senator Aklestad so he could present an amendment.

Senator Story presented an amendment on page 3, by removing new section 2 and renumbering subsequent sections. He said it would take at least two years to renovate this mansion and there may be some second thoughts by then. (492) He pointed out that land values could change and the present mansion should not be sold at least this biennium.

Senator Regan pointed out that the wording is discretionary and may be an opportunity. Options should be left open.

The question was called on the amendment. The motion failed 8-10 on a roll call vote.

HB 789

Senator Regan moved that HB 789 do pass.

SENATE COMMITTEE ON FINANCE AND CLAIMS

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Senator Manning pointed out that all the figures were not in on the mansion.

Senator Story pointed out that the Tobin Mansion may not be in the right neighborhood, be suitable for a Governor, and is too far from the Capitol.

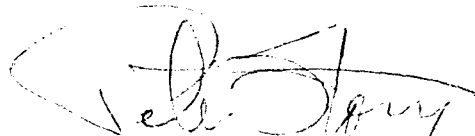
Senator Regan pointed out that she lives in an old mansion and it was very gracious living. She said this was a chance of a lifetime and it would be foolish not to accept.

Senator Boylan noted that there was no money or architecture today that could build those type of things anymore. This is a chance to keep this building in good shape and preserve this history.

The question was called. The motion passed 14-4 on a roll call vote.

ADJOURNMENT

Adjournment At: 11:17 a.m.



PETE STORY, Chairman

PS/dt

FCS407

DAILY ROLL CALL

FINANCE AND CLAIMS

COMMITTEE - 1989

DATE 4-7-89

NAME	PRESENT	ABSENT	EXCUSED
Senator Gary Aklestad	✓		
Senator Loren Jenkins	✓		
Senator Esther Bengtson	✓		
Senator Matt Himsl	✓		
Senator Paul Boylan	✓		
Senator Tom Keating	✓		
Senator Judy Jacobson	✓		
Senator H.W. "Swede" Hammond		✓	
Senator Pat Regan	✓		
Senator Larry Tveit	✓		
Senator Fred Van Valkenburg	✓		
Senator Dennis Nathe	✓		
Senator Greg Jergeson	✓		
Senator Gerry Devlin	✓		
Senator Richard Manning	✓		
Senator Sam Hofman	✓		
Senator Lawrence Stimatz	✓		
Senator Ethel Harding	✓		
Senator Pete Story	✓		



Amendment to HB 507, Third Reading Copy
Before the Senate Finance and Claims Committee

1. Page 9

After Line 19

Insert: "Grandstreet Theatre \$8,125"

#

EXPLANATION:

1. Grandstreet Theatre proposes to air-condition its theatre auditorium through the installation of air conditioning equipment which in turn will necessitate the upgrading of the facility's electrical service and the installation of aesthetically appropriate enclosures for any exposed duct work. This construction effort will cost \$32,500 and other donated funds and in-kind contributions will be used to match the requested state grant of \$8,125.
2. Early in the application and review process, Grandstreet Theatre had submitted a proposal to the Montana Arts Council for a one time special projects grant intended to match other donated funds for the purpose of raising money to expand the size of the theatre complex to accommodate the ever increasing space requirements relative to actor's dressing rooms, prop storage, administrative offices, and its children's theatre programs.
3. This initial application, in the amount of \$19,500, was reviewed and subsequently recommended for partial funding during this legislative session by the Citizen's Advisory Committee of the Montana Arts Council. The grant award recommended was for a funding level of \$10,000.
4. Subsequently, Grandstreet Theatre formally withdrew its request for this grant during deliberation of the project list by the Long Range Planning Committee earlier this session. The reason for such action was due to a change in plans by the Theatre's Board of Directors relative to the proposed facility expansion. In short, facility expansion costs well exceeded earlier and preliminary construction estimates to the point that the project was considered unfeasible and inappropriate at this time.
5. However, the air conditioning of the theatre to allow for successful productions of theatre performances during the hot summer months, has been, and is still one of the top priorities of the Board of Directors. Therefore, Grandstreet requests the concurrence of this committee to amend into this bill this substitute project as a one time construction grant.

Ex. #1

4-7-89

6. The purpose of this new construction project is as follows:
1. GST annual operational budget is almost entirely dependent upon its box office revenue (75% of budget). The other 25% of its operational income comes from local community support in the form of an annual fund raising solicitation.
 2. GST annual production schedule includes summer performances. However, summer attendance, as evidenced through dramatic declines in summer box office revenue especially during the last three summer seasons, are attributable to nothing other than the very uncomfortable nature of the auditorium on hot summer days and nights.
 3. This phenomena adversely impacts the theatre as demonstrated by:
 - lack of confidence in summer production plans from the directors to production staff, including the actors and supporting cast
 - delayed implementation of plans to expand the summer educational programming for the Children's Theatre School-inability to attract and recruit the best in available summer stock talent to perform in the summer productions.
7. Given the fact that (1) the initial project grant request for \$19,500 had been favorably reviewed by the Citizen's Advisory Council and subsequently recommended for partial funding at \$10,000, and (2) since the substitution of the air conditioning project for is not only for less money than the original project but addresses one of its major goals and (3) since the adding of this project to HB 507 does not unfairly re-prioritize or eliminate projects already acted upon by the House of Representatives, the Montana Arts Council does not oppose this amendment.

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Amendments to House Bill No.775
Third Reading CopyEXHIBIT NO. 2DATE 4-7-89Requested by Long Range Planning Committee BILL NO. HB 775Prepared by LFA
March 27, 1989

1. Page 5, line 22.

Following: "funds."

Insert: "Projects and activities listed in [section 2] that do not receive renewable resource development funding are eligible for water development funds on the basis of the water development program priority ranking criteria. Any project or activity listed in [section 2] that receives renewable resource development funds is not eligible to compete for water development funds."

2. Page 8, line 9.

Strike: "Reservoir"

Insert: "Reservation"

3. Page 10, line 12.

Following: "program"

Strike: "."

Insert: "and such deposits are hereby appropriated."

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SENATE FINANCE AND CLAR

EMEND NO. 3

DATE 4-7-89

BILL NO. HB 775

AMENDMENT TO HOUSE BILL NO. 775
THIRD READING

1. Page 5

Following: Line 1

Insert: Park Conservation District
Park Branch Sediment Diversion \$30,000

3A

SENATE FINANCE AND CL

EXHIBIT NO. 3a

DATE 4-7-89

BILL NO. HB 775

HB 775 - AMENDMENT - Sec. 1, Par. (4)

Include in WATER DEVELOPMENT PROGRAM following project:

Applicant/ Project

PARK CONSERVATION DISTRICT

Recommended
Grant

Sediment Control Diversion Structure \$25,500

Rationale for Amendment:

1. Project, described on p. 15 of Renewable Resource and Water Development Programs: Project Evaluations and Recommendations for 1990-1991 Biennium, was ranked No. 5 on list submitted by the technical review committee to the Joint House and Senate Long Range Planning Committee.
2. Funding has been restructured to include cost sharing by the members of the water users associations.

<u>Funding source</u>	<u>Original</u>	<u>Amended</u>
Water Development Program (DNRC)	\$49,715	\$25,500
ACP Pooling Agreement	-0-	9,650
Water users	-0-	9,650
Dept. Fish, Wildlife & Parks	-0-	5,000
Park Conservation District	<u>1,285</u>	<u>1,200</u>
TOTAL PROJECT COST	\$51,000	\$51,000

3. The project will serve as a demonstration project for similar problems encountered on the Musselshell, Bitterroot, Jocko, Milk, Missouri and Clark Fork Rivers according to SCS and DNRC personnel.
4. The project is acceptable to EPA as a viable method to propose as a permanent solution for the obtaining irrigation water without recurrence of the dredging for sediment removal.

PARK BRANCH CANAL SUMMARY

Acres irrigated	13,000
No. water users	61
Allocated diversion	12,441 Miner's inches 311 cu ft per sec (cfs)
Year constructed	1937 (original Park Branch Canal) 1959 (added Paradise Valley Canal)

ROLL CALL VOTE

FINANCE AND CLAIMS

COMMITTEE

DATE 4-7-89

BILL NO. HB 789

NUMBER #2

NAME	AYE	NAY
Senator Gary Aklestad	✓	
Senator Loren Jenkins	✓	
Senator Esther Bengtson	✓	
Senator Matt Hims1		✓
Senator Paul Boylan	✓	
Senator Tom Keating	✓	
Senator Judy Jacobson	✓	
Senator H.W. "Swede" Hammond		
Senator Pat Regan	✓	
Senator Larry Tveit		✓
Senator Fred Van Valkenburg	✓	
Senator Dennis Nathe	✓	
Senator Greg Jergeson	✓	
Senator Gerry Devlin		✓
Senator Richard Manning	✓	
Senator Sam Hofman	✓	
Senator Lawrence Stimatz	✓	
Senator Ethel Harding	✓	
Senator Pete Story		✓

TALLY

14 4

Debbie Thompson - 319
Secretary

Pete Story
Chairman

Motion: Regan moved do pass-

passed

Fail

ROLL CALL VOTE

FINANCE AND CLAIMS

COMMITTEE

#1

DATE 4-7-89

BILL NO. 789

NUMBER 3

Story Amendment 8

NAME	AYE	NAY
Senator Gary Aklestad	✓	
Senator Loren Jenkins	✓	
Senator Esther Bengtson		✓
Senator Matt Himsel	✓	
Senator Paul Boylan		✓
Senator Tom Keating		✓
Senator Judy Jacobson		✓
Senator H.W. "Swede" Hammond		
Senator Pat Regan		✓
Senator Larry Tveit	✓	
Senator Fred Van Valkenburg		✓
Senator Dennis Nathe	✓	
Senator Greg Jergeson		✓
Senator Gerry Devlin	✓	
Senator Richard Manning		✓
Senator Sam Hofman		✓
Senator Lawrence Stimatz		✓
Senator Ethel Harding	✓	
Senator Pete Story	✓	

TALLY

8 10

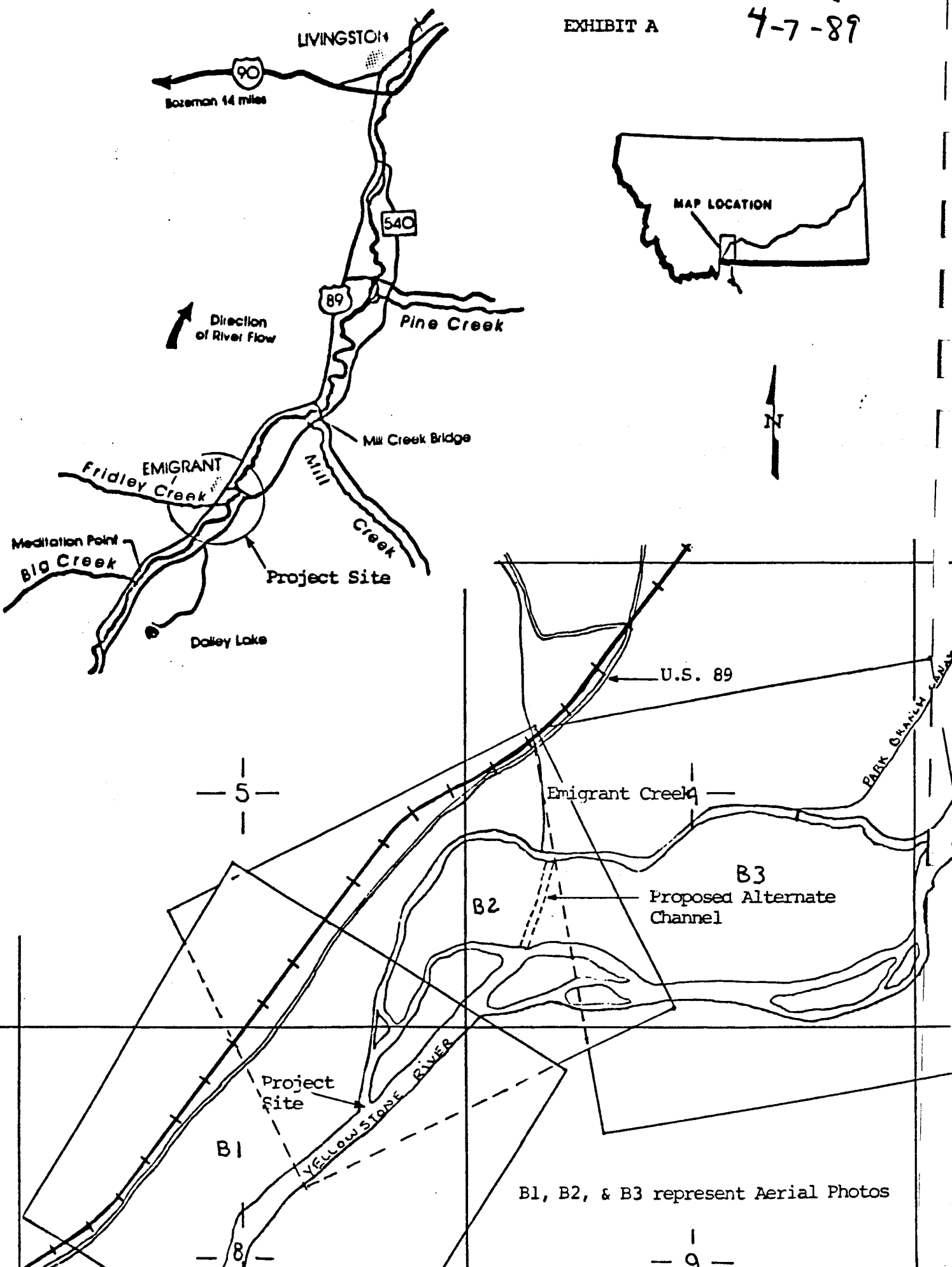
Debbie Thompson - 319
Secretary

Pete Story
Chairman

Motion: Story - remove sect. 2
failed

Ex 3a
4-7-89

EXHIBIT A



B1, B2, & B3 represent Aerial Photos

EXHIBIT I

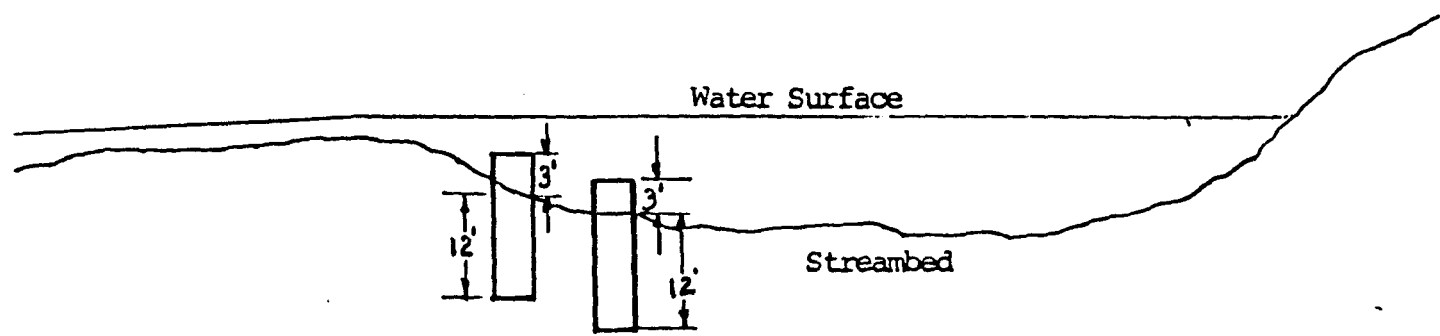
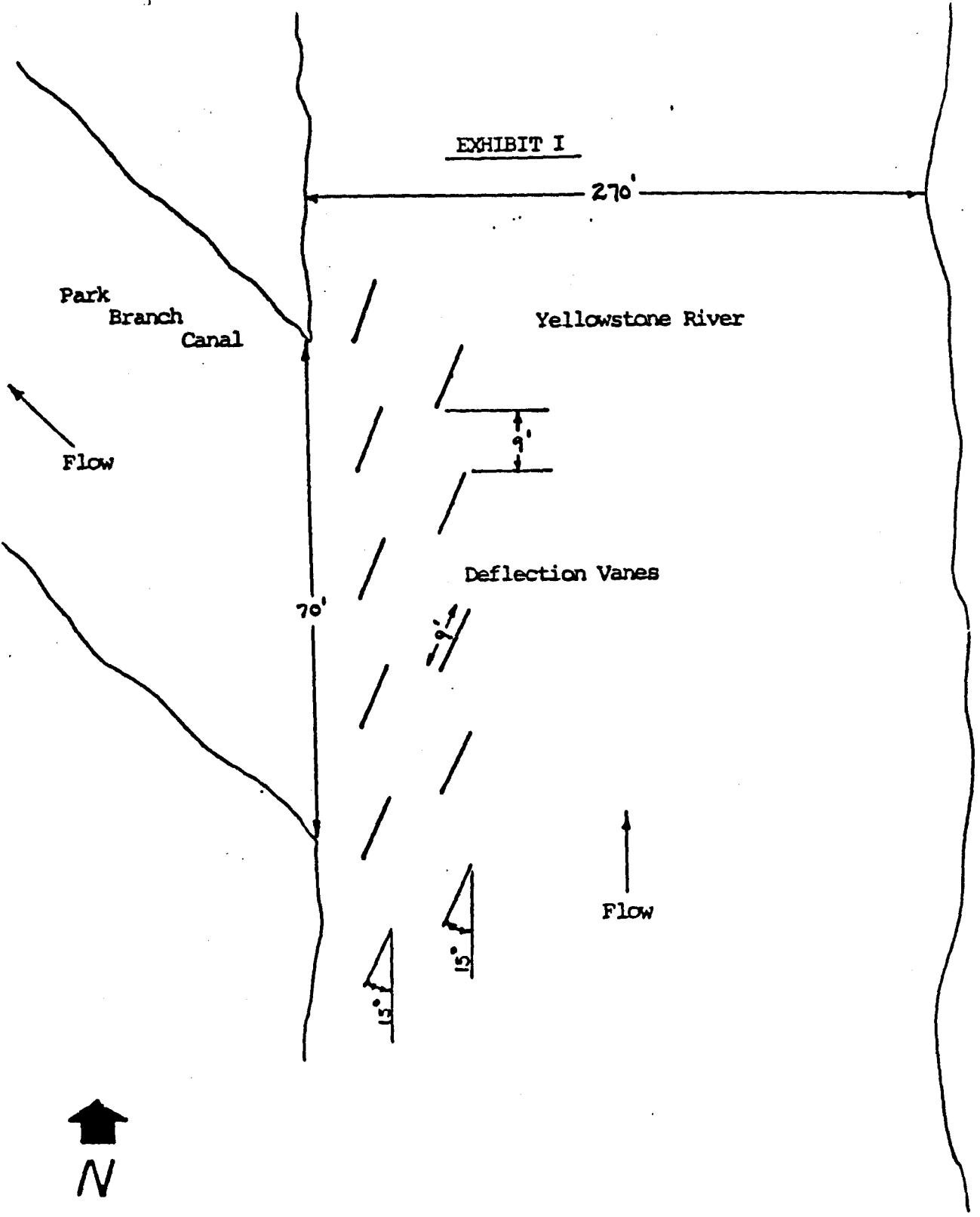


Exhibit #3a
4/7/89
HB 775

Exhibit 3a included 4 original photos that can be seen at the Historical Society.

#4

Amendments to House Bill No.776
Third Reading Copy

SENATE FINANCE AND CL
AMEND NO. 4
DATE 4-7-89
BILL NO. 776

Requested by Rep. Connelly
For the Committee on Senate Finance and Claims

Prepared by LFA
April 5, 1989

- 1. Page 6, line 4.
- Following: "program"
- Strike: "."
- Insert: "and such deposits are hereby appropriated."

5

G

Amendments to House Bill No.777
Third Reading House Copy

SENATE FINANCE AND CLAIMS

SECTION NO. 5

DATE 4-7-89

Requested by Rep. Connelly
For the Committee on Senate Finance and Claims BILL NO. 777

Prepared by LFA
April 3, 1989

1. Page 3, line 23.
Strike: "Federal Special Revenue"
Insert: "State Special Revenue"

2. Page 3, line 24.
Strike: "Federal Special Revenue"
Insert: "State Special Revenue"

Approved

5a

(N)

SENATE FINANCE AND CLAIMS COMMITTEE

AMENDMENT TO HOUSE BILL 777

EMENDMENT 5a

THIRD READING COPY

DATE 4-7-89

BILL NO. 777

SENATE FINANCE AND CLAIMS COMMITTEE

1. Page 3, line 12

Strike: "300,000"

Insert: "549,000"

Additional federal Dingell/Johnson funds are available to match the \$183,000 of state funds for fishing access site maintenance and development provided for in the bill. This amendment brings the matching ratio to \$3 federal to \$1 license funds. The added dollars will be spent for the same purposes as originally explained to the Long Range Building Committee - Fishing Access Site repair and maintenance.

Approved

(I)

AMENDMENT TO HOUSE BILL 777
3RD READING COPY

56
SENATE FINANCE AND CL
EXHIBIT NO. 56
DATE 4-7-89
BILL NO. 777

SENATE FINANCE AND CLAIMS COMMITTEE

1. Page 3, Line 20
Strike: "1,057,500"
Insert: "1,137,500"

2. Page 7, Line 11
At the end of the first sentence strike the "." following caverns and insert a "," and add "and at least \$330,000 for improvements and repairs at Canyon Ferry of which \$80,000 will come from Bureau of Reclamation Funds."

The amendment will allow the Department to spend funds from the Bureau of Reclamation for improvements at Canyon Ferry.

Bureau of Reclamation funds will be added to existing parks improvement funds already in HB 777. The administration recommends committing at least \$250,000 in addition to the new Bureau of Reclamation funds to implement the proposed new agreement with the Bureau which will allow the state to continue to operate Canyon Ferry.

31.55

Approved

#6

SENATE FINANCE AND CL
EXHIBIT NO. 6
DATE 4-7-89
BILL NO. HB 777

AMENDMENT TO HOUSE BILL 777
THIRD READING COPY

SENATE FINANCE AND CLAIMS COMMITTEE

1. Page 8, following line 13

Insert: "Section 10. River Restoration. The following money is appropriated to the Department of Fish, Wildlife & Parks for river restoration projects.

River Restoration 168,220 State Special Revenue"

Renumber sections that follow.

This amendment will allow the department to spend funds generated by HB 754 to fund river restoration projects.

#7

NO. 7
DATE 4-7-8
HB 189

opinion

MC Star 4-4-89

No place like home

After a recent trip to Helena, we have to recommend (with tongue firmly in cheek) that the state not turn the Jane Power Tobin mansion into a home for Gov. Stan Stephens and Montana's future chief executives.

Why? Is it because of the money? No, that's going to be raised in a private effort. Rather, it is because once the mansion is renovated, Stephens probably will not be able to find the darned place.

Since this writer was in Helena this weekend and the mansion story was in the news, it did not take a mental giant to figure out that getting a picture of the place would be a good idea. Easier said than done.

We asked at the hotel where the Tobin mansion was. The young lady didn't know, but she and several of her co-workers fell all over themselves trying to find out. Finally, after a series of calls and asking everyone but a couple from Manitoba, the hotel folks gave us a general idea and a very nice map. Away we went.

Considering it was built on a hill, Helena is a fairly easy town to get around in. We found Power Street, and drove its length, spotting just one home we thought qualified as a mansion. It was beautiful — certainly a suitable home for a governor.

Just to be sure, we asked some people moving in or out a couple of houses down. Tobin mansion? They weren't sure. Jane Power Tobin? Oh yes, that was the Power mansion. Fine. No problem.

The photo was printed and ready to go in Monday's paper when this writer got an ill feeling about it. We called some reporters

in Helena. Like the half dozen or so native Helenans we spoke with, they had an idea, but weren't quite sure enough to confirm for publication. They referred us to the state. Good idear.

The folks at the state were pretty sure where it was, but the guys who really knew were out of the office.

Deadline loomed and desperation grew. Finally, a random search of Tobins in the phone book ensued, and a woman was kind enough to provide confirmation on the issue. It wasn't the message we wanted to hear. The house we had was apparently a Power mansion, but not the Power mansion in question. So, you folks were treated to a backup picture of the old governor's mansion, which we were sure about because it has a sign out in front of it. Not great, we know, but the other backup picture we had was of the cathedral there. A nice place to visit, but they don't let you live there.

Throughout the weekend, we noted that Helenans were extremely nice, without exception. Other communities should be so pleasant. However, the hard truth is that about nine out of 10 of the ones we spoke with did not know where the Jane Power Tobin mansion was. And so how would Stan Stephens find his way home? We can't have him wandering around Helena every night, knocking on doors.

It just goes to show how familiar, and yet unfamiliar, we can get with our own communities, states and even our country. This is nice weather for a drive around town:

DATE April 7, 1989

COMMITTEE ON

Finance & Claims

103

VISITORS' REGISTER

NAME	REPRESENTING	BILL #	Check One	
			Support	Oppose
Lois Hermann	MT Cultural Advocacy	HB 507	✓	
Tom Howard	INACOB	HF 775	✓	
Bill Hunt	HKM	778, 776 HB 775	✓	
Tom Howard	INACOB	"	✓	
Tom Howard	X/E	777	✓	
Quin Rice	Representation - #043	775	✓	
Richard Seligson	Int Library Assoc.	507	✓	
Richard Miller	MT State Library	507, 775, 776	✓	
Jon C. Sesso	MT State Library	775, 776	✓	
Keith L. Colbo	Cult Advocacy	775-6	✓	
Quentin Rhoades	Montana State	507	✓	
Marilyn Miller	OBPP			
Bree Chapman	Citizen	777		AS Amended
Carleen Lemie	MT Arts Council	HB 507	✓	
Bill Trutt	" " "	HB 507	✓	
Dave Nelson	" " "	507	✓	
Quin Currie	Institutions	777		
DA Russell	"	777	✓	
JUST CHISHOLM	"	777	✓	
Jenny McDermott	Montan Tech	777	✓	
ED AYERS	" "	777	✓	
Don McLaughlin	Grandstreet Theatre	507	✓	
Don McLaughlin	Grandstreet Theatre	507	✓	
Shirley Spiller	Grandstreet Theatre	507	✓	
Tom Cordery	" "	507	✓	
Steve Bellman	Trent Unlimited	775, 776, 777	✓	

