

MINUTES

**MONTANA HOUSE OF REPRESENTATIVES
52nd LEGISLATURE - REGULAR SESSION**

COMMITTEE ON APPROPRIATIONS

Call to Order: By Chairman Bardanouve, on March 16, 1991, at 8 a.m.

ROLL CALL

Members Present:

Francis Bardanouve, Chairman (D)
Ray Peck, Vice-Chairman (D)
Dorothy Bradley (D)
John Cobb (R)
Dorothy Cody (D)
Mary Ellen Connelly (D)
Ed Grady (R)
Larry Grinde (R)
John Johnson (D)
Mike Kadas (D)
Berv Kimberley (D)
Wm. "Red" Menahan (D)
Jerry Nisbet (D)
Mary Lou Peterson (R)
Joe Quilici (D)
Chuck Swysgood (R)
Bob Thoft (R)
Tom Zook (R)

Staff Present: Terry Cohea, Legislative Fiscal Analyst, Jim Haubein, Taryn Purdy, Terry Perrigo, Carroll South Sylvia Kinsey, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Chairing of the meeting alternated between Chairman Bardanouve and Vice Chair Peck. No note is made of the changes in the minutes.

HEARING ON HOUSE BILL 2

EXHIBIT 1

DEPARTMENT OF HEALTH AND ENVIRONMENTAL SCIENCES

(continued)

REP. COBB said he would amend the language on B-19 of the narrative on Central Services. The Public Health Lab and the Chemistry Lab get general fund and some of that money was to be

Occupational Health Bureau. They do food tests and also lead tests etc. \$25,000 of the general fund appropriation in Chemistry and Public Health Labs shall be set aside for testing by the Food Consumer Bureau in the Occupational Health Bureau. He said this is not new money, the Chemistry Lab gets \$100,000 a year general fund for testing and Public Health Lab gets \$209,000 for testing. This just makes sure there is enough money set aside for those bureaus if they need to do some extra testing. Sometimes the money is used to subsidize the other tests and this would make sure they could do their job.

MOTION: REP. COBB moved \$25,000 of the general fund appropriation in the Chemistry and Public Health Labs be set aside for testing by the Food consumer Bureau and the occupational Health Bureau. Second by Rep. Grady.

Vote: Motion passed unanimous.

MOTION: REP. COBB moved 4% be taken out of Personal Services for the '93 fiscal year. B-1 of Narrative. Second by Rep. Cody.

Mrs. Cohea said that would be \$483,924.

Vote: Motion passed 15 to 3, roll call vote # 1.

MOTION: REP. GRADY moved language on B-1, B-2. saying if there is a decrease in the maternal and Child Health next year the decrease will be split between the State Health Department and the Grants to the Counties. Second by Rep. Cody.

REP. GRADY said Mrs. Cohea was aware of the motion and he would ask Judy Carlson to explain it.

Judy Carlson, Lobbyist for the Health Departments, said the amendment would say "If the federal grant for maternal and child health is decreased next year the allocations would be split equally between the State Health Department and the Grants for the Counties," instead of having the Grants to the Counties take the total hit. The language now says if there are increases the counties will get all the increases.

REP. GRINDE asked Mr. Hoffman to comment on the motion. Mr. Hoffman, DHES, said the MC Block Grant was accepted in 1982 and the language that is currently in the Appropriations Act when it was added at that time states any increases within the MC Block Grant would be given to the counties and any decreases within the MC Block Grant would also be absorbed by the counties. The Dept. of Health would have no problem with this language if the language also stated that the increases over and above what is anticipated would also be correspondingly shared with the Dept. of Health. He said the Dept. of Health has given the counties an additional \$200,000 to \$300,000 each year for the last 8 years. He said he did not anticipate the MC Block Grant going down, but it could happen.

it could happen.

REP. KADAS asked what the Dept. uses these funds for. Mr. Hoffman said approximately 60% of the dollars are used directly toward services for the people of Montana. 30% of the block grant goes to the counties and approximately 30% of the grant is used within the handicapped children's program for services for children who need some type of medical services. The remaining is given to the Dept. of Health to fund such programs as the Family Planning Program, Maternal Child Health Childcare Program within the Dept.

Mrs. Cohea said B-3 of the narrative is a table showing how the funds were expended in '90 and subsequent recommendations for '92 and '93 from the block grant.

REP. CODY asked what the counties do with this money and Ms. Carlson said the counties have a lot of different programs, and they all have to be maternal and child health related. She mentioned the High Risk Infants, Health Immunization programs, Educational Programs for maternal and child health.

Vote: Motion passed 12 to 6, roll call vote # 2.

REP. BRADLEY explained EXHIBIT 2. CHAIRMAN BARDANOUVE asked if the Medical Director isn't a modification. He said he did not remember putting in a person in this department. REP. BRADLEY said it is a current level position that has been reclassified. REP. BARDANOUVE said he believed this position was created by the Department and never authorized by the Legislature. Mr. Hoffman said approximately 8 months ago the Dept. of Health went through the reorganization. At that point in time there were 2 physician positions within the Dept. and they were both bureau chiefs. The dollar amount was paying for those two physicians who were basically doing administrative jobs, the director at that time felt we should get administrators rather than physicians so they reclassified those grade 23 bureau chief jobs to grade 18 administrators and then reclassified an existing position within the department to become the medical advisor to the director. They switched that position into the director's program.

CHAIRMAN BARDANOUVE said this was probably the 4th or 5th highest paid person in state government. The only other he knew was the forensic doctor at Missoula in the lab and a couple University Presidents that would be higher paid. He said this was a very high paid position put into the Health Department. Mr. Hoffman said this individual is Dr. Sidney Pratt who has been with the Department over 16 years. He is an M.D., and a grade 23.

REP. BRADLEY said this was in the Executive budget. She continued explaining EXHIBIT 2.

REP. CODY asked what it meant under the Underground Storage Tank Grants when it says no grants were awarded in FY90 pending a

state of Montana assumed was county review of underground storage tanks and it was not very clear. He said the question has been resolved this time by the bills in Legislature and that is anticipated to take effect July 1.

CHAIRMAN BARDANOUVE asked how much there is in that fund now and **Mr. Hoffman** said for the coming biennium approximately \$809,000 per year in programs. That consists of \$632,000 of State Special Revenue and \$176,000 of federal funds.

REP. GRADY asked about the cost share on replacing the underground tanks--highway Dept etc. He asked if that was correct. The Department of Highways said they could get reimbursed for part of the replacements, and he was not aware there was money to reimburse agencies or anyone else to replace the tanks. **Mr. Iverson** said he would guess what they were talking about since there are only 2 ways you can give grants and cost shares: one is out of the insurance fund where, if you have a leak and take your tank out and if you qualify by having either gasoline or diesel fuel the fund will pay 1/2 of the first \$35,000 in costs which means there is about \$17,500 deductible and then they pay 100% above that to some other limit he could not recall. The only other grant he was aware of is one coming through in the Exxon Overcharge money. There was something in it when the bill was put together which would give \$200,000 to \$250,000 for low income cost share tank replacement.

REP. GRADY said the Departments don't pay into that LEAP fund, do they? **REP. QUILICI** said on the Highway under monitoring and removal program for the Dept. that is mandated by the federal government, although there is no money yet coming into it, they put in that application and there is a chance they can get some of the money recovered because of the mandate.

REP. CODY asked where the grant money comes from, it is not from the penny tax, is it? She was told no. **Mr. Hoffman** said the monies come from leaking Underground Storage Tank fees, and from cost recovery for action this department has taken in relationship to federal laws. **REP. CODY** said, then it is from suits that have been filed against entities or individuals that have a leaking tank? **Mr. Hoffman** said federal law states that any money recovered from that must be returned to the program and then in turn will be used for regulatory type action.

REP. BRADLEY explained the issue of Health Facility Licensure and Certification B-8 of the narrative, last item on **EXHIBIT 2**.

DEPARTMENT OF LABOR AND INDUSTRY

Language and Intent D of L EXHIBIT 3:

REP. BRADLEY gave an overview of the Department, handed out the Language and intent **EXHIBIT 3** and discussed the 7 items listed on the exhibit. She said **Terry Perrigo** was the LFA staff and **Mike**

Micone, Director, Dept. of Labor represented the Executive.

CHAIRMAN BARDANOUVE said there was some review of some funds the other day and asked if this is the money that was discussed.

REP. BRADLEY said yes. Most of the items here deal with the UI Admin. Tax. CHAIRMAN BARDANOUVE asked if this is the money they used in the letter saying if we use this money they would raise the rates? REP. BRADLEY said that is correct. She said as the committee went over this it was their intent to use some of those funds in employment kinds of service areas and at the same time keep a reserve on hand that would fully protect any potential cuts in the Job Service offices, particularly in the rural area.

CHAIRMAN BARDANOUVE said we requested a formal report from the Fiscal Analyst and the Legislative Auditor and possibly that report might have some bearing on this. Later on we may review this again, depending on what is in the report.

REP. SWYSGOOD asked if the Department had any problem with this language on the Admin. Tax. Mr. Brian McCullough, Management Services Bureau Chief, Centralized Services Division, D of L said this language identifies the Trust Fund being reserved to the extent of everything that is appropriated and anything that isn't appropriated or reserved (example, Rep. Gilbert's bill, HB 124) would end up appropriated. Therefore during the next biennium, with this language, no revenues collected as a result of the Admin. Tax would be transferred to the Trust Fund.

REP. SWYSGOOD said, then if revenues collected off the tax is not deposited to the Trust Fund because of this language and REP. GILBERT's bill, what happens? Mr. McCullough said it is a reduced amount in terms of the fund balance of the Trust Fund. Whether or not that causes an impact on the rates depends on economic conditions and where we are. It may or may not have an impact on the rates on the dollar amount of all the factors--both economic factors as well as the amount that is deposited. Each time you deposit more funds in the reserve there is that much more to keep the fund level up and therefore, keep the schedules down.

REP. BRADLEY said the subcommittee took the action they did because in tracking down the exact statements in the committee, even as reported in the Secretary's minutes, Sen. Keating asked when employers were reduced between '81 and '88 and how much money was involved. Mr. McCullough said the unemployment insurance tax schedule was at the lowest level possible. The Labor Dept. may have to increase the schedule by one notch in '92 and '93 if the economy deteriorates and under employment increases. Further information about tax reductions between '81 and '88 will be presented by the Unemployment Insurance. She said that was the subcommittee's indication that those schedules will depend on the economy and unemployment and what is done here has very minimal impact.

CHAIRMAN BARDANOUVE said we went through a hassle when this fund was in a critical situation. This probably may not have a major impact, but was a little nervous that we might get ourselves back, through a combination of bills and economic conditions in Montana, to where we were so severely criticized a few years ago. It dropped so low we had to borrow money from the federal government to keep it from being bankrupt. **REP. BARDANOUVE** said they were very concerned about this also, and if any of the coordinated groups in the profession reveal something different, it should certainly be before this committee. At the present time she felt they were on safe ground, but wanted to go through the language one more time to be sure the committee was satisfied. **REP. PECK** said the committee rule is the language is in unless there is a motion otherwise.

REP. QUILICI asked if there is a chance that the federal funds coming in could be less, and if they are along with the recession, it could really have a major effect on this. How would this affect the Unemployment Trust Fund? **REP. BRADLEY** said never by itself, in setting aside that small portion for administrative purposes as opposed to trust purposes, the schedule were set and as they moved from one to another it was never really contemplated what was going on with the U I Admin. They are separate from that and move up and down depending on a larger surplus in the fund and if the economy is good you would want to move down a schedule and the converse would also be true.

REP. COBB said right now we are holding the money. We could add after "Funds in the job service reserve shall not be transferred to the Unemployment Insurance Trust fund until January 30, 1993" we could add "except in the amount the reserve will reduce the schedule and the date the schedule is determined". **REP. CODY** said the Dept. itself came in the last session to the subcommittee on Human Services and suggested the expenditures come out of this Admin. Tax. She said she had visited with **Sue Moore** about the rate schedule and was told she had worked on that when we were in trouble and there was something built into that schedule that this tax had absolutely no effect on it. She asked her to explain this to the committee.

Sue Moore said she was with Montana Job Training Service which is a non-profit organization that administers job training programs through private industry councils. She was hired in the mid '70s by the Dept. of Labor in the Unemployment Insurance Division and a couple years later was asked to work on developing the new trust fund schedule and the system which is currently in state law. The system is designed with 10 schedules and since she has been away from it for 5 or 6 years some of this is old information. It is designed to reach an equilibrium schedule which is typically in the middle schedules. When it was originally designed it was designed to balance in the schedule and around the schedules 4, 5 and 6, that is the amount of money those schedules brought in matched the amount of benefits that were paid out. The Trust Fund in that middle schedule was

supposed to be the Trust Fund balance that was the "safe" Trust Fund balance, which at that time was considered 1 1/2 times the high cost benefit cost and at that time would have been between \$90 million and \$120 million. She said she was told the chamber had lowered the trust fund ratios just prior to the passage of the bill and that substantially changed the trust fund ratios in that system so that now the Trust Fund balance that is to be reached in those middle schedules is considerably less than that high cost benefit figure. It seems the system is different, there is something like \$90 million in the fund right now which is the lowest schedule. That schedule is what was originally designed to be a schedule that draws down the trust fund balance and tries to bring it up to the middle schedules. She said her guess is the middle schedules are now trying to shoot for a balance of somewhere less than \$90 million, but is not sure what the status of schedules are since things have changed considerably in the past 10 or 15 years since that schedule was designed. She said she certainly was not an expert in how the schedules are designed. She believed the system was probably going to try to move into the range of \$60 million or \$70 million and it would probably happen with or without the Unemployment Insurance Administrative Tax. That tax was set up in FY83 and the fiscal impact was never looked at in terms of Trust Fund solvency and was designed to be a separate tax and no one made a lot of assumptions of it making a difference whether or not it went into the Trust Fund. She said in her mind it was fairly questionable whether continuing to put money in it would make a difference one way or another.

REP. SWYSGOOD said he would try to ferret some of this out. He had some uncertainty about the rates that employers pay as it relates to balances in the Trust Fund and programs funded out of the Admin. Tax. The language here says all the programs will be funded before anything goes into the reserve and the reserve fund, with the balance in that fund to keep us at a certain schedule, correlates to the rates that will be charged to employers. He said if he understood correctly they are at \$91 million in the reserve trust and that has us at schedule 1 which is the lowest rates that employers pay. We are projected to fall under the trigger for the next schedule in the coming fiscal year of some \$400,000. He asked, if the tax coming in from employers is sufficient to make sure we stay in schedule 1 and maybe not fund all the programs that are being funded out of the Admin. tax in addition to what it was set in place for, will we stay at schedule 1. If we fund all the programs here, will the employers get a rate increase to make up the deficiency in the trust?

Rod Sager, Administrator Centralized Services, Environment said he did not want to get ahead of the information **CHAIRMAN BARDANOUE** had asked for that they work with the Legislative Auditor and LFA on, but to answer the question, their projections now indicate that the decisions made on Dec. 31 balance in the Trust Fund, and the trigger to keep them in Schedule 1 for the next calendar year is projected at \$91.5 million. With the bills

pending before the Legislature that have a good opportunity to pass, considering those, without the \$3 million that is in question on Admin. Tax they feel is available to transfer, they would be at \$88.8 million. With that transfer it would put them at \$91.8 million, and they would stay at schedule 1. Before they got the \$3 million they felt the next couple of years would have an impact on 1 schedule to the employers.

REP. SWYSGOOD asked, without the transfer, how much rate increase will employers be faced with because we don't transfer this into the reserve? Mr. Sager said they are at schedule 1 for this calendar year. Next year, based on our projection, it will go up one schedule to schedule 2 which is a 2 tenths of a percent increase. REP. SWYSGOOD said, to the average employer, how much of a rate increase is on the tax he pays to unemployment? Would that increase his cost? Mr. Sager said it would be about a 14% increase for some of the lower ones. Over all it would be about \$6 million difference into the trust fund. There is approximately \$6 million difference per year between schedule 1 and 2.

REP. PECK asked if 14% would be the high side and Mr. Sager said yes. That should be a little lower for some of those that are paying higher rates now. It is a 2 tenths percent rate increase for all of them.

REP. BARDANOUVE said we are having the report coming in, and if there is something we really need to take a hard look at we can amend the bill in the Senate.

REP. COBB explained if they didn't want to have some of this in the bill the committee would not vote for the mods.

REP. SWYSGOOD said he serves on the Job Training Coordinating Council and on the PIC Council that has the responsibility of coordinating these programs and making sure these funds go to service delivery areas that provide the services to the people out there. They are worthwhile projects and a lot of dependence on those projects continues. He said he also had a concern that the funding mechanism as it relates to the employers in the state taking a "wham" on this given the economic conditions we are facing now. He wanted to remind the committee to keep that in mind when addressing the mods.

MOTION: REP. COBB moved to add on language # 1, last line following "January 30, 1993" to add "except in the amount the reserve fund will reduce the schedule in the coming year". Second by Rep. Bradley.

REP. CODY asked if it could also include that before they do that they would go to the Legislative Finance Committee. She said she did not trust the dept., and could see the possibility of transferring the money in there without any Legislative oversight for the need to do so.

There was no objection from any member of the Finance Committee or REP. COBB to have this included in the motion. The committee agreed and that language was included in the motion.

REP. KADAS questioned "except in the amount" and felt it made more sense to say "except in the case that an amount" so we are identifying a specific situation. REP. COBB approved the suggested language and it was incorporated into the proposed amendment.

REP. SWYSGOOD asked the Dept. if they can go to the Finance Committee and have it taken care of. Is there enough time for them to go to the Finance Committee and have it taken care of before a change in schedules would occur? Mike Micone said they could see no problem with that.

Vote: Motion passed unanimously.

REP. SWYSGOOD said he would like to get some input from the Dept. because this is laying out some priorities for them and would like to know if they will have trouble meeting any of the requirements.

Mr. Micone said they would like some clarification as to some of the criteria when they talk about loss of federal funds. He said in their dept. 98% of their budget deals with federal funds. The Administrative Tax was put in place for the protection of Job Service offices and would like it clarified as to whether they are talking about any of their federal funds or federal funds for the Job Service offices. REP. BRADLEY asked what clarification they would like and Mr. Micone said the discussion over the past 3 weeks has been whether or not they should be funding an account which means the loss of federal funds. He thought they would continue that discussion if it is not clarified and if the Admin. tax is earmarked for federal funding or for job service, that is a clarification they would like to have.

REP. BRADLEY said it is broad the way it is and she would not want to restrict them in their discussion in putting these guidelines together. She said they clarified the JPTA reimbursement for the one time only and felt it was important since it is very crucial in solving unemployment problems. Mr. Micone said he had seen in the past where there was one time funding that we are still living with in state government. He suggested that rather than the phrase of lots of federal funding that it be lots of federal employment security funding.

MOTION: REP. SWYSGOOD moved to amend the language as it relates to the loss of federal funding following "federal" insert "federal security" on 1) of paragraph 2. Second by Rep. Quilici.

REP. BRADLEY said she thought the original language dealt with JTPA, Wagner Kaiser and UI and thought also the loss of those

REP. BRADLEY said she thought the original language dealt with JTPA, Wagner Kaiser and UI and thought also the loss of those federal funds would be included in the language suggested by Mr. Micone on the motion. Mr. McCullough said they use the term Unemployment Security and that relates to the Wagner Kaiser and Unemployment Insurance funds and would not include the JTPA funds. REP. BRADLEY said in their original concern about the funding it was their understanding that JTPA was a part of it.

Sue Moore said when that bill was originally put together it was the folks in the Dept. who worked on it. The Jobs Service gets a considerable portion of Job Training funds and the intent at that time was to try to keep rural Job Services open should federal cuts occur which could cause those small offices to shut down. The programs contemplated at that time were Wagner Kaiser, Basic Job Service funds, Unemployment Insurance funds and Job Training Partnership Act funds because they receive so much of it. No one was sure how the cuts would come down from the federal government in 1983. REP. BRADLEY said she had wanted to leave it broad so they didn't get into this kind of problem and said she would oppose the language suggested by the state. This was getting into tiny refined little pieces of argument that are almost irrelevant. We wanted to come up with some broad guidelines and work with them at that time.

Vote: Motion on adding the words "federal security" failed 8 to 10 with Rep. Peck, Connelly, Bardanouve, Kadas, Bradley, Cody, Cobb, Nisbet, Menahan and Kimberley voting no.

REP. BRADLEY explained # 3. The committee had no problem with it.

REP. BRADLEY explained # 4. The committee had no problem with the language.

REP. QUILICI asked what the other sources would be and Ms. Perrigo said #5 is talking about benefit payments to persons who were injured on the job. This is a function that came over from the former division under Worker's Compensation. Previously these benefit payment funds did not require an appropriation and were paid under a separate account that did not require an appropriation. Due to a recent decision by the D of A accounting Division, these funds now require an appropriation and that is why this language is included. The committee had no problem with the language.

REP. BRADLEY explained # 6. REP. CODY asked where the money came from and REP. BRADLEY said in the next set of mods we will get to that source. She said it has nothing to do with the Admin. Tax. The committee had no problem with the language.

REP. BRADLEY explained #7 and said it needs an amendment. She passed out EXHIBIT 5 as the proposed amendment.

appropriated to the Montana Job Training Partnership are one time only". MJTP distributes only 78% of the JTPA funds throughout the state. The additional .2% goes to be distributed by the DOLI. This amendment would strike "to the Montana Job Training Partnership " and put in "replace federal fund reductions in JTPA programs statewide." If this change were not made, 22% of those JTPA fund reductions would not be funded.

MOTION: REP. BRADLEY moved the amendment EXHIBIT 5. Second by Rep. Swysgood.

The Dept. said they had no comment.

Vote: Motion passed unanimously.

EXHIBIT 4, Executive budget Modifications and Subcommittee budget Modifications.

MOTION: Motion by REP. BRADLEY to adopt mod 1, Federal; EDWAA/TAA. Second by Rep. Cody.

REP. BRADLEY explained the modification and said it started with the Dislocated Workers program which is now gone. The Dislocated Workers had the 6 FTE but they were generally put in by budget amendment. This is the same number of FTE that were there.

REP. SWYSGOOD asked what part of EDWAA funds are going to be used to pay for these FTE? Would this come out of discretionary funds or one of the other areas where EDWAA funds are used? Jim Hill, Job Service said this is all federal money and did not know the answer. Inga Dennison, DOLI said EDWAA is divided into 3 standing categories. 50% of the money goes directly to services for the client, 40% is reserved for rapid response and that is a program the Job Service Division administers and that is what this money would come out of. There is a 10% discretionary that goes to the FDA too.

Vote: Motion passed unanimously.

REP. BRADLEY said this is the participating payment in the same program.

Motion/Vote: Motion by REP. BRADLEY to adopt mod 2, EDWAA/TAA Participant Payments. Second by Rep. Quilici. Motion passed unanimously.

REP. BRADLEY explained mod 3.

Motion/Vote: REP. BRADLEY moved mod 3, Jobs for Montana's Graduates be adopted. Second by Rep. Swysgood. Motion passed unanimously.

REP. BRADLEY explained mod 4.

MOTION: REP. BRADLEY moved mod 4, UI Accounts Receivable. Second by Rep. Quilici.

Chairman Bardanouve asked if there would be any accounting if we put these FTE on. We are told if they put on the FTE and we will get some more money and we never hear what happens. Will we get an accounting of what happens? Mr. Micone said he believed the question was basically whether there would be an accounting for them and said they would be happy to provide the Legislature a report of the collection of those funds and where they would be going.

REP. CODY asked how many investigators there are now and Mr. Micone said two. REP. CODY asked how much money have those two investigators brought in over the last several years. Mr. McCullough said he could not give a figure right off the top of his head because it depends on the activities the people are working with, but it is in the \$175,000 to \$200,000 range for the total of the two.

REP. CODY asked how many cases have the County Attorneys prosecuted under the collection of unemployment or non-payment? Mr. McCullough said he had no idea. Mr. Micone said he had no idea either.

Vote: Motion passed 14 to 4 with Rep. Swysgood, Cody, Grinde and Peterson voting no.

REP. BRADLEY explained mod 5 and said it was UI Admin. tax.

Motion/Vote: REP. BRADLEY moved mod 5, FWP Contracts be adopted. Second by Rep. Quilici. Motion passed unanimously.

REP. BRADLEY said the remaining modifications are Committee mods, the above were Executive mods. She explained 1. Case Backlog which adds 2 FTE and operating expenses to reduce the backlog filed in the Human Rights Commission.

MOTION: REP. BRADLEY moved mod 1, Case Backlog be adopted. Second by Rep. Cobb.

CHAIRMAN BARDANOUVE asked how many FTE are in the program now and Anne MacIntyre, Administrator, Human Rights Commission, DOLI said there are 9 FTE.

REP. KADAS said he had some experience with this recently. They had filed a case and it took a year and a half to get to it, and the only reason they got to it was because they knew he was a Legislator. He said he had not tried to press that but one of their staff realized it and told them they should at least do that, this guy does your budget. He said he felt it was absurd when the only way to get a case heard is to be a Legislator. He said he had heard of cases that have gone for 3 years without any action at all.

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Vote: Motion failed 9 to 9, roll call vote # 3.

MOTION: REP. KADAS moved to add 1 FTE in 1, Case Backlog.

REP. KADAS said the backlog keeps getting worse and the citizens of Montana deserve at least the opportunity to get their case resolved in something less than 3 years. Ms. MacIntyre said the problem is not the backlog from prior years, it is the growth in cases. In FY88 the commission had 294 complaints filed annually. At that time the 9 FTE staff was sufficient to handle that number of cases on an annual basis. The caseload has grown, in FY90 we had 443 complaints filed with the Commission and we anticipate 187 will be filed in 1991. She said the existing staff can process approximately 300 per year and we have a backlog of 410 cases remaining open at the present time and even with the increased productivity of our staff the increased workload makes it impossible to gain on the cases. Tape 1, side 2.

REP. PECK said he would explain his no vote to her. He said this relates to about 3 school districts he has been fairly intimately involved in cases filed against them. They feel very strongly that they are guilty as charged and they have to prove themselves innocent. They feel there is a great excess of information in terms of personnel practices and history etc. required of them. If that is true it would contribute to the backlog. Ms. MacIntyre said the Commission that is established by the Legislature is a neutral administrative agency to handle these complaints on discrimination. She said they take that roll very seriously, and you could probably hear the same argument from people who file complaints and lose who feel the commission is biased in favor of the employer. When you are handling cases, adjudicating matters, people don't like to lose and they feel if they lose they are being discriminated against. REP. PECK said these people did not lose, but felt they were guilty as charged when they were brought in and there was a tremendous demand for records and information that was beyond the scope of the charge completely. Ms. MacIntyre said they have, in the past year attempted to improve their productivity, tried to streamline what they ask for. She did not feel they asked for information that is not necessary for the investigation of the complaint.

REP. CODY said Ms. MacIntyre had said the caseload has gone up 47% which made her wonder if there are that many actual problems out there between employees and employers or are some of these things frivolous because of the fact that they know that they will be heard. How many cases are actually found in favor of the employees? Ms. MacIntyre said she did not think the bulk of the cases filed are frivolous. She estimated about 40% of the complaints filed with the commission are resolved in favor of the plaintiff. The other 60% are not frivolous, they need to be adjudicated and in some cases you can't tell. Most of the cases

when filed sound like they have merit and it is not until an investigation is commenced that you can make a determination as to whether the case has merit or not. A few cases filed are clearly frivolous and they try to dispose of those as quickly as possible.

REP. CODY asked if she wanted to file a complaint, did she have to go to Human Rights before she could go to court? How is it handled. Ms. MacIntyre said under the current statute you do have to file with Human Rights before going to court.

REP. GRINDE asked if the Commission had come in for this request or who brought it in? Ms. MacIntyre said the request was made by citizen witnesses at the subcommittee hearing. The commission made this request in the Executive process.

Vote: Motion passed 12 to 6, roll call vote # 4.

REP. BRADLEY explained 2. Apprenticeship Instruction and said it was her understanding from one of REP. DRISCOLL's recent comments that they want this taken from Labor so she would not move this mod. She explained 3 JTPA funding and said this replaces the federal JTPA funds anticipated to be lost in the '93 biennium.

MOTION: REP. BRADLEY moved mod 3, JTPA funding be adopted. Second by Rep. Kadas.

REP. BRADLEY said this is UI Admin Tax. She said this is a one time appropriation and will only take place if the federal dollars are lost and only to the extent to which they are lost.

CHAIRMAN BARDANOUVE asked what the funding was and REP. BRADLEY said U I Admin Tax. There were long and intensive discussions between the Dept and a variety of interested individuals that worked out some of these questions. The problem is that just as the Job Service was worried about losing federal dollars the same threat is hanging over JTPA. The purpose is almost identical and closely related and takes place through different entities. They thought if the state were going to consider dislocation and unemployment problems that crop up in the news reports this is not the time to let this good training program go.

REP. SWYSGOOD said he had some mixed emotions about this particular funding. He serves on the Job Training Coordinating Council which coordinates these programs. We see the federal funding coming into our state that has supplemented these programs in the respective areas--worthwhile programs, good programs have been decreased. It can be almost assured the funds will decrease from the federal government as it relates to Job Training Partnership Act monies, especially with our new census report some of that will go down as will the highway funds and other federal funding. Montana stands to bear the brunt of a lot of the reduced federal contribution to our state. He was concerned that in order to keep some of these programs going we

are using a source of revenue that wasn't specifically designated for those programs. Some of the programs are tied to jobs and getting workers back to work as well as helping to alleviate the situation with lay off etc. and some are not.

REP. QUILICI said there is a possibility the employers could pick up some of the tab but this program and the one run by the HRDC's are probably the best program he has ever seen for these unemployed workers. He would hate to see these programs have to stop because of the drying up of federal funds.

REP. PECK asked would this, if not appropriated, increase the buffer we are talking about in terms of knocking them into the next category in terms of a rate schedule? REP. BRADLEY said no, this sum would go into that reserve we have set aside that would only drop in if it were to help a decrease. REP. PECK said with REP. COBB's amendment in there this \$3 million would be available to deter the increase? REP. BRADLEY said that was correct.

REP. CODY said it has been used since 1983 and the money has never been actually used for the purpose for which it was initially put into statute for. This Admin tax has been subsidizing the Unemployment Trust through those years until the last session when the Dept. came in and recommended the subcommittee use some of its money for some of these purposes. It has been used to subsidize and keep the rates low by putting it into the permanent trust. There has been over \$8 million put in.

REP. PECK asked if the UI Admin. tax fund had been used for JTPA previously? REP. BRADLEY said no. This is a judgment call, which helps the employer more, the possibility of putting it into the reserve or maintaining a very good effort to put people in employment where they are not drawing benefits.

Vote: Motion passed 10 to 7, roll call vote # 5.

REP. BRADLEY said she had another mod which is U I Tax collection. The situation evidently is the Feds are telling them they need to start paying part of that collection cost. No one knows yet what the part is, but would like the Dept. to explain it to the committee as to why they are concerned. This was just brought to the Committee's attention, and it was just brought to the Dept.'s attention so was not addressed before.

Mr. McCullough said they received a letter and would provide a copy to the committee EXHIBIT 7 on Feb. 19. He said this was a concern to the federal government as to the method of collection of the Admin Tax. The feds are suggesting a 50-50 split which would be about \$400,000 to \$450,000. The Dept. is going to try to get them to agree to a split that would be more in ratio with the funding. The alternative method would be approximately \$60,000 to \$70,000 out of the Admin Tax to pay for a portion of the collection. They are not proposing anything now, just

bringing it to the attention of the committee since they have to get something resolved in the next 2 or 3 weeks.

CHAIRMAN BARDANOUVE suggested that by the time this bill is in the Senate Finance Committee they take their concerns to that committee and put something in.

REP. SWYSGOOD said in regard to **REP. COBB's** earlier motion related to language on # 1 and the action we just took on the JTPA funding, he asked with the amendment in the language where the money has to be put in to keep the rates from going to the next schedule. He asked if it was possible the \$3 million might not be there to fund the JTPA programs and **REP. COBB** said the way he reads it is that first we appropriate the \$3 million and anything that is left over goes into reserve.

MOTION: **REP. COBB** moved on B-54 to take 4% out of the Personal Services for FY93. Second by Rep. Swysgood.

Mrs. Cohea said that would be \$703,684. She said she could not tell them the actual figures until they do a computer run with the control variables that don't have Personal Services in them. She said the sheets she hands out every morning are approximate, they will have the finals on the floor after the computer work is done.

REP. CONNELLY asked how much federal money we were going to lose by doing this? **Mrs. Cohea** said she had a run showing if the funding split was exactly like the agency told you, it would save \$12,372 general fund and \$691,312 of other funds which would be both state special and federal.

REP. COBB said with the general fund, the problem with Labor is when you look at the UI Admin Tax they could use \$1 million of that tax for their pay plan. If they started using Admin Tax for their pay plan from now on, there will not be any UI Admin tax down the road. When they asked for this budget they didn't come in and say they were losing \$400,000 under JTPA. He said he felt the Admin Tax would all be used up for pay plan before long.

Vote: Motion failed 8 to 10, roll call vote # 6.

MOTION: **REP. COBB** moved 2% be taken from Personal Services. Second by Rep. Cody.

REP. CODY asked the committee to look under FY92 on the sheet **EXHIBIT 6** on UI Admin Tax, looking at what they plan on spending under the pay plan--\$376,203; FY93 \$754,251.

REP. SWYSGOOD said he would like the Dept. to respond. **Mr. Micone** said what has been built into the pay plan are those programs that are funded by the Admin. Tax and what the Governor has proposed as a pay plan. He said he viewed that as a minimum of what it would be costing the Admin program. The Department is

not funding their entire pay plan with Admin Tax. We are funding the programs that are being paid for with the Admin. Tax.

REP. BRADLEY asked the amount of general fund dollars this would be saving. Mrs. Cohea said the total would be \$351,814 total but did not know the amount that is general fund.

Vote: Motion failed 7 to 11, roll call vote # 7.

REP. GRINDE said he would like to comment on the Admin. Tax. He asked if anyone ever thought about giving a little of this tax back to those who paid it.

CHAIRMAN BARDANOUVE asked if REP. BRADLEY was going to close the section now and she said yes, except for the Human Rights Commission # 6 under language and Intent EXHIBIT 3. The last sentence should be changed from 100 to 50 cases because the program was cut in half.

MOTION: REP. BRADLEY moved the language on the last line of number 6 be changed from 100 to 50. Second by Rep. Cody.

Vote: Motion carried unanimously.

CHAIRMAN BARDANOUVE said he would like to make a motion later this afternoon since he might have something then but did not have it now. REP. BRADLEY asked if she should just leave it open for now and the committee agreed.

NATURAL RESOURCES AND COMMERCE

REP. KIMBERLEY, Chairman of Natural Resources and Commerce Subcommittee began the review of this section of House Bill 2. He said the other committee members were Rep. Ed Grady and Jerry Nisbet, Sen. Esther Bengtson, Cecil Weeding and Gerry Devlin. The Committee Secretary was Theda Rossberg, the LFA staff was Roger Lloyd and Terri Perrigo and the Budget office was Carl Schweitzer and Bill Mandeville. He said there are 7 agencies that will be covered. The total budget for all 7 is \$303,570 million including the mods. The total biennial general fund amounts to \$49,283,000 including the mods. The budget modifications comprise 11% of the total budget or \$33,572,900. '95 budget modifications comprise 6% of the total general fund or \$2,784,000. The budget mods will add 86.92 FTE at the end of the 1993 biennium. On reorganization, the Executive budget proposes to move the Reclamation Division and part of the Central Management Division to the new Department of Natural Resources and Environment, the Fire Services Training School would move to the Forestry Division within State Lands. 17 budget mods were \$2.9 million for the biennium of which \$1.6 million is general fund.

Department of State Lands: REP. KIMBERLEY reviewed the narrative through under State Lands and then came back for Executive

Action. The language on C-5 had no problems and was automatically approved.

MOTION: REP. KIMBERLEY moved to adopt 1) Trust land Access EIS. Second by Rep. Johnson.

REP. KADAS asked if this wasn't originally \$600,000? REP. KIMBERLEY said the addition to the Executive was \$600,000. Mr. Lloyd said the Executive was \$300,000 for this mod, there was an additional request to that of \$600,000 which the committee did not appropriate it. REP. KADAS asked who made the additional request and what was it for? Mr. Lloyd said the additional request was for looking at EIS for other uses except just recreation on State Lands. He was not sure where the source of the request came from.

Dennis Casey, State Lands said the \$300,000 that was in the Executive budget was requested by the Dept for the instructions of the Board and then later after the budget had been printed the Board of Land Commissioners instructed him to seek an additional \$650,000. REP. KADAS asked what they were going to tell us we don't know with a \$300,000 study? Mr. Casey said if you look at the Environmental Impacts they are primarily weed infestation, and as the statement says, we intend to determine recreational values of those trust lands and exceptional impacts that may result in them.

REP. GRADY said he wanted to speak to the amendment. This deals with this whole access thing. A major change of use will happen on 4 million to 5 million acres of land in the state when we open it up for access. It is no more than right that we address what impact it may have. We do EIS's on small interchanges, small sections of road and if anything warrants an EIS, this particular issue does. It is a major change of use on 4 million acres of land in this state.

CHAIRMAN BARDANOUVE said he can't believe 4 million new acres being opened. He said there are thousands of acres on BLM tracts or on ranches that are being hunted on already. He felt \$300,000 is wasting a lot of money that won't do anything.

REP. KIMBERLEY said there was some division on the committee on this issue. REP. PECK asked if this contained FTE or is it a contract? REP. KIMBERLEY said it is a contract.

REP. COBB asked if they had looked at whether Fish and Game should pay for part of this? In the supplemental we used general fund to pay for their losses up at Polson because it would benefit all Montanans. FWP could use part of their license money for an EIS.

REP. ZOOK said he looks at this as speeding up a resolution of the question that's been laying out there of over-access to State Lands. Some of the earlier proposals for the larger study

involved a lot more dollars and would have delayed a decision for some time and thought it was in the best interest of all parties involved, especially the sporting group.

CHAIRMAN BARDANOUVE said a couple years ago the Lands Department had a study on whether grazing rentals were too high or not. They paid \$17,000 for that and it is ridiculous. He said this was an absolute waste of money.

REP. KADAS said you might get a very excellent study out of this. It might tell us a lot about our state lands and the environmental impact of opening them up. He thinks this question will be a political one and it will be decided by the Legislature. He didn't think the study would change too many people's minds. It would be a policy decision the committee would struggle over in regard to ideologies and interests in particular industries we represent.

Mr. Cool was asked to answer the question of whether FWP could use money to help with the EIS. He said the money was not budgeted and is not a part of our budget process. We are not allocated for that purpose. When the administration looked at that question they believed it was a statewide issue and the Dept. would back half of it in terms of providing officers for patrol in terms of trespass in the area and other indirect costs and should not be a part of the study cost itself.

REP. COBB said we had to give you money for the lawsuit and think you could give us some for this. **Mr. Cool** said the lawsuit was a state lawsuit that will be of significant value to the state in a number of different areas. It was our position that if these lands open, the department's share will be paid many times over in the future.

REP. GRADY said the original request was close to a million dollars and he fought that since he did not feel they needed to spend that kind of money. A lot of it the Dept. could do themselves without any money. They have the people and the knowledge, but this particular EIS is to show what the impact is going to be, and there will be one because you are taking the responsibility out of the landowners hands.

Vote: Motion to adopt 1, A-6 of the Narrative, Trust land Access EIS passed 13 to 4, roll call vote # 8.

Motion/Vote: **REP. KIMBERLEY** moved mod 2, Helena office Support Staff be adopted. Second by Rep. Grady. Motion passed with Rep. Peck, Swysgood, Cobb and Peterson voting no.

MOTION: **REP. KIMBERLEY** moved mod 3, Royalty Auditor Expense be adopted. Second by Rep. Quilici.

REP. CODY asked how long this had been in place? She felt the way this was written was ambiguous--it is to examine taxpayers

doing business in the state of Montana.

REP. COBB said no one was checking on these out of state taxpayers. If they said they took x amount we would assume they had done so and did not check their records. When we started auditing them we found they probably owed us a couple million dollars and this could check on that.

Vote: Motion passed unanimously.

MOTION: REP. KIMBERLEY moved mod 4, Revised Lease for Office Space be adopted. Second by Rep. Cody.

REP. KIMBERLEY explained the motion, said it was contingent upon enactment of HB 866, and was at present in a House Subcommittee.

CHAIRMAN BARDANOUVE asked what becomes of the people that they displace? Mr. Casey said they lease floor space at the USF&G building at 1625 11th avenue. Space became available in that building as a result of other lessees moving.

REP. KADAS asked who we are going to be putting into this space? Mr. Casey said the one floor we rented previously was equated to the extremely crowded conditions. They had aisles which could not be used when the file drawers were pulled out. They had people in very cramped spaces, their records were scattered all over and very inconvenient and when this space became available they worked with the Dept. of Admin. and agreed we should take advantage of this opportunity. Their Reclamation Division now occupies this additional floor we have rented. If reorganization would occur they anticipate the Reclamation Division would move to the new Dept. of Natural Resources and Environment and the Conservation Districts would move to the space Reclamation is in now.

Vote: Motion to adopt 4, Revised lease for Office Space passed, 9 to 7 with Rep. Peck, Swysgood, Thoft, Peterson, Grinde, Kadas and Bardanouve no, 2 members absent.

Language on page C-8: REP. QUILICI asked where these bureaus were attached and Mr. Casey said they occupy 2 of the 3 floors at 1625 11th. The building is owned by a Mr. David Jenson of Helena.

A large group of people came into the committee room and REP. PECK asked if they would identify themselves since they all wore buttons. It was announced they were state employees asking the committee to give them a pay raise and to leave HB 514 alone. One man said many people in the middle to upper pay scales in the classified system have only had a 5% increase over the last 4 years and the inflation rate has gone up 21% during that time. Even with the dollar increase that is still only a 2 1/2 to 3% increase for most of those people.

years and the inflation rate has gone up 21% during that time. Even with the dollar increase that is still only a 2 1/2 to 3% increase for most of those people.

Reclamation Program:

MOTION: REP. KIMBERLEY moved mod 1, C-10, Coal Bureau Workload be adopted. Second by Rep. Quilici.

REP. KIMBERLEY read the explanation and explained the modification to the committee.

REP. CODY asked what created this workload increase. Gary Amestoy, Administrator, Reclamation Bureau, said the Coal Bureau workload increase that we are anticipating over the next biennium involves what they believe to be a number of bond release applications coming in from the coal mine companies. The coal law specifically states that coal bond monies can't be applied for on the areas that have been reclaimed earlier than 10 years after the last mechanical practice. Ten years have passed and for several years now they have had a number of companies indicate they do plan to come in and start requesting 100% bond release. We anticipate this will start over the next couple of years and we want to be ready for it. They also felt the workload could increase as a result of the federal clean air act amendments that will perhaps put a higher demand on western coal.

REP. CODY asked if it isn't possible to come in for a budget amendment if these things happen? Mr. Amestoy said we are as sure as we can be based on our conversations with the coal companies that they are going to come in for a coal bond release request. Several of the companies have indicated they are at their maximum corporate bonding limit and for them to expand into any other area they will have to get some bond release.

CHAIRMAN BARDANOUVE said if the Legislators consider a request and rejects it, an agency cannot get a budget amendment.

CHAIRMAN BARDANOUVE asked if they are going to put this on right away or wait until the workload happens and then put them on. Mr. Amestoy said as outlined in their budget they would only put 3.58 FTE on the first year and add another 1.5 the second year for a total of 5. If the workload does not materialize he did not want the people on board.

TAPE 2

REP. ZOOK asked about the funding and Mr. Amestoy said it was 70% federal funding to the Office of Surface Mining, Dept. of Interior and 30% state funding which is Reclamation and Development.

REP. CONNELLY asked how much is a bond on this coal company? Mr. Amestoy said the bonds they are holding vary on the actual cost of reclamation. He gave an example of the Western Energy Operation they are holding \$70 million to \$75 million in bonds

and they are one of the firms that have approached us about bonding alternatives that their bond liability is surpassing the net worth of their company and their ability to get future bonds. Westmoreland is bonded at \$30 million to \$40 million and didn't know more specifics. REP. CODY said she assumed these bonds are in place for reclamation purposes of the mining excavations. Do you go out and inspect the sites before you release the bonds? Mr. Amestoy said under the coal law there are very specific criteria that have to be met with respect to stability, potential for sedimentation, cover, density and diversity. They have required over the years that in addition to the environmental base line they have required extensive monitoring that companies provide us for the criteria. We have bookshelves of statistical data that supposedly demonstrate these conditions have been met and prior to the time we release the bonds our people will do on the ground inspections and evaluate the data to see if they have met the requirements of the law.

Vote: Motion on mod 1 carried unanimously.

MOTION: Rep. Kimberley moved mod 2 and 3, C-10 be adopted. Second by Rep. Nisbet.

REP. KIMBERLEY said they went together and explained them. He said these are adding to the mod just acted on in Central Management. He read the language on 2 and 3 in the narrative.

Vote: Motion passed with Rep. Swysgood voting no.

MOTION: REP. KIMBERLEY moved mod. 4, Hardrock Bureau Workload be adopted. Second by Rep. Nisbet.

REP. KIMBERLEY explained the modification and CHAIRMAN BARDANOUVE said there is a terrific increase in FTE. REP. KIMBERLEY said there is a lot of mining activity. CHAIRMAN BARDANOUVE said between the Dept. of Health and this Dept. they have put on more employees than he had seen added for years. He asked about this tremendous workload all at once. Mr. Amestoy said with respect to the Hard Rock Bureau workload they are facing an existing workload they can't meet and therefore know we cannot meet an additional workload. He said they could not satisfy any of their clients who, from a development standpoint are the developer who wants a mine permit and the environmental groups and the general public who are basically the public watchdogs that try to ensure all the environmental laws are complied with. They have to review the applications for new mines that are amendments and revisions, preparing the environmental documents which the Industry is interested in, and they are not able to inspect all the on the ground inspections and take the enforcement actions they need to.

CHAIRMAN BARDANOUVE said in 1989 the Legislature authorized 31.19 for FY90 and 38.96 for FY91 of which part went to Forestry. The Dept. requested an additional 22 in FY92 and 29 in FY93. It is a

very large increase in this department.

REP. GRADY said part of this is the reorganization and part of this is trying to speed up the permitting process which was a non-partisan effort in the last couple of years. With the increased mining activity in the state the Dept. has been swamped trying to get things done.

REP. CODY said prior to '89, between '85 and '89, did you lose a lot of FTE through vacancy savings or cuts the Legislature had to make in the budget? Mr. Amestoy said in the Hard Rock program they have not lost a lot of employees because we never had very many in the program. Until a few years ago we only had about 6 in the entire program. When the precious metals market took off and we didn't have the people we got into the bind we are still in today.

Vote: Motion passed unanimously.

MOTION: REP. KIMBERLEY moved mod 5, Hard Rock Increase be adopted. Second by Rep. Bardanouve.

REP. KIMBERLEY said this is not in the Executive budget, but they did come in and this is at the request of the Executive. He read the narrative explanation. REP. PECK asked for the source of money and was told Hard Rock Bureau. Mr. Amestoy said the source of this money would be the passage of HB 448, the Hard Rock Omnibus bill. These would be fees charged to applicants to perform these extra studies over and above our normal workload.

Vote: Motion passed 10 to 7 with Rep. Peck, Thoft, Swysgood, Grinde, Bardanouve, Cobb and Cody voting no.

MOTION: REP. KIMBERLEY moved mod 6, Environmental Compliance be adopted. Second by Rep. Kadas.

REP. KIMBERLEY read the narrative explanation and said this is in the executive budget. CHAIRMAN BARDANOUVE asked if this put on another 6 FTE and Mr. Amestoy said it was 3 and the source of funding for Environmental Compliance positions is the fees from the Hard Rock Omnibus.

REP. CODY said if this bill doesn't pass how are you going to pay for these positions? Mr. Amestoy said if this bill doesn't pass, they are in trouble. REP. PECK asked if that should that not be noted in your write up that these are conditional upon passage of House Bill 448? REP. KIMBERLEY said when this was presented to us we were under the understanding this would be paid for by EIS fees. REP. PECK said it is conditional on that bill and it seems that should be in the language of the bill that it is a conditional modification. REP. KIMBERLEY said he could see no reason why not.

MOTION: REP. GRADY moved an amendment to this modification that

the mod would be conditional on the passage of HB 448. He withdrew the motion and the committee requested this language be written into the bill. **REP. KIMBERLEY** suggested the same language be used in the previous mod. It was agreed the language should be for mods 5 and 6.

Vote: Motion passed 10 to 8 with Rep. Peck, Bardanouve, Thoft, Swysgood, Cody, Peterson, Cobb and Grinde voting no.

REP. KADAS referred to mods 2 and 3 where you have some rent for abandoned mines and coal. He asked if that wasn't contingent on passage of HB 866 **not** passing and then on C-7 the revised lease for office space, it is contingent on HB 866 passing. He said he was having trouble putting it together.

Bob Kuchenbrod, Administrator for Centralized Services Division, State Lands, said the Reorganization has 3 funding areas that would affect the Dept. of State Lands. The item you approved in Central Management, and these two. If the reorganization is complete those people would vacate that first floor and Hard and Water Project Engineering Bureau would come down from DNRC. It is a wash between what we are asking for and what they would bring with them. They would bring some money out of the State Special Revenue plus some general fund to pay for that area and we would require the \$17,000 for the Abandoned mines and (one other).

REP. COBB asked about using indirect costs for some of this instead of general fund and **Mr. Casey** said they do use indirect costs on paying for the rent.

There were no further questions on C-10 and the committee recessed for the noon hour.

REP. KIMBERLEY said before we broke for lunch it was the committee's intent to put language concerning mods 5 and 6--any of the reclamation programs on C-10. The language would indicate it was dependent upon enactment of House Bill 448. In checking with the Dept.'s Attorney mod 6 is not necessarily dependent upon enactment of that bill. If that bill did not pass this mod could still be valid and the fees could fund the positions that come from the MEPA fees collected for doing the EIS.

REP. PECK said the language will be in mod 5 only and the minutes will reflect that correction.

Land Administration Program:

Motion: **REP. KIMBERLEY** moved mod 1, Trust Land Management be adopted. Second by Rep. Nisbet.

REP. KIMBERLEY explained the modification and said the Dept. would like to make some comments on the FTE.

Mr. Casey said he would like to speak generally to the mods and then ask **Jeff Hegener** to speak to the specifics. **Mr. Casey** said this is a substantial rise percentage wise in FTE in the Lands Administration Division and because it is general fund money. He said he believed the state lands can be increased in value and with proper management increase the income from those lands for the benefit of the school system of Montana.

Jeff Hegener said the Land Administration is responsible for 4.1 million acres of grazing land, 550,000 acres of agricultural land and 80,000 of other land. In the past land administration has typically been custodial divisions within the department and they took the money in paid for by the rentals and didn't do much for management. Because of increased environmental concerns and a lot more demand for trust lands they are getting a lot of requests for the use of the trust lands which is creating greater revenue. They cannot keep up with the demands, their field people average 60 hours a week in the summertime and they have a high turnover rate because of it. They are trying to become more of a management type agency where they can assist their lessees.

REP. BARDANOUVE said he was talking about increased income from grazing lands. The report he talked about earlier cost a whole movement to increase the grazing fees and when that report came out that movement just died. He said the report was inaccurate and used such phoney things as saying all ranchers pay \$1.50 an acre for weed control, and that is a lie. He said if that report is an example of how the Dept. is run you don't need more money to perpetuate the lies. **Mr. Hegener** said that report was authorized by the Land Board that requested the study be done by the 5 major officials that sit on the Land Board. These people we are asking for are not going to be writing reports, they will be working with the people that want something done, would like to have another use on the state lands and would like to improve the use of the state land they are leasing.

REP. GRADY asked how many acres does each field person handle?
Mr. Hegener said 500,000 per field specialist.

REP. ZOOK said he would have to agree with **CHAIRMAN BARDANOUVE** on that report. It was a local person in his area that did it and it was quite exaggerated. He said they lease a school section from the state and have since the early 1900s. His father was unwilling to do much in improvement on the land because of the competitiveness of the leases and felt if he increased the value he increased the attractiveness for someone else to come in and bid against him. He said he felt he could not afford not to make improvements because of the agriculture squeeze we've been in as well as the additional returns to him and to the state. He said since about 1980 they have an office in Miles City and at least 4 employees in the office have visited once a year at least. They are fine employees, but he did not know what could possibly keep them busy, and the talk of 60 hours a week amazes him.

REP. KADAS asked the Dept. about the additional revenue they said they would generate. What kinds of things are you going to do, how that is going to happen and what kinds of dollar amounts are we looking at? Mr. Hegener said they anticipate on land use licenses, or uses that are authorized other than the classified use. If there was a request for a military site on a grazing lease we would issue a license. We can make around \$5,000 now from the military for those purposes. They have many that are smaller revenue amounts, requests for uses are sitting there now for recreational uses which they have not processed yet.

REP. KADAS asked how many people they had now and Mr. Hegener said there are currently 10 people in the field that are strictly management specialists, there are other staff personnel in Helena that do go out and assist them. The total staff of the Land Administration Division is 28.62 FTE.

Substitute Motion: REP. BARDANOUVE moved 2 FTE the first year and the 2nd year 3 FTE. Second by Rep. Cody.

REP. GRADY said he would speak against the motion. He said he would like to see the report but doesn't know if it has anything to do with this. State Land in Montana is up in the air. Everybody is after it and there is pressure on from recreation, livestock people, Cattle Free by '93, pressure on the grass. We need to have people out there addressing these problems. This is for people out in the field doing the job, and 10 people cannot address 4 million acres of grassland alone.

REP. KIMBERLEY said he would resist the motion since we do need the people to do the work.

Vote: Motion passed 12 to 6, roll call vote # 9.

MOTION: REP. KIMBERLEY moved mod 2, C-13 be adopted. Second by Rep. Menahan.

REP. KIMBERLEY said this is the Federal Farm Program Administration modification with additional positions to help in federal farm programs. Mr. Hegener said this is a fairly difficult program to understand, the state of Montana is allowed to participate since it is a landowner and receives a substantial amount of funds from their share in the programs. He said they have about 150 acres in the Conservation program.

REP. SWYSGOOD asked how many people are working out there now and Mr. Hegener said they are the same people they were talking about before. The same people are involved here. He said 12 people work with the farm program but they have multiple other duties. This farm program was added on to the duties they had before.

CHAIRMAN BARDANOUVE said he knew quite a bit about this and don't say you don't need more help, but most of that has been resolved already. He said most of the acres have been resolved, ASC has

approved it etc., and there is nothing else to do. Most of those contracts are done since ASC is very severe on how the state lands are operated.

REP. SWYSGOOD asked how many people have taken advantage of the new program that was put in place the last session with CRP when the state comes in and takes the loans etc. Mr. Hegener asked if that was the one where the state would buy out the Conservation program? He was told yes and said none because there were complications, and we would not allow State Lands to be involved in any of those CRP buy outs.

REP. ZOOK said it seemed strange this was a problem. If there seems to be a problem and they feel the state is being shorted they about have to have anyone onsite at harvest time to count the bushels of grain or whatever. Otherwise it is common sense to have the farmer or rancher to get the best production off the ground he can.

REP. BARDANOUVE asked if they could get by with 1 1/2 FTE and Mr. Hegener said the reason for the figures is they were planning to use them. If these were approved it would be July 1 and that is in the middle of the field season. They could not hire and train new people at that time and were planning to bring them on later so they would be ready to go next field season.

Substitute Motion: REP. BARDANOUVE moved 1 FTE total for both years.

Motion for all Motions Pending: REP. KADAS moved do not pass. Second by Rep. Zook.

Vote: Motion passed 12 to 6, roll call vote # 10.

Forestry:

MOTION: REP. KIMBERLEY moved mod 1, State/County Cooperative Fire, C-16 be adopted. Second by Rep. Bardanouve.

REP. KIMBERLEY explained the motion and CHAIRMAN BARDANOUVE said we have been moving in this program for a long time and each session we take a little bigger obligation.

Vote: Motion passed unanimously.

MOTION: REP. KIMBERLEY moved mod 2, Slash Increase be adopted. Second by Rep. Quilici.

REP. KIMBERLEY said this does not show up on the Governor's budget but was brought in by the Department. REP. PECK asked if this \$64,000 is fee revenue and was told yes.

REP. SWYSGOOD asked what would happen if they didn't get the \$64,000 where would it go? Don Artley, Deputy Administrator,

Forestry Division, said the fees in question are in a state special revenue account and may not be spent for any other purpose and do not revert to any other fund.

Vote: Motion passed 17 to 1 with Rep. Swysgood voting no.

MOTION: REP. KIMBERLEY moved mod 3, Block 5 and Philipsburg Fire be adopted. Second by Rep. Nisbet.

REP. KIMBERLEY explained the mod and said most of the federal land in the transfer is in the Dillon area.

REP. SWYSGOOD asked what block of federal land in his area was involved and Mr. Artley said the additional 58,000 acres is a unit that is just to the west of the existing block 4 protection area. It is adjoining and to the west of our existing protection area.

CHAIRMAN BARDANOUVE said we have been exchanging this for several years, and asked if the federal government had assumed some land that the state has handled before? Mr. Artley said no, this is the final chunk of acreage we are proposing to assume in order to balance out the acreage we protect of federal land versus the amount of state and private land the Forest Service protects. It offsets and equalizes the protection acres.

Vote: Motion carried unanimously.

Motion/Vote: REP. KIMBERLEY moved mod 4, Best Management Practices be adopted. Second by Rep. Bardanouve. Motion carried 14 to 4 with Rep. Cobb, Peterson, Zook and Cody voting no.

Motion: REP. KIMBERLEY moved mod 5, Forestry Capital Equipment be adopted. Second by Rep. Quilici.

REP. KIMBERLEY explained the modification and REP. KADAS asked how long will the cycle be for replacement after you get under this schedule? Mr. Artley said the replacement schedule depends on the type of vehicles. He said highway vehicles are sedans or station wagons would be 7 years or 90,000 miles. Pickup trucks are the same, heavy 1 to 5 ton cargo trucks would be 10 years or 100,000 miles, the light 200 gallon fire engines would be 10 years or 40,000 miles, medium fire engines 15 years or 50,000, and heavy fire engines 20 years or 75,000 miles.

REP. CODY said on page C-9 there is equipment, 7 vehicles, laser printer, office equipment, 17 computers; on C-15 34 vehicles, 4 computers and 55 radios. Are those vehicles and this mod the same? Mr. Artley said the 34 vehicles are what we would replace with our current level equipment but this modification would allow us to purchase an additional 12 vehicles over the biennium with the modification. The vehicle replacement schedule which we developed would require 70 vehicles each biennium and would still not be able to replace all our vehicles according to schedule.

REP. CODY said she sat on Institutions subcommittee and those folks are driving DD people down the road that have over 100,000 miles and did not have the money to give them a vehicle.

Substitute Motion: REP. BARDANOUVE moved removal of \$25,000 from the \$276,000 general fund money.

REP. KADAS asked why \$25,000, why not half of the whole amount? REP. BARDANOUVE said that might be unfair. He said this should apply to the vehicles.

REP. GRADY asked how many vehicles are fire trucks, etc? Mr. Artley said approximately 70% of the vehicles in the modification are fire program vehicles. That is why some of the funding is not general fund because 1/3 of all the fire costs are paid through the Fire Assessment Special Revenue fund.

REP. KADAS said, the general funds and the total funds are not matched in any way? We could reduce the general fund and not affect the fire amount? Mr. Artley said that was right.

REP. BARDANOUVE said this isn't quite two vehicles. REP. KIMBERLEY said he would resist the motion because he felt the Dept. needs the vehicles and needs to be on some kind of up-grading plan, and they have a realistic plan.

Vote: Motion passed 12 to 6 with Rep. Nisbet, Menahan, Kimberley, Connelly, Zook, and Quilici voting no.

REP. PECK said the motion to reduce general fund by \$25,000 did include in the motion to balance it which would make it \$251,766.

REP. QUILICI said in the last session the subcommittee and this full committee requested this department to come in with a vehicle replacement schedule. They come in with one, the subcommittee cut it down and we cut it down again. He asked why we ask the Dept.'s to do this when we don't abide by their decision? REP. BARDANOUVE said they have a vehicle in their current budget, this is over and above that, and with our present economic conditions this is a very generous appropriation.

REP. KIMBERLEY said they had a couple amendments and asked the Dept. to explain them.

Gary Brown, Dept. of State Lands, said Congress in dealing with the farm bill, increased the Forestry funding within the farm bill by a considerable amount of money. The Montana share, the total amount for FY92 is \$536,300 and for '93 it is \$456,300. That is broken down into two budget amendments EXHIBIT 8, EXHIBIT 9. He explained the amendments. He said this is all federal dollars and the purpose is for replacing and planting trees within cities and towns. He started with page 2, EXHIBIT 9.

MOTION: REP. KIMBERLEY moved amendment on Urban Forestry

Assistance program be adopted. Second by Rep. Bardanouve.

REP. GRADY said he was requested by REP. SIMPKINS to add emphasis on replacing dead, diseased and infected trees in Montana communities. Replacement trees must be used that are adapted to and will survive in Montana.

Motion to amend: REP. GRADY moved to adopt the amendment requested by REP. GRADY. Second by Rep. Quilici.

REP. KADAS asked Mr. Brown if that would cause any problems and was told it would not, it would be the emphasis they needed.

Vote: Motion carried unanimously.

REP. CONNELLY asked how this program fits in with the Extension Forester which the industry asked me to carry HB 906 which will be heard next week. They are providing part of the funding through their industry and then there is some federal money.

Mr. Brown said he did not believe there was a tie between the two bills.

Vote: Motion on the Urban Forestry Assistance program as amended carried unanimously.

MOTION: REP. KIMBERLEY voted the amendment on page 1, Forest Resource Management Program be adopted.

Mr. Brown said there were two parts to this additional funding the federal government is making available, and this is the second part. He elaborated to some extent on the explanation under each amendment.

REP. BARDANOUVE asked where is the general fund request? It says reduce the general fund request. Bob Kuchenbrod, State Lands said they will be able to reduce the amount of money in Central Management of general fund if these federal programs are approved. They can charge about \$38,122 a year and reduce the general fund by that much.

REP. BARDANOUVE asked if they could make an amendment to the other budget and reduce it by that amount, and Mr. Brown said yes.

REP. PECK said the total in the proposal is \$363,200 the first year and \$286,200 the second year and the first is 2.25 FTE and the second 2.75 FTE.

Vote: Motion passed unanimously.

REP. KIMBERLEY explained the amendment on Cabin and Home Site Sales, (Page 3, EXHIBIT 9).

potentially quite an expense involved. The process is that a cabin site lessee or a home site lessee would apply to the Dept. and they would go to the Board of Land Commissioners to see if they would consider the sale. If approved the lessee would provide them with \$150 and they would do the appraisal with it. They then would go back to the Board and if consent was given, the cabin site lessee would pay them an additional processing fee of \$850. That fee would be used in the Dept. for title work, work with the surveyor the lessee must provide, advertise and go to the county and hold a sale as well as investigate to determine under SB 91 we would need to place a conservation easement on the land. They would keep a strict accounting of travel occurred and any money not spent on the sale would be returned to the lessee. That is \$1,000 per cabin site and \$70,000 biennial appropriation, since there might be up to 70 cabin and home sites sold.

REP. BARDANOUVE said if under, you would return it to the owners, what if it was over \$1,000? Mr. North said then we would have to find money in the budget. REP. BARDANOUVE said he did not think the state should be liable for that. REP. CODY said it could be easily worded so if the cost was over \$1,000 it could be commensurate cost. Mr. North said the law makes no provision for it, but under the Landlord's adopted rules it says \$1,000. The Landlord could change those rules, but there were three hearings held and this is quite a contentious issue.

REP. BARDANOUVE said he had opposed the bill last time, but if they are going to do it he would absolutely oppose the Dept. having to take out of their budget to take care of what these people want. There should be an amendment to this bill that rules shall be adopted to say we will not be liable for any expenses beyond what the lessee pays.

Mr. Casey said he agreed, and in most cases \$1,000 will be adequate, but he can bring this to the attention of the board. It would be his intent if they ran into a title problem they would address that separately. REP. BARDANOUVE said, "if you could show this to the Landlord it would give you more clout". He said he would like language in the bill that states the applicant will pay full cost.

REP. CODY asked if this could cause a problem if rules had already been adopted saying the \$1,000 is it? She was told yes, and then said the rules would have to be changed.

REP. KADAS asked Mrs. Cohea if this can be done legally or does there have to be a bill to do it. Mrs. Cohea said as she understood the motion they would express Legislative intent, they can request the Land Board but in House Bill 2 you cannot order the Land Board to do anything or change the statute.

REP. BARDANOUVE moved language requiring that the purchasers would pay the full legal costs.

REP. BARDANOUVE moved language requiring that the purchasers would pay the full legal costs.

REP. THOFT said he thought the money had to be up front, and the \$1,000 should be left in because if they have that much commitment they will probably come up with the balance.

Mrs. Cohea was asked to work up the language and bring it back to the committee to see if that will work. Mr. North said the amendment needs to say the lessee and not the purchaser should be the one since the purchaser might not be the lessee.

Vote: Motion carried unanimously.

MOTION: REP. KIMBERLEY moved to amend HB 2 to add Cabin and Home Site Sales. Second by Rep. Grady.

Vote: Motion carried unanimously.

MOTION: REP. KIMBERLEY moved the amendment on Central Management Program be adopted. Second by Rep. Nisbet.

Mr. Kuchenbrod said this will reduce the general fund amount by \$38,122 each year of the biennium.

Vote: Motion carried unanimously.

MOTION: REP. GRADY moved to amend Page C-14 to add \$10,000 general fund to conduct audits of the application and effectiveness of voluntary best management practices for timber sales. Second by Rep. Cobb. EXHIBIT 11.

REP. GRADY said he knew there was discussion as to whether we would have a voluntary Best Management Practice for another 2 years or whether it is mandatory. He hoped it would still be voluntary and thought audits should be made in the next 2 years. Proper audits were not made last time which led to the conclusion we need a mandatory Forest Practices Act. In order to do the audits they will need some money to do them and he wanted to put \$10,000 in.

REP. BARDANOUVE asked if there is any other way that these funds could be picked up other than general fund? Mr. Artley said the Dept. is not aware of any other funding source for this purpose. REP. PECK asked if this was the exact amount they would need or could they use less and Mr. Brown said last time there was \$10,000 put in for that purpose and they returned back to the general fund about \$193, so that seems to be a pretty good figure.

REP. CODY asked when the last audit was done and was told this past summer. She then asked why we need to do another if one was done last summer? Mr. Brown said the audit we would anticipate doing with this money would be in the summer of 1993 in

audit because of those audited, some of the timber sales had not received the information about DMP's prior to being audited. They felt there should be an audit where all of the sales had been given the information necessary.

REP. CODY asked how many audits do you have to do before you get a consensus of everybody. If someone doesn't like the audit, we will be back for another \$10,000 to do another because that one was not representative.

REP. GRADY said there was a lot of argument about the audits on whether they were done properly, the timing was wrong, etc., and there are arguments on both sides. A lot of us are not ready to get into a mandatory Forest Practices Act. It is going to put a big burden on the private timber industry in the state. He felt a follow up of what we are doing now is necessary.

REP. BARDANOUVE said he did not feel they would be happy unless the audit confirms what they wanted in the first place.

REP. KADAS said if they are a part of the audit team there is a possibility it will work.

Vote: Motion carried unanimously.

MOTION: REP. COBB moved C-1, Personal Services to take 4% from FY '93. Second by Rep. Bardanouve.

Mrs. Cohea said that would be \$402,179 total funds.

REP. KIMBERLEY resisted the amendment, said it was a frugal budget and what was in it was needed by the Dept.

Vote: Motion carried 12 to 6, roll call vote # 11.

CHAIRMAN BARDANOUVE said they have been negotiating with the leadership since this committee cannot get this bill out by midnight tonight. Cooperation with the leadership has given us until 5 p.m. Monday to get this bill out. To meet the deadline to get the bill to the floor of the House we will have to close each section as we finish it and it cannot be re-opened. That will give the LFA and the Council time to prepare the sections and get them printed. The bill will be heard on the floor on Saturday and Monday.

REP. BARDANOUVE said he had an amendment on B-120 which would amend the motion yesterday about the Special Revenue Fund balance. This was some money REP. COBB found and the committee appropriated it to the special account, it is one time money and we have created an obligation for the '93 session for one time money. He thought the wrong decision had been made and this amendment would take the general fund money from the TEAMS appropriation and finance TEAMS with the \$900,000 and that will save general fund money, and the balance of that money will

amendment would take the general fund money from the TEAMS appropriation and finance TEAMS with the \$900,000 and that will save general fund money, and the balance of that money will revert to the general fund because we are not sure what the balance will be.

MOTION: REP. BARDANOUVE moved amendment on B-120 to Amend Rep. Cobb's amendment adopted 3/15/91, EXHIBIT 4 for vote # 13 be adopted. Second by Rep. Bradley

REP. COBB said there is one more fund over there too. There is \$425,000 general fund money in a block grant.

REP. KADAS said of the \$2.5 million REP. COBB discovered, he spent \$1.1 million of it. Mrs. Cohea said as she understood it, and their office has not looked at the matter but are relying on the figures the Legislative Auditor's staff has prepared, the total amount in that account is \$2.5 million. Once the reconciliation occurs, the Leg. Auditor estimates that \$1.2 million would ultimately be general fund. This amendment would say once the reconciliation is done and the amount, whatever it is, is deposited in the general fund, then this amount of general fund can be appropriated. REP. BARDANOUVE's motion says if SRS does not complete the reconciliation and the money is not deposited in the general fund, then these appropriations do not occur. It is contingent upon the reconciliation being done and the money being put into the general fund. If it is the \$1.2 the Auditor estimates this appropriation totals just in excess of \$100,000 so the remainder would remain in the general fund and increase that balance.

REP. KADAS said that means we are eliminating the appropriation REP. COBB made yesterday? REP. BARDANOUVE answered yes.

Vote: Motion carried 13 to 5 with Rep. Thoft, Swysgood, Grady, Grinde and Cobb voting no.

Motion/Vote: REP. COBB moved to reconsider the action which failed on the 4% out of SRS Personal Services.

Vote: Motion carried 11 to 7 with Rep. Quilici, Connelly, Kimberley, Menahan, Bradley, Nisbet and Johnson voting no.

MOTION: REP. COBB moved to take 4% out of FY '93 SRS Personal Services Budget. Second by Rep. Bardanouve.

Vote: Motion carried 11 to 7 with Rep. Nisbet, Bradley, Johnson, Menahan, Kimberley, Connelly and Quilici voting no.

Family Services:

MOTION: REP. CODY moved to reconsider action on Mod 7, B-129 Youth Treatment Services. Second by Rep. Zook.

REP. CODY said we passed the increase of general fund \$3.5 million over the biennium under the Youth Treatment Services. She said she had been involved in DFS as a member of the Youth Advisory Council in her area and her priorities in the budget are the youth, the old and the developmentally disabled. She said she would like to put the computer service back into the budget and remove the \$3.5 million. There would be a general fund savings, but cannot see what good it does to put the money into the treatment system if there is no system of follow up on the treatments. This would remove # 7 and put in # 2. This would be \$3.5 million and would restore only about \$729,000 general fund.

REP. BRADLEY said this would be the general fund they put into Family Services, the federal match of which is in SRS and use that for the computer system. She said Mr. Olson should be here because this is a very difficult rearrangement of priorities and it is her feeling she could not go along with it. She said she felt adamant they had to have the tracking system, but what they are trying to do with the whole approach is to try to pull some of the children back from the most expensive, institutionalized kinds of care and get them into a broader range of community and family oriented treatment. She could not go along with this kind of trade because it would be bad for the children and very bad for the budget.

REP. CODY asked if the money under 304 last session was a new program under the Youth Treatment? REP. BRADLEY said yes. REP. CODY asked if there was any money under Youth Treatment Services last session besides that. REP. BRADLEY said only what was connected with 304, and former Rep. Hannah's intention was to limit the residential option to Yellowstone Treatment and in the legal meandering we found when you start an entitlement you can't limit it. She explained if alternative care was not available children got placed in Rivendel, etc. where the costs sky rocketed and she felt it very important to get the less expensive treatments in place.

REP. CODY said she was one of those responsible for creating this program under 304 last session because of her concern about children and not feeling the problems were being addressed properly. She said she did not think it worked, nor would it ever work until they put in the tracking system we have to have for those children.

REP. KADAS asked in Mod 7, how much is to cover the obligation established under 304 and how much is additional services? REP. BRADLEY said the entire budget was about \$12 million with the match in SRS. We have 2 bills coming through this committee that will have to be reconciled that sets up this kind of residential psychiatric treatment option. Because we can't just limit it to one institution and a certain number of children so we are trying to find other ways where we can have certain limitations. The committee bill is oriented toward some sort of Certificate of Need process to try to keep some limits. You really need places

the children can go besides the residential. Now we have the in-patient, Rivendel, Shodair, etc., and if this continues, the residential, Deaconess, Shodair, Yellowstone Treatment etc. To give the Dept. incentive to put that continuum in place, they have the general fund allocation so they use it to put children in other kinds of care so they don't go up to the more expensive kinds of care. They put about \$2.2 million in these alternative kinds of treatment and spelled them out before the committee. If they can do that, they can use the general fund dollars and it won't go to the alternatives.

REP. KADAS said he didn't want to take apart a program that is already in place, and that would be the case if we accepted REP. CODY's motion. He was willing to take out the money for the computer from this total and reducing the total by that amount to purchase the computer. REP. BRADLEY said she felt the money was needed where they put it.

REP. GRINDE said his research has been limited because he feels DFS is in a lot of trouble. The limited research he had done indicated why have the Youth Treatment Services there if you can't track the clients. He would take the \$900,000 off this for the information system.

REP. QUILICI said he understood Mod 7 is to provide the state match to the federal medicaid funds? REP. BRADLEY said some of the general fund of \$3.5 million was reserved for the residential psychiatric and the children that go there will have the 2/3 medicaid match. Some of it is for a Dept. incentive for alternative services. REP. QUILICI asked REP. CODY what the amendment would do and she said it would reconsider Mod 7 and Mod 2, and her intention would be to deduct from Mod 7 the general fund it would cost if we can pass mod 2.

REP. NISBET said there was some change in those figures and the general fund is only \$570,000 for Mod 2. REP. BARDANOUVE said if there was any reconsideration he wanted the committee to know he would not vote for anything that would raise the General Fund appropriation. REP. THOFT said he had heard REP. CODY say two different things. Her first motion was to remove the money, her explanation of the amendment was to take out the computer only.

REP. CODY said her intention was to try to get the computer system in the budget.

REP. GRINDE asked for clarification. REP. BRADLEY said there would be no additional general fund but there would be a loss of federal medicaid dollars.

Vote: Motion to reconsider failed 8 to 10, roll call vote # 12.

REP. GRINDE said he was concerned about the referral, # 3 on the narrative B-141. He said the way this was set up under HB 2 last time, it was \$120,000 general fund and this time it was \$60,000

go onto this program. There is also another bill, HB 937, and he is concerned this is a duplicate of a lot of the funding we have going on in HB 2. He has not had time to research to be sure, but feels it is a possibility if HB 937 were to pass.

REP. KADAS said the House bill deals with Child Health Care Programs and the subcommittee has given their best direction. There is duplication in HB 937 and we should deal with that when we deal with 937. REP. GRINDE asked about Missoula and problems there in finding Day Care. He asked REP. KADAS if they have any Day Care Centers in the valley there and was told no. He said there were 45 and he didn't see where there was any problem finding placements when he called. He said he tried to call the Child Care Resource Counseling and apparently that is the one set up by the state for these programs. He said he did not get an answer, and he felt they should be open on Saturdays since that would be the time people might be able to go out and find a day care. He did not feel there was as much problem out there as had been indicated. He said he was all for Day Care, but felt one number at Family Services should suffice to find Day Care Centers, and not have pork barrels in the communities giving duplicate services.

REP. QUILICI said if there is duplication we should find it, but should take the time between now and floor session, get our numbers right and then go after it.

Motion/Vote: REP. BRADLEY moved to close the section. Second by Rep. Menahan. Motion passed unanimously.

Department of Natural Resources:

REP. KIMBERLEY gave an overview of this section of the budget and then came back to the beginning for executive action on the items.

Motion/Vote: REP. KIMBERLEY moved mod 1, C-26, EIS/NEOA Compliance be adopted. Second by Rep. Bardanouve. Motion passed unanimously.

REP. BARDANOUVE asked where the money was coming from for the range land loans, \$700,000 on the bottom of C-27 under language. REP. KIMBERLEY said it was State Special Revenue, it is already in the account and they are asking the authority, if they receive a number of applications, to actually loan the money out. She said the money came from the RIT program.

MOTION: REP. KIMBERLEY moved Mod 1, C-29, Resource Conservation & Development Coordinator be adopted. Second by Rep. Johnson.

REP. PECK asked if this relates to the last language on page C-28? REP. BARDANOUVE said in the language on top of C-28, where does the \$1 million come from? REP. KIMBERLEY said from the RIT from the Bond Proceeds Account. Ms. Perrigo said those are bond

28? REP. BARDANOUVE said in the language on top of C-28, where does the \$1 million come from? REP. KIMBERLEY said from the RIT from the Bond Proceeds Account. Ms. Perrigo said those are bond proceeds from the sale of coal severance tax bonds. The Dept. is required to purchase these if it appears they are going to lose the security on property they have given either Water Development or another loan to. In FY '90 they did expend over \$300,000 to purchase one of these.

REP. THOFT asked how many of these RCD (Resource Conservation & Development) areas do we have? Karen Barclay, Director, DNRC, said we currently fund one of these positions in the Central Montana program. REP. THOFT asked what was meant by coordinator and Ms. Barclay said that is the person that was hired in Central Montana, for instance, who organize the activities of the area, put together a grant application to have the federal approve and work on the Natural Resources in that region. This is an additional RCD coordinator that was proposed in the subcommittees, and it would only provide the general fund monies if they had 50-50 federal matching dollars.

REP. ZOOK asked if this coordinator would be responsible for the 17 Eastern Counties? Ms. Barclay said that was the intent when it was added in the subcommittee.

REP. JOHNSON asked if this is a statewide coordinator who will work with all the other RC&Ds in the state as well? Ms. Barclay said no, this coordinator would be specifically assigned to a particular area such as the Eastern Montana RC&D area. All of our coordinators do work together in terms of coordinating their activities.

REP. BARDANOUVE asked how many coordinators will we have? Ms. Barclay said currently the state funds on a 50-50 match with the federal coordinator and that is for Central Montana.

REP. KIMBERLEY said when those people came in they were thinking in terms of a state-wide coordinator and the problem is all these groups have good ideas on economic developments and excellent projects but have had no one to pull the whole thing together.

REP. PETERSON said she spoke on that in this committee. The 17 counties in Eastern Montana work together and are ready for that person to pull them together and do that coordination.

SUBSTITUTE MOTION: REP. BARDANOUVE moved Mod 1, C-29 R C 7 D Coordinator do not pass.

REP. JOHNSON spoke in opposition to the motion. There are 17, now about 19, counties that have been struggling to get this organization moving. He had asked his question because he thought it was a coordinator for Eastern Montana, yet the language said state-wide. They need the coordinator to give them the push they need to organize these counties for economic

doing some of this now and Ms. Barclay said the Conservation and Resource Development for the Conservation districts works with the CR&D throughout the state. They have one coordinator funded through the state and that is the Central Montana one. She said there is some confusion--there were two proposals brought in. One wanted this position to be an Eastern Montana position and the other proposal was for a state-wide coordinator to work with the Central Montana coordinator and to work with the other three RC&D's that are federally sponsored throughout the state. Her feeling is if it were to become the direction of the Legislature, they would have to determine which was more appropriate.

REP. PECK asked the analyst if the word "state-wide" is in this statement, is that what the record would show if we went back to the minutes? Ms. Perrigo said when this issue was brought before the subcommittee there were a number of citizens from all around the state that testified on behalf of this. There was a group requesting a coordinator for their own RC&D in Eastern Montana, and there was another group that felt there should be one for Eastern Montana as well as everywhere else in the state that needs one. When they went to fund this mod and asked about the FTE going along with it, it was her understanding and she believed the Budget office as well that this person would be residing in the central office in Helena at grade 15, step 2 as a statewide coordinator.

MOTION FOR ALL MOTIONS PENDING: REP. MENAHAN moved to amend this to say Eastern Montana Coordinator, be assigned to Eastern Montana districts and that it do pass.

REP. THOFT asked if they had a name. REP. JOHNSON said it is the Eastern Plains RC&D. REP. MENAHAN accepted that change in his motion.

REP. KADAS asked if this was one RC&D for 20 counties? REP. JOHNSON said they started with 17 and have 19 now.

Vote: Motion passed 12 to 6, roll call vote # 13.

MOTION: REP. BARDANOUVE moved to remove the language in the last paragraph on C-31 "The department is---" Second by Rep. Kadas.

REP. BARDANOUVE said we have hardly finished building the dam and this is proposing to sell it. REP. KIMBERLEY said he would like the Dept. to address this since there are some things here the Committee should know about.

Ms. Barclay said this language does not mean we have any plan to sell the Broadwater Hydropower project, however, we have had a few inquiries before the Board of Natural Resources & Conservation that indicated they would at least like to review the project. Their feeling is, if someone should walk in and make a very significant offer to the Board to purchase this project, we need to have the authority to evaluate it

the project. Their feeling is, if someone should walk in and make a very significant offer to the Board to purchase this project, we need to have the authority to evaluate it appropriately, and if it would provide a better return on the State's investment than operating the project over the next 30 to 50 years, they should have the flexibility to carry it through. She said they are not advertising, and have no plans to privatize it.

REP. BARDANOUE said this is an investment we have made and it is already beginning to give us a profit. Even in the low water years we have had we are making money on it and the appreciation of this project gives the possibility of having a very valuable asset here. When we get high water in the Missouri it will make more money. He did not feel we should even consider selling it until we have a track record of what it will do.

Vote: Motion to remove the last paragraph on C-31 language passed, 10 to 8 with Rep. Thoft, Swysgood, Grady, Zook, Kimberley, Peterson, Grinde and Nisbet voting no.

Motion/Vote: REP. KIMBERLEY moved Mod 1, C-33, Missouri River Reservation be adopted. Second by Rep. Swysgood. Motion carried unanimously.

Vote: REP. KIMBERLEY moved mod 2, Poplar River Monitoring be adopted. Second by Rep. Bardanoue.

REP. KADAS asked if we have a mod for the Bureau of Mines on this too? REP. BARDANOUE said the Canadians are building a big power plant just across the Canadian side and there is real concern in Northeastern Montana since this is a coal operated power plant, that it will pollute the Poplar River in that area.

Vote: Motion passed unanimously.

MOTION: REP. KIMBERLEY moved mod 3, C-34, State Owned Water Projects be adopted.

REP. SWYSGOOD said there is a difference between what the Executive and the Legislative subcommittee has for a total. It is \$191,000. Why is the number increased? Mrs. Cohea said in order to explain the movements of \$800,000 over the biennium to \$991,000 she would have to explain the 3 steps that happened here. First, for the current biennium the Dept. was appropriated \$800,000 out of the Water Development account for the rehabilitation of state water projects. Because the cost of the Middle Creek Dam project is coming in less than was anticipated, the Dept. expects to revert \$491,000 of that \$800,000 appropriation back to the Water Development Special Revenue account. Second, because they reverted \$491,000 back the Dept. came before the Dept. with a proposal that they would reduce their current request for the '92-'93 biennium from \$800,000 to \$700,000, thereby saving \$100,000 for the Water Development

that they had recently deposited \$200,000 of excess revenue from the sale of the Broadwater Hydro Power project into the Water Development Special Revenue Account. They informed the subcommittee that when the Broadwater project was authorized, it was the intent of the Legislature that the revenue would be used for rehabilitation of state water projects so the second part of their proposal was that they use the \$200,000 to add another project which would be Nevada Creek Dam. This process takes us from \$800,000 to \$700,000 to \$791,000 to \$991,000. Just to follow up since you might get to this on Tongue River Dam, is an additional \$400,000 going to be reverted from Middle Creek Dam saving. The Dept. further proposed to use that \$400,000 as match for federal funds on the Tongue River Dam project which the Dept. had originally proposed to come up with that match through sale of Coal Severance Tax bonds.

REP. SWYSGOOD said he would like to ask the Dept.--the \$191,000 was added in subcommittee above what was recommended by the Executive, and asked which the Dept. was supporting. Ms. Barclay said the reason it appears there was money added in by the subcommittee is because of the revenue generated from the Hydro Power project. We didn't anticipate those, they came in after the Executive budget was prepared and were only deposited in January. At that time we notified the subcommittees there was an additional \$200,000 from the Broadwater project and the Legislative intent of that project was to spend those monies for the rehabilitation of state-owned water projects, so that is when they suggested the scenario explained above by Mrs. Cohea.

REP. SWYSGOOD said those funds from the Broadwater project are going into the fund that his bill that is now in the Senate created, and asked if that was correct. Ms. Barclay said yes.

REP. KADAS asked if the profits from these projects always go back into more projects? REP. BARDANOUE said that is basically what they are doing on these water projects; repair, maintenance etc.

REP. SWYSGOOD said he had a bill on the Broadwater project that established this account for repair, feasibility, etc. for all state owned projects. The money generated from that facility goes into that account and then in turn is put out to take care of the other projects.

REP. KADAS asked what the feasibility study is on the Nevada Creek project? Ms. Barclay said on their projects they have developed a 6 year plan on the state owned water projects and developed priorities in terms of what needs to be done. The Nevada Creek project is one of their higher priorities after looking at Tongue River, Middlecreek, Northfork and the Smith.

Vote: Motion to adopt mod 3 passed unanimously.

Motion/Vote: REP. KIMBERLEY moved mod 4, Middle Creek Dam be

Vote: Motion to adopt mod 3 passed unanimously.

Motion/Vote: REP. KIMBERLEY moved mod 4, Middle Creek Dam be adopted. Second by Rep. Bardanouve. Motion passed unanimously.

Motion/Vote: REP. KIMBERLEY moved mod 5, Smith River be adopted. Second by Rep. Bardanouve. Motion passed unanimously

Motion/Vote: REP. KIMBERLEY moved mod 6, Tongue River be adopted. Second by Rep. Bardanouve. Motion passed unanimously.

Energy Planning: In re: Rock Creek Mitigation C-38. REP. BARDANOUE asked what they will be doing with the money from this appropriation. Ms. Barclay said that mitigation fund was established by BPA and some of the utilities that were involved. The Local Advisory Council that was also established through that negotiated process has spent the money in the past on some local educational activities, and in the last biennium they purchased a piece of property and are currently irrigating and managing it. She said they anticipated they would bring in their plan to the next Board meeting, though they do not have any specific plans, nor do they expect them to spend all this money but felt it was important to have the authorization.

REP. KADAS asked what Rock Creek this is and Ms. Barclay said near Missoula.

Motion/Vote: REP. KIMBERLEY moved mod 1, Energy Conservation, C-40 be adopted. Second by Rep. Bardanouve. Motion carried unanimously.

Motion/Vote: REP. COBB moved to make a 4% reduction on the Personal Services in FY '93, C-18. Second by Rep. Bardanouve. (311,061 total funds) Motion passed 13 to 5 with Rep. Menahan, Nisbet, Bradley, Kimberley and Quilici voting no.

Public Service Regulation:

REP. KIMBERLEY noted the language and explained the mods on C-43 and the funding on C-44.

REP. CODY asked if this is one of those accounts where the money flows into the general fund and is then funded out of the general fund? REP. KIMBERLEY said yes. He said there is an error in the figures on 2. Exempt positions. This was explained. Mod 2 should read \$30,000 for the biennium, it is \$15,000 per year. The total '92-93 should be \$55,000.

Motion/Vote: REP. KIMBERLEY moved mod 1, Travel/Registration Fees, C-43 be adopted. Second by Rep. Bardanouve. Motion carried 13 to 5 with Rep. Swysgood, Cobb, Thoft, Grinde and Grady voting no.

MOTION: REP. KIMBERLEY moved mod 2, Exempt Positions be adopted.

\$30,000? **REP. PECK** said yes, it is \$15,000 annually and we had to change the total to \$30,000.

REP. COBB asked if this was \$3,000 per person and **REP. PECK** said if it is 10 persons that would be right. **REP. BARDANOUVE** said he thought they had rejected all of those in the Pay Plan. There was a bunch of them in the Dept. of Health. **Ms. Cohea** said the committee to date has turned down salary increase requests in the Judiciary and Pay Plan exception requests in the Dept. of Health.

Mr. Sundsted said what is happening is that during the last Pay Plan, exempt positions got the same 2 1/2% as everybody else. Some of these are cases where they have given larger increases than 2 1/2 because they are exempt and we limited those exempt positions to the same 2 1/2% increase everyone else received. If they gave larger increases than 2 1/2% they did not include it in the Executive budget because they felt it went beyond what was intended.

REP. KADAS asked if that is the case, an agency has the flexibility that if an agency has a classification that they feel is misclassified, they can appeal that and try to get it reclassified. What can an agency do for an exempt position that is in the same kind of situation? If the Budget office limits exempt positions to a pay plan size increase, then how does an agency deal with one they feel is so far out of line that it should have some changes? **Mr. Sundsted** said because they are exempt there is no reclassification. They would have to live within the appropriation amount they get and it does not affect how it is allocated. If a 5% pay plan goes into effect they will get a 5% increase in Personal Services which they can allocate as they see fit.

REP. PECK said they could reduce Operational Costs and transfer into Personal Services and **Mr. Sundsted** said that was correct.

REP. QUILICI said these exempt positions, are they specialists? **Mr. Ellis, Public Service Commission**, said they have 10 exempt positions, 9 are filled. Four are Division Administrators and they run between \$40,000 and \$43,000 per year and the other 5 are policy people that are professionals within our agency. Their salary runs from \$30,700 to \$33,000 and they do not intend to pass this money on with a percentage across the board. We want to bring some of the lower professional people up to where they are competitive with the market so we can retain them in their policy making positions. They said they had never had any exempt money in their budget, and when they face 4% or 2% vacancy savings every year along with increased cost of operations, they don't have the money for these exempt positions.

Vote: Motion on 2, Exempt Positions passed 17 to 1 with Rep. Kadas voting no.

REP. KIMBERLEY explained language and said there were 41 mods in this department. He passed out a yellow sheet, EXHIBIT A and said these represent mods heard before the '89 session and were not included in the budget for this session, but were resubmitted by the Dept. Those on the white sheet were not in the previous budget. REP. GRADY said these on the yellow sheet were all voted in the subcommittee to be part of the base, but are still showing up here separately. These are programs that are in process now.

REP. KIMBERLEY asked Mr. Lloyd to address EXHIBIT A and SB 171 and the amendment on the floor of the House. Mr. Lloyd said revenues do not reflect SB 171 which would increase the hunting and fishing license fees, and if enacted, we do not know exactly what it will do because of the action that will be taken on the floor of the House. He said the latest action and the fee increase as it stands now, the estimated revenues would increase \$711,000 in '92 and \$1,974,000 in '93, if the bill is enacted with the recent amendment on the floor of the House.

REP. BARDANOUVE said he has seen reference to Sikes Act and asked what it was. Mr. Cool said this is a Habitat Enhancement program of the federal government whereby their agency in cooperation with either the U. S. Forest Service or the Bureau of Land Management can cooperatively develop fish and wildlife or water fowl type projects if we match their money. He said they come to them with a project and money and if it enhances wildlife they match it, and these are the funds that match the state share of that. REP. BARDANOUVE asked who selects the projects. Mr. Cool said there are 5 members on the selection committee and those 5 members provide an administrative oversight.

REP. GRADY said a good share of these are report backs and are all mixed in with the others.

MOTION: REP. GRADY moved the Report Back Projects, yellow sheet, EXHIBIT A be adopted. Second by Rep. Bradley.

Mr. Cool explained that both the yellow and white sheets reference the list of mods on C-47 and C-48. In addition to providing the title of the mod it shows the funding breakdown. He said everything on the yellow sheet was approved by the 1989 Legislature, was implemented, was brought back and reviewed by the subcommittee and by the Dept. and Commission and those that survived that process are exemplified on this sheet.

REP. PECK asked if these would cover all the mods on C-47 and 48? He was told no, only part of them. Mr. Cool said those on the white sheet are new mods that have not been before the Legislature before. He said there is a coding on the left side. He gave the example of the yellow sheet 3 Block Management corresponds with 3 on the mods on C-47. 1 would be on the white sheet because it has not been before the Legislature before.

REP. PETERSON said she would like a quick explanation on the

corresponds with 3 on the mods on C-47. 1 would be on the white sheet because it has not been before the Legislature before.

REP. PETERSON said she would like a quick explanation on the 25/75 funding and was told it was 25% state and 75% federal. REP. PETERSON asked if the 25 came from the License fees and was told yes.

REP. PECK said these numbers on the yellow sheet are rounded off and they do not match with what is in the book. He asked if it created a problem for the LFA and Mrs. Cohea said the motion would reflect what the subcommittee approved and is in C-47 and C-48.

REP. GRADY said he had checked this out and listened to the tape and all the report backs were to be put into the base. They started out the committee that way and this is the only one he saw where it was all listed separately. REP. BARDANOUVE said the narrative in HB 100 said they shall be separate and not included in the base. Whoever was on the subcommittee last time wrote that language into HB 100. REP. KIMBERLEY said he felt the committee could just go through the narrative and cross reference they would do fine. It was decided to do so and REP. GRADY withdrew his motion.

Management Services Division:

Motion/Vote: REP. KIMBERLEY moved mod 1, Fiscal Management Position, C-52 be adopted. Second by Rep. Cody. Motion passed unanimously.

MOTION: REP. KIMBERLEY moved mod 2, Vehicle Account be adopted. Second by Rep. Nisbet.

REP. PECK said there is a fairly significant increase by the subcommittee recommendation over the executive. Mr. Lloyd said the Executive budget request is lower than the subcommittee approved. After the subcommittee went through all the budget modifications and approved them they went back and figured the additional amount of travel these budget mods would add into their budget and it is reflected in the increase.

REP. SWYSGOOD asked if the Executive approved of these increases. Mr. Cool said yes, this mod reflects more than the increase, it reflects gasoline, insurance, and all the items involved with travel as well as the reallocation of the revolving account from which there are charges.

REP. PECK said there is a question on C-52 relative to an increase in figures from the Executive recommended. Does the new figure have Executive approval? Mr. Schweitzer said the reason there is a substantial difference between the Executive and the Subcommittee recommendations was that in the Executive budget in the very late stages they put in the \$750,000 per year for the

be adjusted to reflect the other one.

REP. PECK said the answer then is yes, the Executive is approving it. He was told yes.

Vote: Motion to approve 2, Vehicle Account passed unanimously.

Field Services Division:

MOTION: REP. KIMBERLEY moved mod 1, Block Management, C-56 be adopted. Second by Rep. Bardanouve.

Motion/Vote: SEN. KIMBERLEY moved mod 2, Fishing and Motor Boat Access be adopted. Second by Rep. Bardanouve. Motion passed unanimously.

Motion/Vote: REP. KIMBERLEY moved mod 3, Microcomputer Support be adopted. Second by Rep. Nisbet. Motion passed unanimously.

MOTION: REP. KIMBERLEY moved mod 4, Block Management Expansion be adopted. Second by Rep. Cobb.

REP. PETERSON said this is a new mod. REP. COBB asked if the committee gave him more money, is it possible it could be expanded further if we directed the Dept. to do so provided the demands were present. Mr. Cool said the 3 FTE they are asking for here are temporary personnel. That will break up into potentially 15 or 20 one or two month employees to provide services for landowners and sportsmen. The management of those employees has to take place over time. The agency has to grow into the need for them.

REP. COBB suggested giving them \$100,000 more spending authority and REP. GRADY asked where the money is coming from. He was told it comes from License money balance. He said we may have to do some cut backs, and thought this might be doing the wrong thing.

MOTION TO AMEND THE MOD: REP. COBB moved to put \$200,000 more in. Second by Rep. Bradley.

REP. CONNELLY said in LRP they had some requests based on the passage of this bill. She said a lot of those have been cut out because of the lack of money to fund them.

Vote: Motion failed 4 to 14 with Rep. Peck, Cody, Connelly, Grady, Grinde, Johnson, Kimberley, Nisbet, Peterson, Quilici, Swysgood, Thoft, Zook and Bardanouve voting no.

MOTION TO AMEND THE MOD: REP. COBB moved \$100,000 total be added to mod 4. Second by Rep. Bradley.

REP. BRADLEY asked how many acres are in this program and was told 4.5 million acres is estimated.

REP. BRADLEY asked how many acres are in this program and was told 4.5 million acres is estimated.

REP. ZOOK said he was going to support the motion. He did not charge for hunting, and it is beginning to get heavier because the people in the block program are practically overrun. He said he felt this would involve the need for another FTE or more.

Mr. Schweitzer said in consulting with the Department, if you add another \$100,000 he felt there would be a need for one more FTE. They are part time people that work during the hunting season and it may be another 5 or 6 people, but with more money we will need more people.

REP. GRADY said we are opening up millions of acres and it is costing 3 cents an acre and is a great program, we argue over raising the amount which the Dept. hasn't even asked for. Mr. Cool said the subcommittee did remove enough money from his calculations from the approved budget if you check the bottom lines and FTEs to be able to handle what REP. COBB is recommending.

REP. PETERSON said certainly the Dept. knows that a number of people are supporting block grant programming and should take from that the wishes of these people to continue and enhance that block grant program.

AMENDMENT TO AMENDED MOTION: REP. COBB amended his motion to amend Mod 4 by adding 1 FTE along with the \$100,000. Second by Rep. Bradley.

Vote: Motion failed 9-9 with Rep. Thoft, Peck, Cody, Bardanouve, Quilici, Grady, Grinde, Johnson and Nisbet voting no.

Vote: Motion to adopt mod 4, Block Management Expansion passed unanimously.

MOTION: REP. KIMBERLEY moved mod 5, Game Damage be adopted, Second by Rep. Menahan.

REP. BARDANOUVE said there was always damage in here before, is this over and above what you had before? Mr. Cool said we have a game damage account, but in managing that, when supplies and materials get low we return to the Legislature to enhance those and they will carry forward in the bid process over a number of years when they are used. He said they could return in 1 or 2 bienniums depending on the weather, conditions, and they are looking at a more permanent game damage fix than the temporary one before. REP. BARDANOUVE said they would not be back in '93? Mr. Cool said he would hate to commit to that since it was dependent on weather and natural conditions that was beyond their control.

Vote: Motion passed unanimously.

Motion/Vote: REP. KIMBERLEY moved mod 7, License Agent Commission be adopted. Second by Rep. Grady. Motion passed unanimously.

Motion/Vote: REP. KIMBERLEY moved mod 8, Development and Maintenance of Department Property be adopted. Second by Rep. Bardanouve. Motion passed unanimously.

Motion/Vote: REP. KIMBERLEY moved mod 9, Computerize land Records be adopted. Second by Rep. Nisbet. Motion passed unanimously.

MOTION: REP. KIMBERLEY moved mod 10 Cherry Creek Reservoir be adopted. Second by Rep. Bardanouve.

REP. CODY asked how many phases to the feasibility study? Mr. Cool said it will be complete in the near future. The initial appropriation authority granted the Dept. by the Legislature was specific to that, but the federal government found enough money to complete that on their own and with the \$50,000 plus dollars the citizens of Terry raised and what is allocated out of ours, we are just asking for carry forward authority. The second phase is the construction phase.

Vote: Motion passed unanimously.

Fisheries Division:

MOTION: REP. NISBET moved an amendment for page C-58, EXHIBIT 13. Second by Rep. Cody.

REP. NISBET said this was an amendment requested by REP. WANZENRIED on the Creston Fish Hatchery.

REP. BARDANOUVE said he thought they had trouble with that hatchery. Mr. Cool said they have not had an opportunity to look at this amendment before, but their cursory review would not indicate there would be a problem. The money that will eventually do the work, they hope in the next biennium, relative to fish hatcheries on the lake is in the Long Range Planning budget. This appears to affect those bonds and then allow the Dept. to contract with the Fish and Wildlife Service to raise salmon. It does not appear this has any significant impact on either the LRP or their operations and could see no problem with it.

REP. BARDANOUVE said he would prefer this be referred to LRP since nothing was closed there. They would be able to review it there. REP. CONNELLY said she had done some research on this and the money was appropriated for it in '87 but they had not gotten everything together since there were problems with the well, etc. REP. THOFT said he would like to talk with the people at Yellow Bay and see if this fits into their guidelines since they know more about that place than anyone in Fish and Game. REP.

CONNELLY said they had several meetings prior to the session with the people from Yellow Bay, the hatchery and federal people and people from Bonneville Power and everyone agreed it should go ahead because they can provide all the baby fish.

REP. KIMBERLEY said the Dept. indicates they can handle this very nicely and would support the amendment staying here.

Vote: Motion (EXHIBIT 13) passed 17 to 1 with Rep. Bardanouve voting no.

REP. KIMBERLEY moved Mod 1, Missouri River Basin; 2, Streambank Projects; 3, USFS Fisheries Data Project; 4. Evaluate Fish Population; 5, Fishing & Motorboat Access; and 6, Flathead Lake Fishery on C-60 be adopted. Second by Rep. Menahan.

Mr. Lloyd addressed mod 1 by saying this is the second half of one in the Dept. of Natural Resources and Conservation on C-33.

Vote: Motion passed 17 to 1 with Rep. Cobb voting no.

MOTION: REP. KIMBERLEY moved mod 7, C-61, Clark Fork River Investigation be adopted. Second by Rep. Kadas.

REP. COBB asked if any of the \$4.9 million on the lawsuit is in this, or is this in addition to the Clark Fork Assessment? REP. KIMBERLEY said this is an addition.

REP. CODY asked Mr. Cool how many agencies are involved in this Clark Fork River project and why can't we coordinate that and possibly save some money by doing it? Mr. Cool said the Clark Fork Studies are being handled by 3 and potentially 4 agencies depending on what the missions are. The Dept. of Health is the lead agency and is dealing with the Water Quality Cleanup aspects. FWP has a responsibility to provide baseline fisheries data that can be used legally to enhance the state's need for data and in addition to provide an opportunity in terms of building a program for restoration of the Clark Fork River.

REP. CODY asked Mr. Sundsted if the Executive office has ever considered coordinating all of these. Mr. Sundsted said he believed they do coordinate. While budget items are in different agency budgets, they do coordinate the activities from all those agencies through the Governor's office. REP. CODY asked about the Attorney General's (AG) office discussed in the Dept. of Health. Mr. Sundsted said the data collected here will be used for the natural resource part of the damages. He said they are coordinating it through the Governor's office.

REP. PETERSON asked if the data collected here will be court worthy. She was told yes. REP. MENAHAN explained the fish that die are being gathered, examined, and the data recorded. He said the different agencies have different duties, but they are coordinated.

REP. KADAS said the Administration has set up the 4 departments and this committee formalized it to have an umbrella policy group of directors including the AG. They are also concerned about not having an overlap.

REP. SWYSGOOD asked the Dept. if he was to make a substitute motion and delete the FTE and about \$40,000 out of that appropriation, would that hinder what you need to do? Mr. Cool said that would require redirection of FTE authority to a priority project. The dollars remaining and the \$40,000 would provide the dollars they need for the research and collection of the information, but they would have to take the FTE from another project and move it--that is possible.

Substitute Motion: REP. SWYSGOOD moved to take the FTE along with \$40,000 leaving them \$60,000 to continue their work.

REP. QUILICI said he wanted to make sure this job is done. If this motion prevails will you be able to do this job with existing personnel in-house? Mr. Cool said this is a priority issue for the Dept. Should it be the Legislature's desire to reduce FTE's in this area, he assured the Committee they would still accomplish this work. Some work would not be done somewhere else, but the priority will be in this area.

REP. BRADLEY said in the Dept. of Health they did this through a general fund loan and had interest coming back. She wondered if it would be better to include this in the loan so interest would come back on this as well. Mr. Sundsted said he was not sure he could answer that specifically. He was not sure this was a part of the damage suit. Mr. Cool said the money in this mod is necessary for the damage assessment, but the data collected will provide Department benefits in managing that fishery for decades to come. This is base line data they need to collect and will go beyond the narrow focus of the assessment.

Mr. Schweitzer said he thought the idea of a loan came after they had already looked at this as a direct appropriation. Perhaps it could be considered as an alternative.

There was discussion on mixing funds with FWP, different kinds of damage, figuring damage on health and on fisheries and the cost of the lost fisheries. REP. KADAS said he would oppose such a motion since a loan would take money out of the general fund balance essentially. He said if REP. SWYSGOOD wanted to remove an FTE he thought it should be prioritized and find one they would really eliminate.

REP. KIMBERLEY reiterated what REP. KADAS had said and resisted the motion. REP. GRADY asked if we are really saying, do we need a FTE biologist for that project. The Dept. seemed to indicate they don't, they can handle it with their existing biologist.

REP. QUILICI asked Mr. Cool if he hadn't said he could do this

because he would prioritize it, but will have to take from some other source to do so. Is that one FTE going to be used specifically on this and the whole Clark Fork to get this job done. Mr. Cool said the FTE requested here is one that is requested directly at this analysis of the Clark Fork during the period we need to accomplish it.

Vote: Motion to remove \$40,000 of the \$100,000 and one FTE failed 8 to 10, roll call vote 14.

Substitute Motion: REP. BRADLEY moved that it be the intent of the Legislature that the dollars spent in this expenditure would be repaid with interest and the language be similar to the one in Dept. of Health. Second by Rep. Bardanouve.

REP. KADAS asked if REP. BRADLEY was changing the funding source and she said no. This would not be a loan but it would be a cost in the lawsuit and costs should be reimbursed, and in this case, with interest. REP. QUILICI asked if the amendment requests that the money that would be derived from the Natural Resource Damage Assessment of the Clark Fork litigation would be used to repay this loan. REP. BRADLEY said it is not a loan, but in the entirety of the recovery, the sum of money that is expended would be repaid with interest.

REP. BRADLEY was asked to work with Mrs. Cohea to incorporate into the language of this amendment that expenses for the Clark Fork in regard to this litigation, be recovered with interest.

Vote: Motion passed unanimously.

Vote: Motion on the original motion as amended passed unanimously.

Motion/Vote: REP. KIMBERLEY moved 8, Fish hatchery Operations be adopted. Second by Rep. Bardanouve. Motion passed unanimously.

Motion/Vote: REP. KIMBERLEY moved 9, Handicapped Fishing Regs be adopted. Second by Rep. Bardanouve. Motion passed unanimously.

Law Enforcement Division:

MOTION: REP. NISBET moved to amend HB 2 Page C-62 of the narrative. EXHIBIT B. Second by Rep. Bardanouve.

Mr. Fasbender explained the motion and said SB 449 was the committee bill that SEN. GROSFIELD was carrying. It has passed the Senate and is in the House. If it passes, in order to reimburse the FWP for some enforcement work they will be doing and protect the anti-diversionary aspects of their legislation, they would need this amendment that would give \$15,000 authority to Commerce to the Board of Outfitters to enter into an inter-agency agreement with the FWP, but would also need the authority

to increase their revenue as well as their expenditure level.

REP. MENAHAN asked if the money was coming from the Outfitters or from License Fees. Mr. Fasbender said from the Outfitters. Jim Campbell, Safety Division, Dept. of Commerce, said they have been working very closely with FWP to avoid duplication of efforts.

Vote: Motion passed 17 to 3 with Rep. Cobb, Cody and Peterson voting no.

MOTION: REP. KIMBERLEY moved mod 1, Special Investigations, C-63 be adopted. Second by Rep. Bardanouve.

REP. QUILICI said the agencies only asked for 1 FTE and this is one above their request. REP. KIMBERLEY said the committee after going over some of these reports on things happening around the state, thought they needed more people to do that type of investigating. Mr. Cool said they had taken this request all the way to the Governor and it was supported in the Executive.

Vote: Motion passed unanimously.

Motion/Vote: REP. KIMBERLEY moved mod 2, Enforcement Relocation be adopted. Second by Rep. Bardanouve. Motion passed unanimously.

Wildlife Division:

Motion/Vote: REP. KIMBERLEY moved # 1, Habitat/Timber Sales Plans mod be adopted. Second by Rep. Johnson. Motion passed unanimously.

Motion/Vote: REP. KIMBERLEY moved 2, Canyon Ferry Wildlife Mgt, Area be adopted. Second by Rep. Johnson. Motion passed 13 to 5 with Rep. Thoft, Swysgood, Cobb, Grinde, and Connelly voting no.

Motion/Vote: REP. KIMBERLEY moved mod 3, Helicopter Rental be adopted. Second by Rep. Bardanouve. Motion passed unanimously.

Motion/Vote: REP. KIMBERLEY moved mod 4, Upland Game Bird Increase be adopted. Second by Rep. Bardanouve. Motion passed unanimously.

Recreation & Parks Division:

REP. COBB questioned the language on C-68 asking if the federal fund was matching funds and do we need the general fund for matching. Mr. Cool said that is state match and general fund and/or state special. REP. COBB asked if license fees could be used for this? Mr. Cool said the money provides a liaison position with the Montana Conservation Corps for work being done in State Parks. License account dollars would be a reversion of Fishermen's and Huntermen's money for use in the Parks and the work they would be doing would be maintenance and repair of

equipment and facilities. This is inappropriate and would not be permissible.

REP. COBB said as long as it is related to Habitat Improvement, the maintenance and improving the Park would not be related to Fishing License money. Mr. Schweitzer said if it was entirely related to Wildlife habitat it could be used, but it is going to be used for other things in Parks.

REP. MENAHAN said he thought the Wildlife Federation has the books audited on the maintenance of Parks. REP. BARDANOUVE said we have clearly found out we cannot use the license money in the Parks Division.

MOTION: REP. COBB moved to strike the first paragraph under language on C-68. Second by Rep. Peterson.

REP. BRADLEY asked for an explanation of the motion. She asked if the HRDC's hadn't been doing a good job. REP. COBB said the Montana Conservation Corps is a good idea, but didn't know why general fund money should be used for it. Mr. Cool said this position was put in by the subcommittee and was added at the request of the Human Resources. They wanted a coordinator in the Dept. that could work with the Kalispell, Missoula and Bozeman areas, in part to coordinate activities.

tape 4, side 1

Judy Carlson said it would be very helpful to have a direct liaison with the state agencies.

Vote: Motion failed 6 to 12 with Rep. Bardanouve, Peck, Quilici, Connelly, Grady, Cody, Kadas, Kimberley, Menahan, Johnson, Bradley and Nisbet voting no.

MOTION: REP. KIMBERLEY moved mod 1, Park Futures Committee, C-70 be adopted. Second by Rep. Grady.

REP. GRADY said that came from the Governor after the Park's Future Committee had done their work and he felt there was a need out there in the Parks and not knowing where else there would be any funding, this is a survival source. We need to build our Parks back, we have let them go for years, this is a small portion of what is needed, but will help.

REP. BRADLEY asked Mr. Cool, the Park's Future Committee recommended up to \$6 million a year and you have \$1.5 to go part way. They singled out \$4 million a year for 5 years for capital improvements. She asked if they were trying to do that, or is this for other areas? Mr. Cool said the Capital projects were found in the Capital portion of our budget that went through LRP. This is operation and maintenance and FTE necessary to run and maintain the parks.

REP. BARDANOUVE said this is a critical area in government. A few years ago in a budget crises we removed the last general fund

from the Parks Division. We have seriously failed to provide for these parks. REP. KADAS asked how much money is in LRP for parks. Mr. Haubein said he thought it was about \$4.9 million. REP. KADAS asked if the Capital projects is an ongoing program or a one time appropriation? Mr. Cool said there will be an ongoing need relative to this portion of the budget. The Capital budget is directed at specific point end projects. The total is \$4.923 million, however - of that total - \$2.9 million is unfunded and that is why we are looking in the Capital program for some sort of funding. Over 1/2 of this is unfunded, there is no revenue source identified. REP. KADAS asked if the level of funding for 8 FTEs is ongoing. Is it a level we are going to be at or go higher? Mr. Cool said the number of FTE in the State Park system per capita in terms of Parks being taken care of is the lowest in the nation. He said he hoped it would grow in the future, this level will not be reduced if the funding can be found to take care of it.

REP. CODY asked if the group that recommended this didn't recommend a fee of some sort to pay for it. if licenses are paid for fishing and hunting, why shouldn't there be some fee charged for ongoing revenue for the Parks continuation? REP. BRADLEY said she thought they waded through a lot of recommendations and selected several they thought could be available as possible sources of funding. They talked about coal tax and sales tax. REP. CODY asked if there is any fee charged now. Mr. Cool said fees assessed by the Parks now provided about \$500,000 a year towards maintenance of the State Parks system. REP. CODY asked how much is it? Mr. Cool said the annual fee has just been raised by the commission. The Legislature gave the Commission authority and an annual passport for a vehicle would cost \$15 per year. You can get into the Park for 50 cents apiece or \$2 a vehicle on a daily basis. REP. GRADY and REP. QUILICI served all summer on the State Parks committee and have a lot of expertise on it.

REP. GRADY said they did sit on the committee and looked at some sort of long term funding for parks and have explored some of them. There are about 6 bills in the process now, but most of them are some sort of a tax or fee and is not too optimistic that some will pass. If they don't pass this level and the LRP level would about hold the status quo. REP. QUILICI said they had numerous meetings all over the state and there was a real aversion to fees. We revoked the Golden Passport, we had a lot of letters, and they took us to court and won. This would just bring the Parks up to where you could get into them, go to a half decent bathroom, and the people in this state really need them.

Vote: Motion on 1, Park Futures Committee passed 17 to 1 with Rep. Cody voting no.

Motion/Vote: REP. KIMBERLEY moved mod 2, Fishing Access Maintenance be adopted. Second by Rep. Nisbet. Motion passed unanimously.

Motion/Vote: REP. KIMBERLEY moved mod 3, Capitol Grounds Maintenance be adopted. Motion passed unanimously.

Conservation Education Division:

Motion/Vote: REP. KIMBERLEY moved mod 1, Watchable Wildlife, C-73 be adopted. Second by Rep. Bardanouve. Motion passed unanimously.

Motion/Vote: REP. KIMBERLEY moved mod 2, Aquatic Education be adopted. Motion passed unanimously.

Motion/Vote: REP. KIMBERLEY moved mod 3, Update Hunter Education be adopted. Motion passed unanimously.

Administration:

Motion/Vote: REP. KIMBERLEY moved 1, Legal Services - EPP be adopted. Second by Rep. Bardanouve. Motion passed 16 to 1 with Rep. Cobb voted no.

REP. PETERSON asked if REP. BRADLEY's motion could also include this work. She was told no.

Motion/Vote: REP. KIMBERLEY moved mod 2, Tribal Relations be adopted. Second by Rep. Bardanouve. Motion passed 15 to 1 with Rep. Cobb voting no.

Motion/Vote: REP. KIMBERLEY moved mod 3, Interagency Support be adopted. Second by Rep. Bardanouve. Motion passed 15 to 1 with Rep. Cobb voting no.

MOTION REP. KIMBERLEY moved mod 4, Geographic Info. System be adopted. Second by Rep. Bardanouve.

REP. BRADLEY asked for an example of this mod. Mr. Cool said they will be able to provide graphic overlays and representation which would allow their biologists to look at phase and quantify it by vegetative types and by soil types and then potentially do that with a neighboring land owner whether they be private, U.S. Fish and Wildlife Service, Forest Service, etc., and thereby involve themselves in comprehensive wildlife resource and management.

Vote: Motion passed unanimously.

Motion/Vote: REP. KIMBERLEY moved mod 5, Regional Offices Support be adopted. Motion passed 14 to 2 with Rep. Peterson and Peck voting no.

Motion/Vote: REP. KIMBERLEY moved mod 6, Sikes Act; 7, predator Control and 6, Legal Services be adopted. Second by Rep. Bardanouve. Motion passed unanimously.

Motion/Vote REP. KIMBERLEY moved an amendment on C-51 EXHIBIT C be adopted. Second by Rep. Bardanouve. Motion passed unanimously.

MOTION: REP. COBB moved an amendment which read "In FY '92-'93 FWP will build a year around building on the Sun River Management area and the appropriation is \$60,000". Second by Rep. Menahan.

REP. COBB said they were appropriated \$25,000 for this project but he did not think you could build much of a building for \$25,000. This has been an ongoing program for 3 sessions, right after election they are going to build something and then it sort of fades away.

REP. Bradley asked why this didn't go to Long Range Planning Committee. What kind of dollars are these? REP. COBB said he thought it came from the Real Property Trust Account where the Fish and Game has their own special account. He said he needed an additional \$35,000 along with what they have.

Vote: Motion passed unanimously.

Department of Livestock:

REP. KIMBERLEY read the explanation of each mod prior to making a motion, and vote was taken as he went through the section.

Mrs. Cohea said REP. KIMBERLEY was going to offer a budget amendment here.

Motion/Vote: REP. MENAHAN moved to strike the language on page C-85. Second by Rep. Kadas. Motion passed unanimously.

Motion/Vote: REP. MENAHAN moved to strike the language on page 88. Second by Rep. Bardanouve. Motion passed unanimously.

Inspection Control Program:

Motion/Vote: REP. KIMBERLEY moved 1, Livestock Workload Increase, C-89 be adopted. Second by Rep. Bardanouve. Motion passed unanimously.

REP. SWYSGOOD said he had an amendment on Predator Control and asked Mr. Graham to address it. Mr. Graham said they are now involved in a Section 8 process which is a procedure where they have been appointed at the request of agricultural organizations in the state to represent a mediation position between land owners and the lessee if there is a dispute or disagreement over the animal units on grazing. This is the money to cover the cost of the hearings.

MOTION: REP. THOFT moved the amendment, EXHIBIT C. Second by Rep. Swysgood.

REP. BARDANOUVE asked if they will negotiate the carrying capacity of the land. Mr. Graham said no, they would hear both sides by bringing in neutral people that have expertise in the field of preparing the land or grazing or habitat or whatever and then make a recommendation back to the Forest Service and/or the lessee. They have found historically in other states where this has been going on for many years they usually follow the recommendation of the Section 8 process.

REP. BARDANOUVE asked if this wouldn't be better in State Lands where they establish a grazing capacity for units of land. Mr. Graham said the reason they were picked was because they don't own or control any land and therefore some of the grazing units might be a conflict of interests to others.

REP. KADAS asked for the funding source. Mr. Graham said state special from an assessment on livestock.

Vote: Motion passed unanimously.

Motion/Vote: REP. KIMBERLEY moved to strike the language on C-90. Second by Rep. Menahan. Motion passed unanimously.

Meat and Poultry Inspection Program:

MOTION: REP. KIMBERLEY moved mod 1, Meat and Poultry Inspection be adopted. Second by Rep. Menahan.

REP. PETERSON said in the Funding Sources it says 50% general fund and 50% federal meat/poultry inspection. Why doesn't that show in the general fund, it says 0 up there. Mr. Graham said the cost of that state general fund modification is for their half. They took one position out of the Milk and Egg program which is general fund and did not request continuation of the Rabies money. We made a switch and the actual new money is around \$24,689. The rest is money they felt in-house they could use.

Mrs. Cohea according to Roger Lloyd, the analyst, said the funding source as a whole (C-93) is 50% and 50%. She said she was not clear why the modification does not have the same match in it. Mr. Lloyd said the mod should be funded half and half general fund and state special revenue.

Vote: Motion passed unanimously.

MOTION: REP. COBB moved on C-79 that 4% be taken from the Personal Services '93 budget. Motion withdrawn.

MOTION: REP. COBB moved to take 2% out of the '93 budget. Second by Rep. Grinde.

REP. ZOOK asked if the bulk of these funds wasn't paid by the livestock producers. REP. COBB said that was correct.

Vote: Motion failed 4 to 14 with Reps. Peck, Bradley, Cody, Grady, Johnson, Kadas, Kimberley, Menahan, Nisbet, Quilici, Swysgood, Thoft, Zook and Bardanouve voting no.

Department of Agriculture:

Motion/Vote: REP. KIMBERLEY moved to strike the language on C-100. Second by Rep. Menahan. Motion passed unanimously.

Motion/vote: REP. MENAHAN moved mod 1, Grain Lab Increase be adopted. Second by Rep. Swysgood. Motion passed unanimously.

REP. BARDANOUE asked why the additional workload in the grain lab when Agricultural production has dropped off. **Ralph Peck, Deputy Director, Dept. of Agriculture** said the grain lab directly depends on several factors, one of which is in response to demand.. The workload has dropped now from the point the budget was prepared. It will all depend on this fall crop. If the work is there we will employ the people and if not, we don't.

REP. KIMBERLEY said on C-103, third paragraph the Dept. was requesting replacement of an 11 year old chromatograph. **Gary Gingery, Environmental Management Division, Dept. of Agriculture**, said in the budget amendment they are asking for the \$25,000 and \$37,000. These are new EPA funds they recently informed them of and they would like the budget amendment approval and would still need \$12,000 in '93 and have another unit they are interested in replacing.

Motion/Vote: REP. KIMBERLEY moved mod 1, Pesticide program Workload be adopted. Second by Rep. Bardanouve. Motion passed unanimously.

MOTION: REP. KIMBERLEY moved mod 2, Groundwater Program Workload. Second by Rep. Cody.

REP. BARDANOUE asked what the general fund amount means where it has the parenthesis around it. **Mr. Sweitzer** said there are bills going through that are pesticide fees. Currently the fees go into the general fund and the general fund finances the program, so there is a funding shift as well as the expansion in the program. They will generate their own money.

REP. BRADLEY asked if there is a lot of interagency cooperation going on. **Mr. Snortland** said they have worked with the health laboratory very closely, making sure the type of samples they do are not duplicated. We do primarily feed, fertilizer, pesticide and groundwater.

Vote: Motion passed unanimously.

MOTION: REP. COBB moved C-95, Personal Services to remove 4% in '93. Second by Rep. Bardanouve.

Mrs. Cohea said that would be \$111,766.

Vote: Motion passed 12 to 6 with Reps. Bradley, Johnson, Kimberley, Cody, Quilici and Menahan voting no.

Weights and Measures Bureau:

MOTION: REP. KIMBERLEY moved mod 1, Equipment Replacement C-114, be adopted. Second by Rep. Bardanouve.

REP. KADAS asked what kind of mileage these vehicles had and Chuck Brooke, Director, Dept. of Commerce, said he would like the Program Administrator to address the questions. Mr. Jim Kembel, Safety Division, said the vehicles are on replacement schedule and are the ones that we are going to replace run from 150,000 to 111,000 miles. REP. MENAHAN asked why these agencies are all on replacement and the Dept. of Institutions, those that move people around, have 150,000 to 300,000 miles on them.

REP. PETERSON said there is a whole list here of automobiles, trucks, computers, etc. and it isn't a very big budget. Mr. Kembel said we have a two ton truck and a 1/2 ton pickup as well as some packaging scales, cable hoist, a couple provers for testing meters and the second year it is two pickups. REP. BARDANOUVE said they travel all over Montana. REP. NISBET said some of the equipment this bureau has been using dates back to the 1940s and is in bad shape. Some of it is dangerous and needs to be replaced. He said he had carried a bill that had passed and was in the hands of the Governor to increase the fees of the petroleum metering devices on gas pumps etc., that pays for about half the cost of this.

Vote: Motion passed unanimously.

Financial Division:

Motion/Vote: REP. KIMBERLEY moved mod 1, Bank Analysts Computers be adopted. Second by Rep. Bardanouve. Motion passed unanimously.

MOTION: REP. KIMBERLEY moved a technical amendment page C-119, EXHIBIT E be adopted.

Vote: Motion passed unanimously.

REP. NISBET said he had an amendment which was the other half of the ones he made on FWP.

Motion/Vote: REP. NISBET moved to amend HB 2 on page C-119 EXHIBIT E. Second by Rep. Bardanouve. Motion passed 16 to 2 with Reps. Cody and Grinde voting no

Policy Bureau:

Motion/Vote: REP. KIMBERLEY moved mod 1, C-120, Impairment Program - Dentists be adopted. Second by Rep. Menahan. Motion passed unanimously.

Aeronautics Division:

MOTION: REP. KIMBERLEY moved mod 1, West Yellowstone Airport Maintenance, C-122 be adopted. Second by Rep. Bardanouve.

REP. PECK asked if this was federal money and was told it was Proprietary money. REP. CONNELLY asked if this is the same thing we are doing in LRP. REP. BARDANOUVE said part of it is. REP. CONNELLY asked why it is in here then and was told the one in LRP was a major project. Mr. Brooke said the paving project was in LRP, this is considered maintenance.

Vote: Motion passed unanimously.

Transportation Division:

MOTION: REP. KIMBERLEY moved mod 1, Local Rail Service Grant C-125 be adopted. Second by Rep. Bardanouve

REP. CONNELLY asked why we are building railroads. Mr. Brooke said this is a Central Montana Railroad. This is for maintenance and any of the rail lines in the state can apply for that rail maintenance fund. Montana Rail Link has applied for it and it is used for tie replacement, grade replacement etc. This is federal money and has been an ongoing appropriation for many years.

Vote: Motion passed unanimously.

Mr. Brooke passed out amendment, EXHIBIT F and said in subcommittee they made the mistake of not identifying this as a biennial appropriation so money could be carried over to the second year. It involves \$1.8 million in Burlington Northern Settlement Payback and is also available for rail rehabilitation projects in the state. This is merely a language change on the appropriation.

Motion/Vote: REP. KIMBERLEY moved the amendment EXHIBIT F for a language change. Second by Rep. Bardanouve. Motion passed unanimously.

Business Development Division:

MOTION: REP. KIMBERLEY moved an amendment Page C-127, EXHIBIT G be adopted. Second by Rep. Nisbet.

Mr. Brooke said they prepared their budget in July and asked the subcommittee for 1 FTE and \$32,627 in Personal Service line items to staff a Canadian Trade office. Since that time, they have decided the state's interest and expenses would be best served by eliminating the FTE and asked that \$32,627 be moved from the

Personal Services line item to the operating expenses and they would contract for that position rather than have it in-house. **REP. BARDANOUE** asked what kind of funding and was told \$14,000 was general fund.

It was decided this mod should go on page C-128 and listed there. Motion was withdrawn until mod 4 is acted on.

Motion/Vote: **REP. KIMBERLEY** moved mod 1, Montana Products Directory, C-129 be adopted. Second by Rep. Bardanoue. Motion passed unanimously

MOTION: **REP. KIMBERLEY** moved mod 2, Procurement Technical Assistance Program be adopted. Second by Rep. Bardanoue.

REP. PETERSON asked if these 4 FTE are on board and **REP. BARDANOUE** said they are on board by budget amendment.

There was some question as to whether the title on C-128 or C-129 is the more accurate and **Mr. Brooke** said the title on C-128 would be more accurate. C-128 mod 2 is listed as Defense Logistics Contract. **REP. PETERSON** said Montana is much lower than other states in federal contracts and this would help us to come up to speed to make those bids.

Vote: Motion passed unanimously.

Motion/Vote: **REP. KIMBERLEY** moved mod 3, Economic Development Administration (EDA) and Community Development Block Grant (CDBG) be adopted. Second by Rep. Bardanoue. Motion passed unanimously.

MOTION: **REP. KIMBERLEY** moved mod 4, Canadian Trade Office with the amendment (EXHIBIT G) to take out the FTE be adopted. Second by Rep. Bardanoue.

REP. KADAS asked if this was matching general fund money. **Mr. Brooke** said they need \$14,000 in general fund and will raise money from the private sector. Basically it is not matching dollars, but is what is felt necessary per year to get it started. This will be a new office located at Calgary.

Vote: Motion passed unanimously.

MOTION: **REP. KIMBERLEY** moved mod 5, International Affairs Coordinator be adopted. Second by Rep. Nisbet.

REP. KADAS asked how they are getting \$30,000 of the Accommodations tax. Why not fund the whole thing with the Accommodations tax? **Mr. Brooke** said basically they feel about 1/3 of their workload is in the tourism area, 1/3 in the advertising and manufactured products area and 1/3 in normal manufactured products trade. In all these we have the 3 fundings. The cost is prorated to the amount of work.

Vote: Motion passed 13 to 5 with Reps. Kadas, Swysgood, Cobb, Thoft and Connelly voting no.

MOTION: REP. KIMBERLEY moved mod 6, Small Business Development Center be adopted. Second by Rep. Bardanouve.

REP. SWYSGOOD asked if this was over and above the Governor's budget. Bob Heffner, Business Development Division, said they weren't aware the funds would be available when they prepared the executive budget so it was presented to the subcommittee.

REP. KADAS asked what will happen if they are unable to raise the private dollars that you need. Mr. Brooke said basically they would have to come up with a modified program with corporal representation. That is part of the advantage of having contracted services.

Vote: Motion passed 17 to 1 with Rep. Cobb voting no.

Montana Promotion Division:

MOTION: REP. KIMBERLEY moved Mod 1, MT Promotion Division be adopted.

REP. BRADLEY asked how that figure compare to the last appropriation. Carole Graham said in FY '90 they had \$5 million they spent on accommodation tax, 25% of those monies are pass through to the local regions. She said this shows an increase in the executive budget from the FY '91 appropriated level. REP. BRADLEY said she wanted to know what that is and was told about \$7 million. They actually spent \$5 million so the revenue estimate for '91 will be \$3.something million, so it will be back up to \$5 million.

REP. JOHNSON said one statement says this revenue will be used to promote tourism throughout the state, is this the portion that goes to the tourist end? Ms. Graham said this is the entire amount. 25% of that amount will go to the regions. REP. JOHNSON said then this is the increase over the current appropriation and she said yes.

Vote: Motion passed unanimously.

Community Development Bureau:

MOTION: REP. KIMBERLEY moved mod 1, Section 8 Grant Increase, C-133 be adopted. Second by Rep. Nisbet.

REP. CODY asked where the money went and Newell Anderson, Administrator, Local Government Assistance, said this is strictly rent assistance.

Vote: Motion passed unanimously.

Office of Research & Information Services:

MOTION: REP. KIMBERLEY moved mod 1, Automation of Census be adopted C-136. Second by Rep. Bardanouve.

REP. BARDANOUVE said if you provide this as a service, can't you charge for these tapes? Jan Clack, Administrator of Office of Research & Information Services, said the monies sought here are to program the data received from the Census bureau and other federal statistical agencies that we receive at no charge from the federal program. We need the one FTE Computer programmer to cope with these tapes and make them user friendly and turn them into printed format for clients in the state government and in the business communities and local governments in the state.

REP. BARDANOUVE asked about mailing charges. Can't you charge for this service? Ms. Clack said they have a minimal cost recovery program and money from that returns to the general fund. She said usually there is no cost but it depends on the format, etc.

REP. KADAS asked how much revenue they generate. What is the total annual amount? Ms. Clack said around \$2,000 to \$3,000. REP. KADAS asked who requests this type of information and she told him she believed all of the state agencies use census data and field economic analysis data. REP. KADAS asked if they had any private users and was told yes. She said 1/3 of the requests they get are from the business community. REP. KADAS asked if they would need the mod if the census hadn't just come up. Ms. Clack said no, they would not. REP. KADAS asked if they would need ongoing funds to maintain this FTE. Ms. Clack said no, and in subcommittees that was one of the conditions of approval.

Vote: Motion passed unanimously.

Tape 5

Local Government Services-Audit:

Motion/Vote: REP. KIMBERLEY moved mod 1, Local Government Peer Review, C-138 be adopted. Second by Rep. Bardanouve. Motion passed unanimously.

Building Codes Bureau:

Motion/Vote: REP. KIMBERLEY moved 1, Vehicle Replacement C-143, be adopted. Second by Rep. Nisbet. Motion passed unanimously.

Indian Affairs Coordinator:

Motion/Vote: REP. KIMBERLEY moved 1, EEO Grant-Indian Affairs, C-145 be adopted. Motion passed 11 to 7 with Reps. Swysgood, Zook, Thoft, Grinde, Peterson, Cobb and Peck voting no.

REP. PETERSON said in the Executive budget it says zero FTE and in the committee it says 2.53, but is the funding right? REP.

KIMBERLEY said the Dept. indicated they would use that money to put on FTE.

Investments Division:

MOTION: REP. KIMBERLEY moved mod 1, Additional FTE BOI/HFA, C-152 be adopted. Second by Rep. Nisbet.

REP. CONNELLY asked who is doing this now? Dave Lewis, Investment Division, said they issue bonds for local governments and provide services for the health facility authority that issues bonds for various hospitals and health facilities in the state. The number of bond issues for this year will probably be double what it was last year. We charge each of the people we issue a fee that is paid by the people who do the work. This is to take care of an increase in demand.

REP. KADAS asked how much we spend in contracted service for outside bond help. Mr. Lewis said when we do our bond issues there is a cost of issuance involved. That is paid out of the bond issue itself, we don't pay it out of our contracted services. It averages about 2% on each bond issue, for bond counsel, the underwriters, etc. The work they do inhouse, preparation of the document, working with the issuer, whether it is Deaconess Hospital in Billings or it could be a county or a power plant, or whatever--that is the work they do inhouse.

There was further discussion about financial advisors, bond counsel, etc.

Vote: Motion passed unanimously.

MOTION: REP. KIMBERLEY moved mod 2, portfolio Managers be adopted. Second by Rep. Nisbet.

REP. PETERSON said this is not in the Executive budget. Mr. Lewis said their Board was very interested in getting 4 additional bond portfolio managers, they wanted exempt positions to enable them to recruit and hire journeymen people they need. They put in legislation to request that and the Administration chose not to give us that legislation. The turn down came in December which was too late to get it to the Executive budget and the Board requested they come back to the subcommittee and ask for one the first year and two the second that will be hired as classified positions. We will have to hire beginning level people instead of trained people.

REP. BARDANOUVE said we have one of the best investment programs in America. REP. SWYSGOOD had asked the budget office if this had been presented to them since that time and Mr. Sundsted said he is aware that it is in here and it came in through the subcommittee. REP. KADAS asked what happens if they don't get these people and Mr. Lewis said their portfolio now is \$3.5 billion and they are projecting it will go to \$4.5 billion by the

end of the coming biennium. Their stock portfolio as of last Friday was valued at \$460 million and the \$460 million portfolio costs us \$300 million. The \$160 million gain did not happen by accident, it requires people working that on a daily basis. He said they can't do as good a job in the next two years if they don't have the people to handle the growth.

Vote: Motion failed 9 to 9 with Rep. Swysgood, Peck, Thoft, Connelly, Kadas, Zook, Peterson, Grinde and Cobb voting no.

Montana State Lottery:

Motion/Vote: REP. KIMBERLEY moved mod 1, C-154, Lotto America and On-Line Exp. be adopted. Second by Rep. Nisbet. Motion passed unanimously.

Motion/Vote: REP. KIMBERLEY moved mod 2, Vehicles Replacement be adopted. Second by Rep. Nisbet. Motion passed 17 to 1 with Rep. Menahan voting no.

Mr. Brooke said this would be the elimination of the last 5 of the 4-wheel drive vehicles that were originally purchased. They have changed to using lower cost vehicles, better mileage, front wheel drive cars.

REP. BARDANOUVE said he really felt the committee had been penny wise and pound foolish. The Investment Board is one of the best run anywhere. They have one of the highest rates of return and there are some very able people there. We have seen S & L's, and banks have failed because they invested in realty. There was a move by the Board members to get into real estate when it was high. A report prepared by one of their managers forecast what happened to American banks and investment companies. Had he not been there the Board might have invested.

MOTION: REP. BARDANOUVE moved to reconsider the action and put one FTE in mod 2, Portfolio Managers, C-152. Second by Rep. Cody.

REP. KIMBERLEY said it is hard to justify refusing them and asked the budget office to comment. Mr. Sundsted said he was not speaking against the motion, it came in late and was not presented to us and that is why it was not in the Governor's budget. He said he had not taken a position on it and it may well be necessary positions.

REP. KADAS said he did not want to be "bashed" for putting in an FTE into the Governor's budget, and would like the Executive to say it was needed before he voted for it. Mr. Sundsted said there is no general fund involved in this. Mr. Brooke said this is a part of his budget and he would answer for his department. He said this information and numbers that would be generated by the FTEs was not made available to them and it was not put into the budget. Mr. Lewis did the analysis and presented it to the

subcommittee. It is hard to argue with the numbers and it is projected that our investment efforts would be more productive. He said his office had projected returns from this program, they can do it with the FTE projected, they are representing it to us they can do more than the projected with the extra people.

REP. MENAHAN said the point is that the Legislature has to do some things we think are right. This is not a political ball, this is a Board run by a citizen board and directed by things that are separate from politics and he felt they should be taken care of. This is pensions and the monies belonging to the people of the state.

REP. QUILICI said it won't be too long and we will be looking for a lot of money to pay for a lot of the programs we have and the Board of Investments has been one of the best run operations he had ever seen. **REP. CONNELLY** reminded the committee this same Board gave the top people over there a huge increase in salary and there were repercussions around the state because of the amount of the increase. She felt there were times they did not use enough discretion in how they ran their operations.

REP. BARDANOUVE said he recognized the big salaries that were given, but the kind of people they hire are hired by banks and big investment companies across America and we cannot touch those people if we don't give them a decent salary.

Vote: Motion to reconsider passed 10 to 8, roll call vote # 15.

Motion/Vote: **REP. BARDANOUVE** moved to add one FTE the first year and no additional FTE in the second. Second by Rep. Nisbet. Motion passed 10 to 8, roll call vote # 16.

MOTION: **REP. COBB** moved to take 4% out of Personal Services, for FY '93, C-109. This would exclude the Professional Boards and Bureaus. Motion passed 16 to 2, Roll Call Vote # 17.

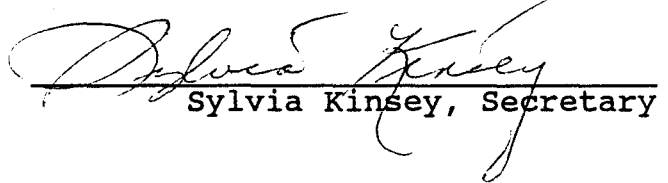
Mrs. Cohea said one way is to exclude Professional and Occupational Licensing Bureau and that would not get every single Board in the agency, but it would get the majority. Board members are not paid salaries, only per diem. She said she would assume those salaries that are paid by the occupational licensing fees paid by boards would not be subject to the 4% reduction. **REP. COBB** said that was correct and the committee agreed.

MOTION/VOTE: **REP. KIMBERLEY** moved to close the section on Natural Resources & Commerce. Second by Rep. Bardanouve. Motion carried 17 to 1 with Rep. Cobb voting no.

ADJOURNMENT

Adjournment: 7:30 p.m.


FRANCIS BARDANOUE, Chair


Sylvia Kinsey, Secretary

FB/sk

HOUSE OF REPRESENTATIVES

APPROPRIATIONS COMMITTEE

ROLL CALL

DATE

3/16/91

| NAME | PRESENT | ABSENT | EXCUSED |
|-----------------------------------|---------|--------|---------|
| REP. FRANCIS BARDANOUVE, CHAIRMAN | ✓ | | |
| REP. RAY PECK, VICE-CHAIRMAN | ✓ | | |
| REP. DOROTHY BRADLEY | ✓ | | |
| REP. JOHN COBB | ✓ | | |
| REP. DOROTHY CODY | ✓ | | |
| REP. MARY ELLEN CONNELLY | ✓ | | |
| REP. ED GRADY | ✓ | | |
| REP. LARRY GRINDE | ✓ | | |
| REP. JOHN JOHNSON | ✓ | | |
| REP. MIKE KADAS | ✓ | | |
| REP. BERV KIMBERLEY | ✓ | | |
| REP. WM. "RED" MENAHAN | ✓ | | |
| REP. JERRY NISBET | ✓ | | |
| REP. MARY LOU PETERSON | ✓ | | |
| REP. JOE QUILICI | ✓ | | |
| REP. CHUCK SWYSGOOD | ✓ | | |
| REP. BOB THOFT | ✓ | | |
| REP. TOM ZOOK | ✓ | | |
| | | | |
| | | | |

3-16-91

The information in Exhibit 1 can be seen in Exhibit 7 for the previous day (Dept. of Health mods).



TERESA OLCOTT COHEA
LEGISLATIVE FISCAL ANALYST

STATE OF MONTANA
Office of the Legislative Fiscal Analyst

STATE CAPITOL
HELENA, MONTANA 59620
406/444-2986

EXHIBIT 1 A
DATE 3-16-91
HB 2

HOUSE APPROPRIATIONS ACTION THROUGH MARCH 15, 1991

| <u>AGENCY</u> | <u>GENERAL FUND</u> | <u>OTHER FUNDS</u> | <u>FY92 FTE</u> | <u>FY93 FTE</u> |
|--|----------------------|--------------------|-----------------|-----------------|
| GENERAL GOVERNMENT AND HIGHWAYS | | | | |
| LEGISLATIVE AUDITOR | | | | |
| Additional Auditors | (\$239,683) | \$4,722 | -4.50 | -4.50 |
| JUDICIARY | | | | |
| Salary Increase (Law Library) | (\$10,288) | | | |
| Salary Increase (Water Court) | | (\$22,840) | | |
| Salary Increase (Clerk of Court) | (\$6,646) | | | |
| Westlaw | \$64,976 | | | |
| 4% Reduction in Personal Services | (\$78,992) | (\$27,458) | | |
| GVERNOR'S OFFICE | | | | |
| NASBO | (\$10,000) | | | |
| Additional Equipment | (\$4,000) | | | |
| 4% Reduction in Personal Services | (\$71,127) | (\$15,331) | | |
| STATE AUDITOR | | | | |
| General Office Remodelling | (\$15,000) | | | |
| Additional Remodelling | (\$10,000) | | | |
| Computer System Analyst | (\$67,150) | | -1.00 | -1.00 |
| ational Insurance Dues | (\$5,000) | | | |
| Office Equipment | (\$6,915) | | | |
| Travel Increase | (\$2,850) | | | |
| Equipment Maintenance Contracts | (\$12,280) | | | |
| 4% Reduction in Personal Services | (\$60,951) | (\$13,225) | | |
| DEPARTMENT OF REVENUE | | | | |
| Three Vehicles | (\$32,775) | | | |
| 4% Reduction in Personal Services | (\$607,429) | (\$82,900) | | |
| DEPARTMENT OF ADMINISTRATION | | | | |
| Employee Newsletter | | (\$16,000) | | |
| Combined Campaign | | (\$20,000) | | |
| Professional Development | | (\$30,292) | | |
| Port Claims Staff | | (\$21,738) | -0.50 | -0.50 |
| 4% Reduction in Personal Services | (\$39,465) | (\$13,714) | | |
| DEPARTMENT OF MILITARY AFFAIRS | | | | |
| Army Guard Repair and Maintenance | (\$92,355) | | | |
| Earthquake Management | | (\$94,600) | -1.00 | -1.00 |
| CRIME CONTROL | | | | |
| Victims of Crime | | \$2,000 | | |
| Juvenile Justice | | (\$42,000) | | |
| DEPARTMENT OF JUSTICE | | | | |
| Highway Patrol Radios | | (\$51,000) | | |
| Legal Service | \$27,200 | | | |
| Drug Enforcement | (\$615,624) | \$615,624 | | |
| Data Processing Fee Increase | (\$109,830) | | | |
| 4% Reduction in Personal Services | (\$326,772) | (\$419,253) | | |
| DEPARTMENT OF HIGHWAYS | | | | |
| Warrant writing system | | (\$16,192) | | |
| TOTAL SECTION A | (\$2,332,956) | (\$264,197) | -7.00 | -7.00 |

Ex. 1A
3-16-91
HB 2

HUMAN SERVICES

SOCIAL AND REHABILITATION SERVICES

| | | | | |
|---------------------------|---------------|---------------|--|--|
| SEARCHS | | (\$5,513,120) | | |
| AFDC benefits | (\$1,376,900) | (\$3,854,976) | | |
| GA benefits | (\$360,454) | | | |
| Medical provider increase | (\$3,672,119) | (\$9,267,329) | | |
| DD unserved clients | \$1,178,835 | | | |

FAMILY SERVICES

| | | | | |
|-------------------------------|-------------|-------------|-------|--------|
| Management Information system | (\$729,963) | (\$81,107) | | |
| Additional social workers | (\$624,334) | (\$110,176) | -5.50 | -15.50 |

HEALTH AND ENVIRONMENTAL SCIENCES

| | | | | |
|------------------------|-------------|---------------|-------|-------|
| Specialist upgrades | (\$36,818) | (\$1,089,464) | | |
| Landfill management II | | (\$607,670) | -5.34 | -5.84 |
| Vaccine | (\$194,686) | (\$205,314) | | |

| | | | | |
|-------|---------------|----------------|--------|--------|
| TOTAL | (\$5,816,439) | (\$20,729,156) | -10.84 | -21.34 |
|-------|---------------|----------------|--------|--------|

| | | | | |
|---------------|---------------|----------------|--------|--------|
| Total to Date | (\$8,149,395) | (\$20,993,353) | -17.84 | -28.34 |
|---------------|---------------|----------------|--------|--------|

Section A and a portion of Section B

Amend. ~~1~~ #1
unanim.
Cobb
passed 3-16-91

Am 1 / 10, then

\$25,000 of G.F. ^{2mm} egg in Chemistry & Public
Health Lab shall be set aside for
testing by Food & Consumer Bureau & Department
Health Bureau.

Amend 2. 4, 17 2 & 1

HOUSE OF REPRESENTATIVES

APPROPRIATIONS

ROLL CALL VOTE TIME 8:34
 DATE 3-16-91 BILL NO. 2 NUMBER 1

MOTION: 4, PUGH & DUES

| NAME | AYE | NO | ABSENT |
|-----------------------------------|-----|----|--------|
| REP. RAY PECK, VICE-CHAIRMAN | ✓ | | |
| REP. DOROTHY BRADLEY | ✓ | | |
| REP. JOHN COBB | ✓ | | |
| REP. DOROTHY CODY | ✓ | | |
| REP. MARY ELLEN CONNELLY | ✓ | | |
| REP. ED GRADY | ✓ | | |
| REP. LARRY GRINDE | ✓ | | |
| REP. JOHN JOHNSON | ✓ | | |
| REP. MIKE KADAS | | ✓ | |
| REP. BERV KIMBERLEY | ✓ | | |
| REP. WM. "RED" MENAHAN | ✓ | | |
| REP. JERRY NISBET | | ✓ | |
| REP. MARY LOU PETERSON | ✓ | | |
| REP. JOE QUILICI | | ✓ | |
| REP. CHUCK SWYSGOOD | ✓ | | |
| REP. BOB THOFT | ✓ | | |
| REP. TOM ZOOK | ✓ | | |
| REP. FRANCIS BARDANOUVE, CHAIRMAN | ✓ | | |
| TOTAL | 15 | 3 | |

Roll Call Note #2

3-16-91

Grady
Amended

#2

Suggested amendment to Block Grant Language for MCH grant, DHES:

Maternal and Child Health Block Grant

The total appropriation for the department includes \$2,204,425 in fisscal 1992 and \$2,204,426 in fiscal 1993 from the maternal and child health block grant. To the extent revenues from the grant exceed these amounts, they must be distributed to the counties based upon identifiable needs. To the extent revenues from the grant are less than these amounts, ~~distributions-to-the-counties~~ allocations must be reduced proportionately among state programs and grants to counties.

HOUSE OF REPRESENTATIVES

APPROPRIATIONS

ROLL CALL VOTE

TIME

DATE 3-16-91 BILL NO. 2 NUMBER 2

MOTION:

Grady #2

| NAME | AYE | NO | ABSENT |
|-----------------------------------|-----|----|--------|
| REP. RAY PECK, VICE-CHAIRMAN | | ✓ | |
| REP. DOROTHY BRADLEY | ✓ | | |
| REP. JOHN COBB | ✓ | | |
| REP. DOROTHY CODY | ✓ | | |
| REP. MARY ELLEN CONNELLY | ✓ | | |
| REP. ED GRADY | ✓ | | |
| REP. LARRY GRINDE | | ✓ | |
| REP. JOHN JOHNSON | ✓ | | |
| REP. MIKE KADAS | | ✓ | |
| REP. BERV KIMBERLEY | ✓ | | |
| REP. WM. "RED" MENAHAN | ✓ | | |
| REP. JERRY NISBET | ✓ | | |
| REP. MARY LOU PETERSON | | ✓ | |
| REP. JOE QUILICI | ✓ | | |
| REP. CHUCK SWYSGOOD | | ✓ | |
| REP. BOB THOFT | ✓ | | |
| REP. TOM ZOOK | ✓ | | |
| REP. FRANCIS BARDANOUVE, CHAIRMAN | | ✓ | |
| TOTAL | 12 | 6 | |

Major Current Level Budget Increases
Department of Health and Environmental Sciences

| <u>Object</u> | <u>Fiscal 1990</u> | <u>Fiscal 1992</u> | <u>Fiscal 1993</u> |
|---------------|--------------------|--------------------|--------------------|
|---------------|--------------------|--------------------|--------------------|

All Programs

| | | | |
|-----------------------------|-----------|-------------|-------------|
| <u>Indirect Assessments</u> | \$985,879 | \$2,409,032 | \$2,296,799 |
| B-7 | | | |

Indirect assessments increase due to two factors:

- 1) the indirect rate the federal government is willing to pay and which the department must apply increased over the fiscal 1990 rate; and
- 2) the rate is applied against personal services costs, which increase due to vacancy savings in fiscal 1990 and the additional FTE.

Overall Agency Operations

| | | | |
|-------------------------|--------|----------|----------|
| <u>Medical Director</u> | \$ -0- | \$80,207 | \$80,142 |
| B-13 | | | |

A medical director was added to advise the agency director on medical issues, as he is no longer required to be a medical doctor. The position is funded with approximately 75% general fund and 25% federal block grant.

Environmental Programs

Environmental Quality

| | | | |
|------------------------|----------|-------------|-------------|
| <u>Protection Fund</u> | \$ -0- * | \$1,000,000 | \$1,000,000 |
| B-19 | | | |

Authority was added to allow the department to expend from the fund as needed in response to environmental emergencies. Although there are no expenditures in the "Actual Fiscal 1990" column in the main tables, expenditures totaled just over \$1,000,000 from the fund in that year. The fund consists of state special revenue from the collection of damages and cost reimbursement from responsible parties.

| | | | |
|------------------|-----------|-------------|-------------|
| <u>Superfund</u> | \$939,494 | \$5,526,474 | \$5,526,474 |
| B-25 | | | |

Operating expenses were increased to allow expenditure for superfund remedial action if necessary. The program is entirely federally funded.

State Superfund, Leaking

Underground Storage Tanks,

| | | | |
|------------------------|-----|-----------|-----------|
| <u>Hazardous Waste</u> | --- | \$373,000 | \$373,000 |
| B-25 | | | |

The increases above were given to the State Superfund, Leaking Underground Storage Tank, and Hazardous Waste programs to provide additional remedial action as needed. The increases are funded with RIT and federal funds.

Underground Storage Tank

| | | | | |
|----|---------------|--------|-----------|-----------|
| 6/ | <u>Grants</u> | \$ -0- | \$262,604 | \$262,604 |
| | B-25 | | | |

Legislation enacted in fiscal 1990 requires the department to provide grants to local entities for their costs of underground storage tank activities. No grants were awarded in fiscal 1990 pending a legal review. The 1993 biennium includes total expected grants. The increase is funded with state special revenue.

Public Water Supply Grants

| | | | | |
|----|----------------------|----------|-----------|-----------|
| 6/ | <u>and Contracts</u> | \$50,964 | \$206,186 | \$206,186 |
|----|----------------------|----------|-----------|-----------|

The Public Water Supply program provides grants and contracts to local entities to perform certain testing and monitoring functions. Both of these components were increased to allow additional activities. The increases are funded with 75% federal funds and 25% RIT.

Health Programs

| | | | | |
|----|----------------------------|-----------|----------|----------|
| 7/ | <u>Certificate of Need</u> | \$165,172 | \$96,028 | \$95,874 |
| | B-37 | | | |

Due to the scheduled sunset of certificate of need requirements at the end of the 1991 biennium, the Health Planning Bureau was reduced, including a reduction in FTE of 2.5 to 2.25 FTE. The bureau is entirely funded with general fund.

Health Facility Licensure and Certification

B-48

8/

The Licensing, Certification, and Construction Bureau is funded with general fund and federal medicaid and medicare funds. The actual level of expenditure from each fund depends upon the time spent on each of the three bureau functions: 1) licensure, which is 100% general funded, 2) recommendation of medicare certification, which is 100% federally funded, and 3) medicaid certification, which is federally funded with a general fund match. All current level expenditures, with the exception of current level expenditures made in response to additional federal requirements in the 1991 biennium, are funded on the assumption that bureau staff will spend one-third of their time in each activity as recommended by the federal government. Actual expenditures in the 1993 biennium will reflect actual time spent, and any excess general fund appropriation must be reverted to the general fund.

Language & Intent

Dept of Labor & Industry

13-54
Passer
1. All unappropriated revenue to and fund balance in the Unemployment Insurance Administrative Tax account is appropriated to a reserve fund for job service administrative costs. The amount of unappropriated funds for deposit into the reserve shall be determined after all other Unemployment Insurance Administrative Tax appropriations are funded. The job service reserve fund shall be maintained within the Unemployment Insurance Administrative Tax account. Interest earned on the job service reserve shall be deposited into the job service reserve fund. Sufficient funds from the job service reserve are appropriated to the department to fund the job service federal fund appropriation in fiscal 1992 and 1993, contingent upon receipt of federal funds for the support of job service functions that are less than the level received in fiscal 1991. Funds in the job service reserve shall not be transferred to the Unemployment Insurance Trust fund until January 30, 1993.

Amended
But
Passer
2. The department, in concert with other interested parties, shall prepare formal guidelines for use of the Unemployment Insurance Administrative Tax funds and present these guidelines to the Fifty-third legislature. At a minimum, the guidelines shall include a prioritization of programs and activities to be funded. The criteria for prioritization shall include the following considerations: 1) loss of federal funding, impact on rural communities, and employer/employee related functions; and 2) the establishment and maintenance of a reserve fund to ensure employment security services continue in the event of federal fund reductions.

OK
3. The amount of Unemployment Insurance Administrative Tax funding for the Jobs for Montana's Graduates program may not be increased.

OK
*4. It is the intent of the legislature that the Jobs for Montana's Graduates program pursue other funding sources in future biennia.

OK
5. The department is appropriated up to \$1 million each year from accounts established in sections 39-71-502 and 39-71-901, MCA, to pay uninsured employer and subsequent injury benefits as required by sections 39-71-503 and 39-71-907, MCA.

OK
*6. The department shall use the additional FTE and operating expenses included in the Case Backlog budget modification to reduce the backlog of cases filed with the Human Rights Commission. It is intended that an additional 100 cases per year be closed.

OK
7. Funds appropriated to the Montana Job Training Partnership (MJTP) are one-time only funds and may only be used if and to the extent federal JTPA funds allocated to the state are less than the amount allocated in state fiscal year 1991. Unspent funds revert to the job service reserve fund in the Unemployment Insurance Administrative Tax account.

*Legislative Intent

EXHIBIT 4DATE 3-16-91HB 2

Note #13

Executive
Budget Modifications

| Modification Name | G. Fund 92-93 | Total 92-93 | Description |
|---|------------------|----------------|---|
| 1. Federal EDWAA/TAA (Economic Dislocated Worker Adjustment & Assistance/ Trade Adjustment Assistance) | 0 | \$507,359 | Adds 6.0 FTE and operating expenses to Job Service Division to provide job training services to potentially laid off employees before a business shuts down. Begun in fiscal 1991 through a budget amendment. Federal funds. |
| 2. EDWAA/TAA Participant Payments | 0 | \$1,261,228 | Provides grants and/or supportive service payments to participants in the Job Service EDWAA/TAA program. Federal funds. |
| 3. Jobs for Montana's Graduates | 0 | \$251,002 | Adds 1.0 FTE, operating expenses, and grant funds to Job Service to provide job training services to high school students at risk of dropping out. Begun via budget amendment in fiscal 1991. Federal funds: UI Admin Tax. |
| 4. UI Accounts Receivable | 0 | \$234,297 | This modification adds 3.0 FTE and operating expenses for collection of UI accounts receivable. The department anticipates adding \$550,000 to the UI Trust fund over the biennium as a result of these collection activities. Federal funds. |
| 5. PWP Contracts | 0 | \$572,290 | Provides matching funds for anticipated grants from the Department of Social & Rehabilitation Services for the Project Work Program. Federal funds: UI Admin Tax. |
| Total Exec Budget Mods | \$0 | \$2,826,206 | |

Subcommittee
Budget Modifications

| Modification Name | G. Fund 92-93 | Total 92-93 | Description |
|---|------------------|----------------|---|
| 1. Case Backlog <i>Added passed for 1 & 12</i> | \$128,770 | \$128,770 | Adds 2.0 FTE and operating expenses to reduce the backlog of cases filed with the Human Rights Commission. At fiscal year end 1990, 410 cases remained open. An estimated 187 cases will be filed in 1991. Existing staff can close approximately 300 cases per year. The case backlog was brought up last session, but not addressed by the legislature. General fund. |
| 2. Apprenticeship Instruction <i>no motion</i> | \$0 | \$200,000 | Provides funding for apprenticeship instruction programs, which recently became ineligible for Carl Perkins funds which have supported these programs in the past. Federal funds: UI Admin Tax. |
| 3. JTPA Funding <i>Passed</i> | \$0 | \$3,000,000 | Replaces federal JTPA funds anticipated to be lost in the 1993 biennium. JTPA funds are distributed to program operators across the state, including two divisions of the Department of Labor & Industry. Federal funds: UI Admin Tax |
| Total Subcommittee Mods | \$128,770 | \$3,328,770 | |

EXHIBIT 5
DATE 3-16-91
HB 2

Language & Legislative Intent
Page B-78

Language

Following:

"Funds appropriated to"

Strike:

"the Montana Job Training Partnership (MJTP)"

Insert:

"replace federal fund reductions in Job Training Partnership Act (JTPA) programs statewide"

Legislative Intent

Strike:

"The Montana Job Training Partnership (MJTP)"

Insert:

"Federal fund reductions in JTPA"

Following:

"in the 1993 biennium."

Strike:

"MJTP shall allocate funds"

Insert:

"The Department shall allocate JTPA funds"

HOUSE OF REPRESENTATIVES

APPROPRIATIONS

ROLL CALL VOTE

TIME

9:51 AM

DATE

3-16-91

BILL NO.

2

NUMBER

3

MOTION:

① most
Case Backlog. Sub comm

| NAME | AYE | NO | ABSENT |
|-----------------------------------|-----|----|--------|
| REP. RAY PECK, VICE-CHAIRMAN | | ✓ | |
| REP. DOROTHY BRADLEY | ✓ | | |
| REP. JOHN COBB | ✓ | | |
| REP. DOROTHY CODY | | ✓ | |
| REP. MARY ELLEN CONNELLY | ✓ | | |
| REP. ED GRADY | | ✓ | |
| REP. LARRY GRINDE | | ✓ | |
| REP. JOHN JOHNSON | ✓ | | |
| REP. MIKE KADAS | ✓ | | |
| REP. BERV KIMBERLEY | ✓ | | |
| REP. WM. "RED" MENAHAN | ✓ | | |
| REP. JERRY NISBET | ✓ | | |
| REP. MARY LOU PETERSON | | ✓ | |
| REP. JOE QUILICI | | ✓ | |
| REP. CHUCK SWYSGOOD | | ✓ | |
| REP. BOB THOFT | | ✓ | |
| REP. TOM ZOOK | | ✓ | |
| REP. FRANCIS BARDANOUVE, CHAIRMAN | ✓ | | |
| TOTAL | 9 | 9 | |

HOUSE OF REPRESENTATIVES

APPROPRIATIONS

ROLL CALL VOTE

TIME

10:02

DATE

3-16

BILL NO.

2

NUMBER

4

MOTION:

*One F + E
in 1)*

| NAME | AYE | NO | ABSENT |
|-----------------------------------|-----|----|--------|
| REP. RAY PECK, VICE-CHAIRMAN | ✓ | | |
| REP. DOROTHY BRADLEY | ✓ | | |
| REP. JOHN COBB | ✓ | | |
| REP. DOROTHY CODY | ✓ | | |
| REP. MARY ELLEN CONNELLY | ✓ | | |
| REP. ED GRADY | | ✓ | |
| REP. LARRY GRINDE | | ✓ | |
| REP. JOHN JOHNSON | ✓ | | |
| REP. MIKE KADAS | ✓ | | |
| REP. BERV KIMBERLEY | ✓ | | |
| REP. WM. "RED" MENAHAN | ✓ | | |
| REP. JERRY NISBET | ✓ | | |
| REP. MARY LOU PETERSON | | ✓ | |
| REP. JOE QUILICI | ✓ | | |
| REP. CHUCK SWYSGOOD | | ✓ | |
| REP. BOB THOFT | | ✓ | |
| REP. TOM ZOOK | | ✓ | |
| REP. FRANCIS BARDANOUVE, CHAIRMAN | ✓ | | |
| TOTAL | 12 | 6 | |

APPROPRIATIONS

MOTION: 3) I P + A V_i
3) I P + A V_i

| NAME | AYE | NO | ABSENT |
|-----------------------------------|---------------|----|--------|
| REP. RAY PECK, VICE-CHAIRMAN | | ✓ | |
| REP. DOROTHY BRADLEY | ✓ | | |
| REP. JOHN COBB | ✓ | | |
| REP. DOROTHY CODY | ✓ | | |
| REP. MARY ELLEN CONNELLY | ✓ | | |
| REP. ED GRADY | | ✓ | |
| REP. LARRY GRINDE | | ✓ | |
| REP. JOHN JOHNSON | ✓ | | |
| REP. MIKE KADAS | ✓ | | |
| REP. BERV KIMBERLEY | ✓ | | |
| REP. WM. "RED" MENAHAN | ✓ | | |
| REP. JERRY NISBET | ✓ | | |
| REP. MARY LOU PETERSON | | ✓ | |
| REP. JOE QUILICI | ✓ | | |
| REP. CHUCK SWYSGOOD | | ✓ | |
| REP. BOB THOFT | | ✓ | |
| REP. TOM ZOOK | | ✓ | |
| REP. FRANCIS BARDANOUVE, CHAIRMAN | <u>PASSED</u> | | |
| TOTAL | 10 | 7 | |

HOUSE OF REPRESENTATIVES

APPROPRIATIONS

ROLL CALL VOTE

TIME

10:24 AM

DATE

3-16-91

BILL NO.

2

NUMBER

6

MOTION:

4, P. C. & - '93

| NAME | AYE | NO | ABSENT |
|-----------------------------------|-----|----|--------|
| REP. RAY PECK, VICE-CHAIRMAN | ✓ | | |
| REP. DOROTHY BRADLEY | | ✓ | |
| REP. JOHN COBB | ✓ | | |
| REP. DOROTHY CODY | ✓ | | |
| REP. MARY ELLEN CONNELLY | | ✓ | |
| REP. ED GRADY | ✓ | | |
| REP. LARRY GRINDE | ✓ | | |
| REP. JOHN JOHNSON | | ✓ | |
| REP. MIKE KADAS | | ✓ | |
| REP. BERV KIMBERLEY | | ✓ | |
| REP. WM."RED" MENAHAN | | ✓ | |
| REP. JERRY NISBET | | ✓ | |
| REP. MARY LOU PETERSON | ✓ | | |
| REP. JOE QUILICI | | ✓ | |
| REP. CHUCK SWYSGOOD | | ✓ | |
| REP. BOB THOFT | | ✓ | |
| REP. TOM ZOOK | ✓ | | |
| REP. FRANCIS BARDANOUVE, CHAIRMAN | ✓ | | |
| TOTAL | 8 | 10 | |

UI ADMIN TAX

| | FY83 thru FY88 | FY89 | | FY90 | | FY91 | | FY92 | | | | FY93 | | | | FY94 estimate (5) | FY95 estimate (5) |
|----------------------------|----------------------|-----------|-----------|-----------|-----------|--------|--------|-------------------------|-----------------|----------------|-----------|-------------------------|-----------------|----------------|-----------|-------------------------|-------------------------|
| | | actual | actual | actual | actual | budget | budget | executive budget (2) | pay plan (3) | subcom. (4) | total | executive budget (2) | pay plan (3) | subcom. (4) | total | | |
| Beginning Balance | | 2,219,365 | 4,567,273 | 5,585,547 | | | | 3,290,090 | | | 3,290,090 | 3,485,549 | | | 3,485,549 | 3,404,308 | 3,020,433 |
| Revenue (1) | | 2,697,908 | 2,649,424 | 2,795,173 | | | | 2,873,500 | | | 2,873,500 | 2,951,455 | | | 2,951,455 | 3,031,524 | 3,113,760 |
| Interest | | | 246,079 | 446,844 | | | | 263,207 | | | 263,207 | 278,844 | | | 278,844 | 272,345 | 241,633 |
| TOTAL AVAILABLE | 10,895,731 | 4,917,273 | 7,462,776 | 8,827,564 | | | | 6,426,797 | | | 6,426,797 | 6,715,848 | | | 6,715,848 | 6,708,176 | 6,375,833 |
| Expenditures: | | | | | | | | | | | | | | | | | |
| Job Service | | | | | | | | | | | | | | | | | |
| Division | | 350,000 | 551,389 | 769,902 | | | | 749,885 | 334,106 | | 1,083,991 | 746,499 | 669,931 | | 1,416,430 | 1,750,536 | 2,084,640 |
| JMG | | | | | | | | 126,517 | 1,409 | | 127,926 | 124,485 | 2,811 | | 127,296 | 128,705 | 130,111 |
| Employment Relations | | | 543,163 | 591,215 | | | | 647,506 | 25,303 | | 672,809 | 651,536 | 50,689 | | 702,225 | 727,528 | 752,833 |
| Legal Services | | | 186,643 | 198,338 | | | | 218,111 | 7,162 | | 225,273 | 218,452 | 14,331 | | 232,783 | 239,945 | 247,110 |
| Research/Safety/Train | | | 247,301 | 265,267 | | | | 267,026 | 8,223 | | 275,249 | 260,317 | 16,489 | | 276,806 | 285,029 | 293,220 |
| Job Training Grants: | | | | | | | | | | | | | | | | | |
| Dislocated Workers | | | | 359,806 | | | | 0 | | | 0 | 0 | 0 | | 0 | 0 | 0 |
| Displaced Homemakers | | | 216,000 | 216,760 | | | | 216,760 | | 53,240 | 270,000 | 216,760 | | 53,240 | 270,000 | 270,000 | 270,000 |
| New Horizons Day Care | | | 106,725 | 109,091 | | | | 0 | | | 0 | 0 | 0 | | 0 | 0 | 0 |
| Project Work | | | | | | | | 286,000 | | | 286,000 | 286,000 | | | 286,000 | 286,000 | 286,000 |
| New Horizons | | | 26,008 | 27,095 | | | | 0 | | | 0 | 0 | 0 | | 0 | 0 | 0 |
| TOTAL EXPENDITURES | | 350,000 | 1,877,229 | 2,537,474 | | | | 2,511,805 | 376,203 | 53,240 | 2,941,248 | 2,504,049 | 754,251 | 53,240 | 3,311,540 | 3,687,743 | 4,063,939 |
| TRANSFERS TO UI TRUST FUND | | 8,676,366 | | 3,000,000 | | | | | | | | | | | | | |
| BALANCE | | 2,219,365 | 4,567,273 | 5,585,547 | 3,290,090 | | | 3,914,992 | | | 3,485,549 | 4,211,799 | | | 3,404,308 | 3,020,433 | 2,311,633 |

- (1) Includes interest thru FY89.
- (2) Based on Exec. Budget.
- (3) Based on Governor's pay plan.
- (4) Human Services subcommittee action as of document date.
- (5) Based on FY93 plus assumes duplicating the Governor's pay plan for the FY92 & FY93 biennium in the following biennium.

EXHIBIT 6
DATE 3-16-91
HBB 2

U.S. Department of Labor

Employment and Training Administration
1961 Stout Street
Denver, Colorado 80294

3-16-91
HB 2
RECEIVED

FEB 22 1991

DEPT. OF LABOR & INDUSTRY
COMMISSIONER'S OFFICE



February 19, 1991

Mr. Mario A. Micone
Commissioner
Department of Labor and Industry
P.O. Box 1728
Helena, Montana 59624

Attention: Rod Sager

Dear Mr. Micone:

Rod
Please
Del Sando
RECEIVED

FEB 22 1991

DEPARTMENT OF LABOR & INDUSTRY
CENTRALIZED SERVICES DIVISION

Pursuant to CFR 97.22(b) and OMB Circular No. A-87, "Cost Principles for State and Local Governments", we are formally requesting a cost allocation plan for non-UI tax collections being carried out through your UI tax collection system. Please submit your cost allocation plan in accordance with the instructions in section J. of OMB Circular No. A-87 to George Uber, Regional Cost Negotiator, OASAM, 535 Griffin Street, Dallas, Texas 75202, with a copy to this office.

Additional guidance on the preparation of your plan can be obtained by calling Mr. Uber on (214) 767-6813. Questions on the applicable UI rules and regulations can be directed to Del Sando on (303) 844-6353, and questions on other administrative or financial matters can be directed to Robert Ford on (303) 844-6325.

Sincerely,

Luis Sepulveda
LUIS SEPULVEDA
Regional Administrator

cc: George Uber

HOUSE OF REPRESENTATIVES

APPROPRIATIONS

ROLL CALL VOTE

TIME

10:30 AM

DATE

3-16

BILL NO.

2

NUMBER

7

MOTION:

270 v 90 & P

| NAME | AYE | NO | ABSENT |
|-----------------------------------|-----|----|--------|
| REP. RAY PECK, VICE-CHAIRMAN | | ✓ | |
| REP. DOROTHY BRADLEY | | ✓ | |
| REP. JOHN COBB | ✓ | | |
| REP. DOROTHY CODY | ✓ | | |
| REP. MARY ELLEN CONNELLY | | ✓ | |
| REP. ED GRADY | ✓ | | |
| REP. LARRY GRINDE | ✓ | | |
| REP. JOHN JOHNSON | | ✓ | |
| REP. MIKE KADAS | | ✓ | |
| REP. BERV KIMBERLEY | | ✓ | |
| REP. WM."RED" MENAHAN | | ✓ | |
| REP. JERRY NISBET | | ✓ | |
| REP. MARY LOU PETERSON | ✓ | | |
| REP. JOE QUILICI | | ✓ | |
| REP. CHUCK SWYSGOOD | | ✓ | |
| REP. BOB THOFT | | ✓ | |
| REP. TOM ZOOK | ✓ | | |
| REP. FRANCIS BARDANOUVE, CHAIRMAN | ✓ | | |
| TOTAL | 7 | 11 | |

HOUSE OF REPRESENTATIVES

APPROPRIATIONS

ROLL CALL VOTE

TIME

11:21

DATE

3-16

BILL NO.

2

NUMBER

8

MOTION:

1 C-6
Trust Land Access EIS

| NAME | AYE | NO | ABSENT |
|-----------------------------------|-----|----|--------|
| REP. RAY PECK, VICE-CHAIRMAN | | ✓ | |
| REP. DOROTHY BRADLEY | | | ✓ |
| REP. JOHN COBB | ✓ | | |
| REP. DOROTHY CODY | | ✓ | |
| REP. MARY ELLEN CONNELLY | ✓ | | |
| REP. ED GRADY | ✓ | | |
| REP. LARRY GRINDE | ✓ | | |
| REP. JOHN JOHNSON | ✓ | | |
| REP. MIKE KADAS | | ✓ | |
| REP. BERV KIMBERLEY | ✓ | | |
| REP. WM. "RED" MENAHAN | ✓ | | |
| REP. JERRY NISBET | ✓ | | |
| REP. MARY LOU PETERSON | ✓ | | |
| REP. JOE QUILICI | ✓ | | |
| REP. CHUCK SWYSGOOD | ✓ | | |
| REP. BOB THOFT | ✓ | | |
| REP. TOM ZOOK | ✓ | | |
| REP. FRANCIS BARDANOUVE, CHAIRMAN | | ✓ | |
| TOTAL | 13 | 4 | |

HOUSE OF REPRESENTATIVES

APPROPRIATIONS

ROLL CALL VOTE TIME 1:18
 DATE 3-16 BILL NO. 2 NUMBER 9

MOTION: _____

| NAME | AYE | NO | ABSENT |
|-----------------------------------|-----|----|--------|
| REP. RAY PECK, VICE-CHAIRMAN | ✓ | | |
| REP. DOROTHY BRADLEY | | ✓ | |
| REP. JOHN COBB | ✓ | | |
| REP. DOROTHY CODY | ✓ | | |
| REP. MARY ELLEN CONNELLY | ✓ | | |
| REP. ED GRADY | | ✓ | |
| REP. LARRY GRINDE | ✓ | | |
| REP. JOHN JOHNSON | ✓ | | |
| REP. MIKE KADAS | ✓ | | |
| REP. BERV KIMBERLEY | | ✓ | |
| REP. WM. "RED" MENAHAN | | ✓ | |
| REP. JERRY NISBET | | ✓ | |
| REP. MARY LOU PETERSON | ✓ | | |
| REP. JOE QUILICI | | ✓ | |
| REP. CHUCK SWYSGOOD | ✓ | | |
| REP. BOB THOFT | ✓ | | |
| REP. TOM ZOOK | ✓ | | |
| REP. FRANCIS BARDANOUVE, CHAIRMAN | ✓ | | |
| TOTAL | 12 | 6 | |

HOUSE OF REPRESENTATIVES

APPROPRIATIONS

ROLL CALL VOTE

TIME

1:28k

DATE

3-16-91

BILL NO.

2

NUMBER

10

MOTION:

W. J. H. H.

Kada
1-62) C-13

| NAME | AYE | NO | ABSENT |
|-----------------------------------|-----|----|--------|
| REP. RAY PECK, VICE-CHAIRMAN | ✓ | | |
| REP. DOROTHY BRADLEY | | ✓ | |
| REP. JOHN COBB | ✓ | | |
| REP. DOROTHY CODY | ✓ | | |
| REP. MARY ELLEN CONNELLY | ✓ | | |
| REP. ED GRADY | | ✓ | |
| REP. LARRY GRINDE | ✓ | | |
| REP. JOHN JOHNSON | ✓ | | |
| REP. MIKE KADAS | ✓ | | |
| REP. BERV KIMBERLEY | | ✓ | |
| REP. WM. "RED" MENAHAN | | ✓ | |
| REP. JERRY NISBET | | ✓ | |
| REP. MARY LOU PETERSON | ✓ | | |
| REP. JOE QUILICI | | ✓ | |
| REP. CHUCK SWYSGOOD | ✓ | | |
| REP. BOB THOFT | ✓ | | |
| REP. TOM ZOOK | ✓ | | |
| REP. FRANCIS BARDANOUVE, CHAIRMAN | ✓ | | |
| TOTAL | 12 | 6 | |

..L.P. 8
Amend

EXHIBIT 8
DATE 2-16-91
HB 2

AGENCY BUDGET REQUEST
DEPARTMENT OF STATE LANDS
FORESTRY DIVISION

Authorization

76-13-104 MCA.

Authorizes the Department to give technical and practical advice concerning forests and related resources in order to develop, protect and conserve those resources, and to cooperate with other agencies in such work.

P.L. 101-624

The Forest Stewardship Act of 1990 authorizes federal financial support to State foresters who cooperate with the federal government in programs which seek to protect, manage and utilize the non-federal forest resources of the United States.

Increase from Base

Urban Forestry Assistance Program

A 1993 biennium budget increase is requested to implement the cooperative Urban Forestry Assistance Program using federal funds made available from the U.S. Forest Service in its letter of annual financial advice dated March 8, 1991. In response to President Bush's proposal called America the Beautiful, Congress has appropriated \$21 million for State Foresters to use in providing urban forestry assistance to communities and \$20 million to establish a foundation to foster local volunteer efforts in urban forestry. Urban forestry is a national priority because urban trees are declining in number and health. Healthy trees moderate temperature and noise, clean the air, provide wildlife habitat, and create a visual setting that enhances tourism and other business activity. The \$188,000 available to the Department represents an annual increase above base of \$173,100. To qualify for this financial assistance and thereby expand services to Montana communities, the Department will conform to federal standards that include:

- Hiring a State-wide coordinator and other necessary staff
- Establishing a State-wide urban forestry advisory council
- Coordinating volunteer efforts within the State
- Developing a State plan for urban and community forestry

1.75 FTE and operating budget is needed on Forestry Division staff to develop, market and coordinate the program. Additional planning will be done before deciding how best to use the remaining funds. It is likely the Department will hire regional specialists to better serve Montana communities.

FY92

FY93

173,100 FSRF
\$173,100 (1.75 FTE)

173,100 FSRF
\$173,100 (1.75 FTE)

March 15, 1991

AMENDMENT
DEPARTMENT OF STATE LANDS

FORESTRY DIVISION - PAGE C-14

Forest Resource Management Program

- Additional federal dollars as of 3-8-91.

- Traditional Program

| | | | |
|-------|----------|-------|----------|
| FY 92 | \$59,200 | FY 93 | \$59,200 |
| FY 92 | 1.25 FTE | FY 93 | 1.75 FTE |

- Offers technical forestry assistance to non-industrial private land owners.

- Stewardship

| | | | |
|-------|-----------|-------|-----------|
| FY 92 | \$227,000 | FY 93 | \$227,000 |
| FY 92 | 1.0 FTE | FY 93 | 1.0 FTE |

- Promotes the active management and protection of all forest resources, including timber, wildlife, soil, water and recreation.

- Council of Western State Foresters

| | | | |
|-------|---------|-------|---------|
| FY 92 | \$7,000 | FY 93 | -0- |
| FY 92 | -0- FTE | FY 93 | -0- FTE |

- Pay authorized expenses of member State Foresters who travel to executive committee meetings.

- National Special Projects

| | | | |
|-------|----------|-------|---------|
| FY 92 | \$70,000 | FY 93 | -0- |
| FY 92 | -0- FTE | FY 93 | -0- FTE |

- Produce a watershed cumulative effects pilot model and a streamside management guidebook.

| | | | | |
|-------|-------|-----------|-------|-----------|
| Total | FY 92 | \$363,200 | FY 93 | \$286,200 |
| | FY 92 | 2.25 FTE | FY 93 | 2.75 FTE |

Acceptance of the amendment will reduce the General Fund request for Central Management.

Amended 3-16-91

*ex 7
3-16-91
HB 2*

March 15, 1991

AMENDMENT
DEPARTMENT OF STATE LANDS

FORESTRY DIVISION - PAGE C-14

Urban Forestry Assistance Program

- Additional federal dollars, as of 3-8-91
- FY 92 \$173,100 FY 93 \$173,100
- FY 92 1.75 FTE FY 93 1.75 FTE
- U.S. Forest Service Letter of Advice of funds available for President Bush's "America the Beautiful, which is forestry assistance to Montana communities.
- In order to qualify for the funds, the Forestry Division will conform to the federal standards that will include:
 - Hiring statewide coordinator and other staff
 - Establish a state-wide Urban Forestry Advisory Council
 - Develop a state plan

Acceptance of the amendment will reduce the General Fund request for Central Management.

Ex. 9

3-16-91

HB 2

March 15, 1991

AMENDMENT
DEPARTMENT OF STATE LANDS

LAND ADMINISTRATION PROGRAM - PAGE C-12

Cabin and Home Site Sales

- State Special Revenue Fund
- FY 92 \$70,000 Biennial Appropriation
- FY 92 -0- FTE FY 93 -0- FTE
- Process the \$1,000 per applicant fee to purchase cabin or home sites as a result of SB 91, 1989 Legislature. Fee for appraisals, title searches, surveys and administrative involvement such as travel and contracted expenses.

*Good
Am
Kind of
Passed*

6

Ex. 9

3-16-91

HB 2

March 15, 1991

AMENDMENT
DEPARTMENT OF STATE LANDS

CENTRAL MANAGEMENT PROGRAM - PAGE C-5

Federal Indirect Funds to offset general funds

- Funding

FY 92 Increase federal funds \$38,122

FY 93 Increase federal funds \$38,122

FY 92 Decrease general fund \$38,122

FY 93 Decrease general fund \$38,122

Passed
Amendment

Acceptance of the federal funds for the Forestry Division will allow Central Management to apply the indirect cost of 8.3% to those funds which are not passed through to other entities.
(\$459,300 times 8.3% = \$38,122)

4

AGENCY BUDGET REQUEST
DEPARTMENT OF STATE LANDS
FORESTRY DIVISION

Authorization

76-13-104 MCA.

Authorizes the Department to give technical and practical advice concerning forests and related resources in order to develop, protect and conserve those resources, and to cooperate with other agencies in such work.

P.L. 101-624

The Forest Stewardship Act of 1990 authorizes federal financial support to State foresters who cooperate with the federal government in programs which seek to protect, manage and utilize the non-federal forest resources of the United States.

Increase from Base

Forest Resource Management Program

A 1993 biennium budget increase is requested to implement the cooperative Forest Resource Management Program using federal funds made available from the U.S. Forest Service in its letter of annual financial advice dated March 8, 1991. Forest Resource Management includes the following sub-programs and projects:

Traditional Program

The traditional program supports State Foresters who offer technical forestry assistance to non-industrial private landowners. Department foresters provide on-the-ground advice to landowners on how to harvest and sell timber, plant trees and improve the condition of their forests. Studies show that Montanans who use this service typically receive:

- A better price per unit of timber sold
- A residual stand of trees that is more productive and valuable
- Increased environmental protection

The Department's long-term goal is to increase from 10% to 50% the percentage of landowners who receive our help before harvesting timber. Congress has increased its appropriation to support higher targets. The \$111,000 available to the Department represents an annual increase above base of \$59,200. The additional funds will be used to provide on-the-ground service to more landowners.

| <u>FY92</u> | <u>FY93</u> |
|--------------------------|--------------------------|
| \$59,200 FSRF (1.25 FTE) | \$59,200 FSRF (1.75 FTE) |

3-16-91
HB 2

Stewardship

Stewardship is a new program authorized by Congress in 1990. Like the traditional program, it serves the private owners of non-industrial forest land. Stewardship promotes the active management and protection of all forest resources, including timber, wildlife, soil, water, recreation and aesthetics. In Montana, the program is implemented through the Montana Forest Stewardship Cooperative, formed in 1990 under Department leadership. The cooperative's goal is to place under Stewardship 350,000 acres of nonindustrial private forest land by 1995. This means that each of an estimated 1,100 landowners must receive professional assistance to develop a Stewardship plan for their property. Services to these landowners will be delivered through educational workshops, booklets, and on-the-ground technical assistance from natural resource professionals. The cooperative is controlled by a steering committee which includes private landowners in addition to representatives from government agencies and various conservation and forest-industry organizations. 1.0 FTE and operating budget is needed on Forestry Division staff to coordinate Department involvement in the program and manage funds. The remaining budget will be allocated by the steering committee to support agreed-upon activities of participating individuals and organizations. The Department will sub-grant to other State agencies and private organizations funds to implement the agreed-upon activities.

| <u>FY92</u> | <u>FY93</u> |
|--------------------------|--------------------------|
| \$227,000 FSRF (1.0 FTE) | \$227,000 FSRF (1.0 FTE) |

Council of Western State Foresters Expenses

Forestry Division Administrator Gary Brown is secretary-treasurer of the Council of Western State Foresters. This budget increase will be used to pay authorized expenses of member State foresters who travel to Executive Committee meetings.

| <u>FY92</u> | <u>FY93</u> |
|--------------|-------------|
| \$7,000 FSRF | - 0 - |

National Special Projects

Forestry Division Administrator Gary Brown has agreed to lead national special projects to produce:

1. a watershed cumulative effects pilot model, and
2. a streamside management guidebook.

The Forest Service is offering one-time allocations of \$35,000 for each of the two projects.

| <u>FY92</u> | <u>FY93</u> |
|---------------|-------------|
| \$70,000 FSRF | - 0 - |

Summary of Increase From Base for Forest Resource Management Program

| | <u>FY92</u> | <u>FY93</u> |
|---------------------------|-------------------------|-------------------------|
| Traditional Program | 59,200 FSRF (1.25 FTE) | 59,200 FSRF (1.75 FTE) |
| Stewardship | 227,000 FSRF (1.00 FTE) | 227,000 FSRF (1.00 FTE) |
| CWSF Expenses | 7,000 FSRF | - 0 - |
| National Special Projects | 70,000 FSRF | - 0 - |
| TOTALS | \$363,200 (2.25 FTE) | \$286,200 (2.75 FTE) |

Ex. 10A

3-16-91

HB 2

Grass
and
10A
under
Emphasis should be on replacing dead, diseased and infected trees in Montana communities. Replacement trees must be used that are adapted to and will survive in Montana.

Paras

Grady Ann
Cobb or -
Passed

EXHIBIT 11
DATE 3-16-91
HB 2

March 15, 1991

AMENDMENT
DEPARTMENT OF STATE LANDS

FORESTRY DIVISION - PAGE C-14

Amend Forestry Program page C-14.

| | | |
|-----------------------------|--------|-------------------|
| Add \$10,000 general fund | | |
| FY92 Biennial Appropriation | FY92 | FY93 |
| Operating Expense | 10,000 | -0- Plus Language |

"To coordinate and conduct, in consultation with the EQC, audits of the application and effectiveness of voluntary best management practices for timber sales."

HOUSE OF REPRESENTATIVES

APPROPRIATIONS

ROLL CALL VOTE

TIME

2:17

DATE

3-16-91

BILL NO.

2

NUMBER

11

MOTION:

to be
St. Lande
@-1

| NAME | AYE | NO | ABSENT |
|-----------------------------------|-----|----|--------|
| REP. RAY PECK, VICE-CHAIRMAN | ✓ | | |
| REP. DOROTHY BRADLEY | | ✓ | |
| REP. JOHN COBB | ✓ | | |
| REP. DOROTHY CODY | ✓ | | |
| REP. MARY ELLEN CONNELLY | | ✓ | |
| REP. ED GRADY | ✓ | | |
| REP. LARRY GRINDE | ✓ | | |
| REP. JOHN JOHNSON | ✓ | | |
| REP. MIKE KADAS | ✓ | | |
| REP. BERV KIMBERLEY | | ✓ | |
| REP. WM. "RED" MENAHAN | | ✓ | |
| REP. JERRY NISBET | | ✓ | |
| REP. MARY LOU PETERSON | ✓ | | |
| REP. JOE QUILICI | | ✓ | |
| REP. CHUCK SWYSGOOD | ✓ | | |
| REP. BOB THOFT | ✓ | | |
| REP. TOM ZOOK | ✓ | | |
| REP. FRANCIS BARDANOUVE, CHAIRMAN | ✓ | | |
| TOTAL | 12 | 6 | |

Amend
12

Refer to Ex. 4
3-15-91

EXHIBIT 12
DATE 3-16-91
HB 2

Page B-120

Amend Representative Cobb amendment adopted 3/15/91 (*Refers to Ex. 4, 3-15-91*)

Upon final determination of all general fund monies in the department's unreconciled Special Revenue fund balance (in the approximate total amount of \$2,530,153) and the deposit of these funds in the general fund, \$438,795 in fiscal 1992 and \$485,182 in fiscal 1993 are appropriated to fund the additional general fund operational costs of the TEAMS project in item _____. Any funds remaining in the Special Revenue fund to which the state is entitled shall be deposited in the general fund.

HOUSE OF REPRESENTATIVES

APPROPRIATIONS

ROLL CALL VOTE

TIME

2:49

DATE

BILL NO.

NUMBER

12

MOTION:

Cody

B 129

Reconvene

Mo'd 2:47

| NAME | AYE | NO | ABSENT |
|-----------------------------------|-----|----|--------|
| REP. RAY PECK, VICE-CHAIRMAN | | ✓ | |
| REP. DOROTHY BRADLEY | | ✓ | |
| REP. JOHN COBB | ✓ | | |
| REP. DOROTHY CODY | ✓ | | |
| REP. MARY ELLEN CONNELLY | | ✓ | |
| REP. ED GRADY | | ✓ | |
| REP. LARRY GRINDE | ✓ | | |
| REP. JOHN JOHNSON | | ✓ | |
| REP. MIKE KADAS | ✓ | | |
| REP. BERV KIMBERLEY | | ✓ | |
| REP. WM. "RED" MENAHAN | ✓ | | |
| REP. JERRY NISBET | ✓ | | |
| REP. MARY LOU PETERSON | ✓ | | |
| REP. JOE QUILICI | | ✓ | |
| REP. CHUCK SWYSGOOD | | ✓ | |
| REP. BOB THOFT | | ✓ | |
| REP. TOM ZOOK | ✓ | | |
| REP. FRANCIS BARDANOUVE, CHAIRMAN | | ✓ | |
| TOTAL | 8 | 10 | |

HOUSE OF REPRESENTATIVES

APPROPRIATIONS

ROLL CALL VOTE

TIME

3:40

DATE 3-16-91

BILL NO. H.R. 2

NUMBER 13

MOTION:

Mover to 1, RC+P.

Amendment 1 to be added 19 sec

| NAME | AYE | NO | ABSENT |
|-----------------------------------|-----|----|--------|
| REP. RAY PECK, VICE-CHAIRMAN | | ✓ | |
| REP. DOROTHY BRADLEY | ✓ | | |
| REP. JOHN COBB | ✓ | | |
| REP. DOROTHY CODY | ✓ | | |
| REP. MARY ELLEN CONNELLY | | ✓ | |
| REP. ED GRADY | | ✓ | |
| REP. LARRY GRINDE | ✓ | | |
| REP. JOHN JOHNSON | ✓ | | |
| REP. MIKE KADAS | | ✓ | |
| REP. BERV KIMBERLEY | ✓ | | |
| REP. WM. "RED" MENAHAN | ✓ | | |
| REP. JERRY NISBET | ✓ | | |
| REP. MARY LOU PETERSON | ✓ | | |
| REP. JOE QUILICI | ✓ | | |
| REP. CHUCK SWYSGOOD | | ✓ | |
| REP. BOB THOFT | ✓ | | |
| REP. TOM ZOOK | ✓ | | |
| REP. FRANCIS BARDANOUVE, CHAIRMAN | | ✓ | |
| TOTAL | 12 | 6 | |

EXHIBIT 17
DATE 3-16-91
HB 2

DEPARTMENT OF FISH, WILDLIFE AND PARKS

REPORT BACK PROJECTS
LFA REFERENCE C47 & C48

| | <u>FUNDING</u> | <u>FTE</u> | <u>FY92</u> | <u>FY93</u> |
|-----------------------------------|---|------------|-------------|-------------|
| FIELD SERVICES | | | | |
| 3 Block Management | License | 3.3 | \$173,000 | \$173,000 |
| 4 Fishing & Motorboat Access | 25/75 | 1.0 | 41,000 | 41,000 |
| 5 Micro-Computer Support | License | 1.0 | 32,000 | 32,000 |
| FISHERIES | | | | |
| 13 Missouri Water Reservations | 25/75 | | \$167,000 | -0- |
| 14 Streambank Projects | 25/75 | | 41,000 | 41,000 |
| 15 USFS - Fisheries Projects | 25/75 | 1.25 | 57,000 | 58,000 |
| 16 Evaluation of Fish Populations | 25/75 | 2.50 | 110,000 | 110,000 |
| 17 Fishing & Motorboat Access | 25/75 | .75 | 33,000 | 33,000 |
| 18 Stocking Fish - Flathead Lake | 25/75 | .50 | 24,000 | 24,000 |
| ENFORCEMENT | | | | |
| 23 Warden Relocation | License | | 27,000 | 27,000 |
| WILDLIFE | | | | |
| 24 Habitat/Timber Sales | License | | 16,000 | 16,000 |
| 26 Helicopter Rental | License | | 91,000 | 91,000 |
| 27 Salinity Control | Earmark Lic. | | 125,000 | -0- |
| CON ED | | | | |
| 31 Nongame Promotion | Income Tax .60 Check Off (93%) License (7%) | | 30,000 | 30,000 |
| ADMINISTRATION | | | | |
| 39 Sikes Act | 88/12 | | 170,000 | -0- |
| 40 Predator Control | License | | 20,000 | 20,000 |
| 41 Legal Services | License | | 12,000 | 12,000 |
| TOTAL | | 10.90 | \$1,169,000 | \$ 708,000 |

DEPARTMENT OF FISH, WILDLIFE AND PARKS

2x. 11
3-16-91
HB 2

BUDGET MODIFICATIONS
LFA REFERENCE C47 & C48

| | <u>FUNDING</u> | <u>FTE</u> | <u>FY92</u> | <u>FY93</u> |
|--|---|------------|-------------|-------------|
| MANAGEMENT SERVICES | | | | |
| 1 Fiscal Management | License | 1.0 | \$ 35,000 | \$ 34,000 |
| 2 Vehicle Revolving Account | Proprietary | | 163,000 | 169,000 |
| FIELD SERVICES | | | | |
| 6 Block Management | License | 3.0 | \$137,000 | \$137,000 |
| 7 Game Damage | License | | 50,000 | 75,000 |
| 8 Sporting Information | License | | 17,000 | 17,000 |
| 9 License Agent Commission | License | | 10,000 | 97,000 |
| 10 Develop & Maintain Property | License | | 60,000 | 60,000 |
| 11 Computerize Land Records | License | | 35,000 | 35,000 |
| 12 Cherry Creek | License 33% Private 33% Federal 33% | | 150,000 | |
| FISHERIES | | | | |
| 19 Clark Fork River Cleanup | 25/75 | 1.0 | \$ 50,000 | 50,000 |
| 20 Hatchery O & M | 25/75 | | 55,000 | 55,000 |
| 21 Fishing Regs for Handicapped | License | | 6,000 | --- |
| ENFORCEMENT | | | | |
| 22 Special Investigations | License | 2.0 | 114,000 | 114,000 |
| WILDLIFE | | | | |
| 25 Canyon Ferry O & M | License | .40 | 7,700 | 7,700 |
| PARKS | | | | |
| 28 Parks Future Comm. | General Fund | 8.06 | 750,000 | 750,000 |
| 29 FAS O & M | License | .63 | 50,000 | 50,000 |
| 30 Capital Grounds O & M | Proprietary | .50 | 28,000 | 28,000 |
| CON ED | | | | |
| 31 Watchable Wildlife Aquatic Ed | 25/75 | | 11,000 | 11,000 |
| 33 Hunter Education | License | | 25,000 | 25,000 |
| ADMINISTRATION | | | | |
| 34 Legal Services | License | 1.0 | 35,000 | 35,000 |
| 35 Tribal Relations | License | | 40,000 | 40,000 |
| 36 Inter Agency Support | License | | 25,000 | 25,000 |
| 37 GIS | License | | 50,000 | 40,000 |
| 38 Regional Offices | License | | 75,000 | 75,000 |
| TOTAL | | 17.19 | \$1,928,700 | \$1,929,700 |

77
Nisbet
Q-58-
Passed

Nisbet motion pass 17-1

AMENDMENT

EXHIBIT 13
DATE 3-16-91
HB 2

DEPARTMENT OF FISH, WILDLIFE AND PARKS
FISHERIES DIVISION

Discussion: The 1983 legislature appropriated \$455,000 for the construction of a fish hatchery near Creston, on Rose Creek, to be built by the department. To finance the construction, a portion of the 1983 bond series was designated for this project. The only expenditure for this appropriation has been \$149,154, leaving a balance of \$305,846. In the 1987 session, the legislature appropriated another \$225,000 for the fish hatchery at Creston, none of which has been spent.

The U.S. Fish and Wildlife Service operates the Creston National Fish Hatchery. It has indicated that if funds become available from the department for equipment, materials and feed before April 15, 1991, the rearing facilities could be fabricated to rear 4 million Kokanee salmon fingerlings for release into Flathead Lake. It estimates that \$36,600 would be required. If a second raceway shelter does not have to be purchased, the cost would be \$28,400. The department indicates that it has \$18,000 of authority and funds within its fiscal 1991 budget to encumber for this purpose. This amendment would appropriate and fund the remaining \$18,600 in fiscal 1992.

Amendment:

Page C-58

Operating expenses are increased \$18,600 in fiscal 1992 to be funded from 1983 Series bond proceeds.

Language: "Item ____ contains \$18,600 to contract with the U.S. Fish and Wildlife Service to raise Kokanee salmon fingerlings at the Creston National Fish Hatchery. If a second raceway shelter at the Creston National Fish Hatchery is not purchased, this appropriation is reduced by \$8,220."

HOUSE OF REPRESENTATIVES

APPROPRIATIONS

ROLL CALL VOTE

TIME

5:10

DATE

3-16-91

BILL NO.

2

NUMBER

14

MOTION:

Remove 40% of net FTE from
Mod 7 - 0-60

| NAME | AYE | NO | ABSENT |
|-----------------------------------|-----|----|--------|
| REP. RAY PECK, VICE-CHAIRMAN | | ✓ | |
| REP. DOROTHY BRADLEY | | ✓ | |
| REP. JOHN COBB | ✓ | | |
| REP. DOROTHY CODY | | ✓ | |
| REP. MARY ELLEN CONNELLY | ✓ | | |
| REP. ED GRADY | ✓ | | |
| REP. LARRY GRINDE | ✓ | | |
| REP. JOHN JOHNSON | | ✓ | |
| REP. MIKE KADAS | | ✓ | |
| REP. BERV KIMBERLEY | | ✓ | |
| REP. WM. "RED" MENAHAN | | ✓ | |
| REP. JERRY NISBET | | ✓ | |
| REP. MARY LOU PETERSON | | ✓ | |
| REP. JOE QUILICI | | ✓ | |
| REP. CHUCK SWYSGOOD | ✓ | | |
| REP. BOB THOFT | ✓ | | |
| REP. TOM ZOOK | ✓ | | |
| REP. FRANCIS BARDANOUVE, CHAIRMAN | ✓ | | |
| TOTAL | 8 | 10 | |

*for
B
Nisbet
passed*

HOUSE BILL 2
NARRATIVE, PAGE C-62

EXHIBIT B
DATE 3-16-91
HB. 2

*Nisbet 17-3
passed*

--EXPLANATION

SB-449, which has passed the Senate and is pending in the House, clarifies the responsibility of the DFWP to enforce the Board of Outfitters rules and regulations. It further indicates that it is the intent of the legislature that DFWP will be reimbursed for those enforcement costs by the Board of Outfitters.

DFWP and the Board of Outfitters must enter into an inter-agency agreement to establish the terms and conditions of enforcement and costs to be reimbursed.

DFWP has agreed to a limit of \$15,000 each year. Therefore, DFWP and Professional and Occupational Licensing operating expenses must be increased by that amount each year of the biennium.

DEPARTMENT OF FISH, WILDLIFE, AND PARKS
LAW ENFORCEMENT DIVISION

Insert in "Language" section on page C-62: "If SB-449 is passed and approved, the operating expenses and state special funding are increased \$15,000 in FY92 and FY93."

EXHIBIT C
DATE 3-16-91
HB 2

AMENDMENT

FISH, WILDLIFE AND PARKS
MANAGEMENT SERVICES DIVISION

Page C-51

1. Technical Adjustment - move \$2,087 of audit costs from fiscal 1993 to fiscal 1992 as part of the biennial appropriation for audit
 - a. decrease fiscal 1993 operating expenses by \$2,087
 - b. decrease fiscal 1993 state special revenue by \$2,087
 - b. increase fiscal 1992 operating expenses by \$2,087
 - c. increase fiscal 1992 state special revenue by \$2,087
2. Warrant Writing - The committee has already approved a state special revenue appropriation of \$297,394 in the State Auditor's Office for warrant writing with the intention of increasing the operating expenses in the affected agencies to pay the direct billing fees for the cost of the warrant writing service.
 - a. increase fiscal 1992 and fiscal 1993 operating expenses by \$20,813
 - b. increase fiscal 1992 and fiscal 1993 state special revenue by \$20,813

Planned

DEPARTMENT OF LIVESTOCK
DISEASE CONTROL PROGRAM

PG 2-5-91
C(1)
3-15-91
HB 2

Page C-85

The language section provides a definition for an emergency for budget amendment purposes. Statute already defines an emergency. Language in House Bill 2 cannot override statute.

Amendment:

Strike the language.

pg 56 of 67

1(2)

3-15-91

HB 2

DEPARTMENT OF LIVESTOCK

Additional Funding for 1993 Biennium
to Address Section 8 Expenses

Program 08 - Predator Control Program

| | <u>F.Y 92</u> | <u>F.Y. 93</u> |
|-----------|---------------|----------------|
| Operating | 20,000 | 20,000 |

Additional authority to be used to pay:

Hearing costs, consultation, expert witness, travel expense,
communications, gasoline & other supplies.

EXHIBIT D
DATE 3-15-91
HB HB 2

AMENDMENT

DEPARTMENT OF COMMERCE
PROFESSIONAL AND OCCUPATIONAL LICENSING BUREAU

Page C-119

1. Technical Adjustment - The appropriation for operating expenses for administration need to be increased to equal the amount of recharges from the boards which pay for the services.
 - a. increase fiscal 1992 operating expenses by \$1,898 and fiscal 1993 by \$2,214
 - b. increase fiscal 1992 proprietary funding by \$1,898 and fiscal 1993 proprietary funding by \$2,214

EXHIBIT E
DATE 3-16-91
HB 2

HOUSE BILL 2
NARRATIVE, PAGE C-119

--EXPLANATION

SB-449, which has passed the Senate and is pending in the House, clarifies the responsibility of the DFWP to enforce the Board of Outfitters rules and regulations. It further indicates that it is the intent of the legislature that DFWP will be reimbursed for those enforcement costs by the Board of Outfitters.

DFWP and the Board of Outfitters must enter into an inter-agency agreement to establish the terms and conditions of enforcement and costs to be reimbursed.

DFWP has agreed to a limit of \$15,000 each year. Therefore, DFWP and Professional and Occupational Licensing operating expenses must be increased by that amount each year of the biennium.

DEPARTMENT OF COMMERCE
PROFESSIONAL AND OCCUPATIONAL LICENSING

Insert preceding "Budget" on page C-119: "If SB-449 is passed and approved, the operating expenses and state special funding are increased \$15,000 in FY92 and FY93."

*Am D
Peters*

March 13, 1991

AGENCY: DEPARTMENT OF COMMERCE
RE: AMENDMENT TO HB662

PAGE C-123: TRANSPORTATION DIVISION

Move that the following language also be added:

" The Rail Construction Loan Fund appropriation is a biennial appropriation."

The proposed revision is due to the amount being budgeted in the first year of the biennium.
Funds spent from this account can only be used on rail rehabilitation projects.

*BN settlement
paybooks that are
granted for rail
rehab.*

\$1,800,000

EXHIBIT F
DATE 3-16-91
HB 2

March 14, 1991

AGENCY: DEPARTMENT OF COMMERCE
RE: AMENDMENT TO HB002

PAGE C-127: BUSINESS DEVELOPMENT DIVISION

Note that the modification pertaining to the Canadian Trade Office of the business Development Division be revised as follows:

| | FISCAL YEAR 1992 | FISCAL YEAR 1993 |
|-----------------------------|------------------|------------------|
| DECREASE FTE | (1.00) | (1.00) |
| DECREASE PERSONAL SERVICES | (\$32,627) | (\$32,552) |
| INCREASE OPERATING EXPENSES | \$32,627 | \$32,552 |

The proposed revision is due to the use of contracted services instead of personal services to operate the office.

HOUSE OF REPRESENTATIVES

APPROPRIATIONS

ROLL CALL VOTE

TIME

7:32t

DATE 3-16-91 BILL NO. 2 NUMBER 15

MOTION: _____

*Recommended
to pass*

| NAME | AYE | NO | ABSENT |
|-----------------------------------|-----|----|--------|
| REP. RAY PECK, VICE-CHAIRMAN | | ✓ | |
| REP. DOROTHY BRADLEY | ✓ | | |
| REP. JOHN COBB | | ✓ | |
| REP. DOROTHY CODY | ✓ | | |
| REP. MARY ELLEN CONNELLY | | ✓ | |
| REP. ED GRADY | ✓ | | |
| REP. LARRY GRINDE | | ✓ | |
| REP. JOHN JOHNSON | ✓ | | |
| REP. MIKE KADAS | | ✓ | |
| REP. BERV KIMBERLEY | ✓ | | |
| REP. WM. "RED" MENAHAN | ✓ | | |
| REP. JERRY NISBET | ✓ | | |
| REP. MARY LOU PETERSON | ✓ | | |
| REP. JOE QUILICI | ✓ | | |
| REP. CHUCK SWYSGOOD | | ✓ | |
| REP. BOB THOFT | | ✓ | |
| REP. TOM ZOOK | | ✓ | |
| REP. FRANCIS BARDANOUVE, CHAIRMAN | ✓ | | |
| TOTAL | 10 | 8 | |

REPRESENTATIVES

ATIONS

TIME 7:32t
NUMBER 16

2
in Bd of Ins
just

| | AYE | NO | ABSENT |
|-------|-----|----|--------|
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| AN | ✓ | | |
| TOTAL | 10 | 8 | |

ESSENTATIVES

ATIONS

TIME 7:36t
NUMBER 17

1
ins

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| | ✓ | | |
| AN | ✓ | | |
| TOTAL | 16 | 2 | |

HOUSE OF REPRESENTATIVES

1064

VISITOR'S REGISTER

Appropriations COMMITTEE BILL NO. 514
 DATE 3/16/91 SPONSOR(S) _____

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

| NAME AND ADDRESS | REPRESENTING | BILL | OPPOSE | SUPPORT |
|---|---|------|-------------------------------------|-------------------------------------|
| MONTANA RICKETTS 1040 COOLEY | MDOH TEAMSTERS | 514 | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Gaye Zacharias | U of M, missoula | 514 | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Paul Zacharias | transfer M.D.O.H. | 514 | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| STEVE McADAM CLINTON | MDOH | 514 | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| DAAC Balkover | MDOH | | <input checked="" type="checkbox"/> | |
| Nadeen Comfort | state employee MPEA | 514 | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Karen Dedges - Bogen | State employee | 514 | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Deanna Jopp ^{36 Border} lane ^{Bogen} | taxpayer - 1982 MPEA - MSU | 514 | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Barbara A. Paulie | MPEA - MSU | 514 | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Darryl Halper | taxpayer - insu employee State Employees | 514 | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Bonnie Ashley | state employee & taxpayer !! | | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Norma Tatarke | MSU | 514 | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS
 ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.

HOUSE OF REPRESENTATIVES

2 of 4

VISITOR'S REGISTER

Appropriation COMMITTEE BILL NO. 514
 DATE 3/16/91 SPONSOR(S) ~~DAVID~~ Menahan

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

| NAME AND ADDRESS | REPRESENTING | BILL | OPPOSE | SUPPORT |
|---|-----------------|------|--------|---------------|
| (I was from Hamilton before!) | | | | as is pass it |
| Kristie Milligan Gt Falls | State Employees | 514 | | ✓ |
| Vicki Byer Bozeman MT | State Employees | 514 | | AS IS ✓ |
| Lela S. Johnson G.F. | State Employees | 514 | | as is ✓ |
| Peggy Smith Bzn | State Employees | 514 | | as is ✓ |
| Jean Chapman | State Employee | 514 | | as is ✓ |
| RALPH SURAIL BOZ | STATE EMPLOYEE | 514 | | as is ✓ |
| Box 23573 Peg Hart Billings 59104 | State Employees | 514 | | AS IS ✓ |
| 140 Yellow Stone Gil Walker Billings | State Employee | 514 | | as is ✓ |
| Mary E. Henry | State Employee | 514 | | ✓ |
| Carol Fillbach | State Employee | 514 | | ✓ |
| Denise Lutz | State Employee | 514 | | as is ✓ |
| Patti Ford | State Employee | 514 | | as is ✓ |

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HOUSE OF REPRESENTATIVES

VISITOR'S REGISTER

3 of 4

CPD Operations
DATE 3/16/91

COMMITTEE

BILL NO.

514

SPONSOR(S)

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

| NAME AND ADDRESS | REPRESENTING | BILL | OPPOSE | SUPPORT |
|--------------------------|-----------------|------|--------------------|------------|
| Frank McEwen | Mont. AHE | | | |
| GARY G. Brown | DSL | | | |
| Lana M. Burt | DNPC | | | |
| Pam Dale | self | 514 | Please fund fully. | |
| Vicky L. Whitney, Bzeman | State employees | 514 | | |
| Sharon Pielact | State employees | 514 | | * |
| Lixie GRANT | State Employee | 514 | | * |
| Andree Gaff | State Employee | 514 | | * |
| Marilyn H. Jones | State Employee | 514 | | * |
| Charles Olson | State Employee | 514 | | x |
| BARDIN Dicks | STATE EMPLOYEES | 514 | | X leave PT |
| Val S. Henders | HIGHWAYS | 514 | | x |
| Dea Steen | MPEA & HIGHWAYS | 514 | | x no cats |

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HOUSE OF REPRESENTATIVES

VISITOR'S REGISTER

424

Appropriation

COMMITTEE

BILL NO.

514DATE 3-16-91

SPONSOR(S)

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

| NAME AND ADDRESS | REPRESENTING | BILL | OPPOSE | SUPPORT |
|--------------------------------|--------------------------------|------|--------|---------|
| Gerald Olson Jr. | State Employees | 514 | | X |
| Traci A. Steer - Helena | State Employee | 514 | | X |
| Edward Shea Holena | St. Employee | 514 | | X |
| Boyd Bomar ^E Helena | ST. Employee | 514 | | X |
| Jim Tompkins - Helena | ST. EMPLOYEE | 514 | | X |
| KENNETH A. PLATT | ST. EMPLOYEE | 514 | | X |
| JERRY LYNCH | STATE EMPLOYEE | 514 | | X |
| Harry <u>Frideres</u> | A DAMN GOOD State Employee? | 514 | | X |
| John Smith | DAU DA | 2 | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.