

## **MINUTES**

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

#### **SUBCOMMITTEE ON NATURAL RESOURCES**

**Call to Order:** By **CHAIRMAN BERV KIMBERLEY** on January 14, 1991,  
at 8:00 A.M.

#### **ROLL CALL**

##### **Members Present:**

Rep. Berv Kimberley, Chair (D)  
Sen. Esther Bengtson, Vice Chair (D)  
Sen. Gerry Devlin (R)  
Rep. Ed Grady (R)  
Rep. Jerry Nisbet (D)  
Sen. Cecil Weeding (D)

**Staff Present:** Roger Lloyd, Associate Fiscal Analyst (LFA)  
Theda Rossberg, Secretary

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

**Announcements/Discussion:** **CHAIRMAN KIMBERLEY** asked if there was  
more testimony on the modifications of the Public Service  
Commission from last Friday's meeting.

#### **HEARING ON THE PUBLIC SERVICE COMMISSION (PSC)**

**Tape No. 1**

See **EXHIBIT 1**, of January 11, 1991 minutes.

**Howard Ellis, Chairman, PSC**, stated the PSC is discussing the  
possibility of moving to a different location. He introduced **Sue  
Campbell, Department of Administration**, who could answer  
questions concerning the relocation. **Bill Salisbury, Department  
of Highways**, will answer questions on the Department of  
Transportation (DOT).

**Commissioner Anderson** pointed out: 1. The PSC does not have a  
definite routine situation. Different things go on all the time.  
Across the nation, and in Montana as well, there is an evolution  
in utility regulations which has to do with more competition in  
electricity production, deregulation of utilities, and different  
rate structures in communications. 2. Montana ratepayers pay  
about \$500,000 a year to the regulating utilities on rates  
established by the PSC. The better job the PSC does, the better  
the ratepayer is served.

Questions From Subcommittee Members:

REP. GRADY said with all the moves contemplated, there might be space available in the Capitol Complex. He requested the Department of Administration (DOA) look into that possibility. The cost will be high to move out of the Highway Building. Is the cost the same for offices at the Complex as at Highways? Ms. Campbell said DOA isn't aware of all the moves contemplated but as they are made known, agencies will be notified. Currently only 800 sq. ft. is available in the Complex. The Department of Toxic?? is looking at that space. Rent paid to Highways is the rate established by the DOA. The proposed rates for next biennium are \$3.28 and \$3.34/sq. ft. in the Capitol Complex.

CHAIRMAN KIMBERLEY said the PSC has budgeted \$39,360 for FY92 and \$40,082 in FY93, but its' request is for \$160,000 each year. Should that modification reflect the \$39,360 and \$40,082 which would mean the FY92 figure would be about \$120,000 and the FY93 would be about \$120,000 to equal about \$160,000. Is that correct? Ms. Cottrill, PSC, answered "yes."

SEN. DEVLIN said there was a letter from Mr. Ruff, US West, but no others received regarding this proposal. Mr. Elliott said he would provide copies of other utility letters received.

SEN. BENGTON referred to the modification in which 2 FTEs were in question. One Word Processor in the DOT and a Utility Management Auditor. In FY92 it shows one and three in FY93, how are those separated? Roger Lloyd answered that the LFA did not allow the Word Processor position in its budget. It was one of the two FTE reductions. This has nothing to do with the Executive Budget on the Utility Management Audit. The Utility Management Audit proposal by the Executive Budget is for one FTE in FY92 and another in FY93 totaling two.

SEN. WEEDING asked if there were any savings from agencies moving in and out of the Highway Building. An overall cost of relocation would be helpful. SEN. DEVLIN said the relocation issue would be delayed until figures are received from DOA. He asked Ms. Campbell if she was involved in relocating other agencies along with PSC. She replied that General Services has a Facilities Manager to assist agencies in locating space who will assist the PSC. After reorganization there may be space available in the Capitol Complex.

SEN. BENGTON asked if the Budget now included Exempt Position upgrades. Mr. Ellis said the PSC is limited to vacancy savings dollars or travel budget savings to provide extra money for an exempt position. There are 10 positions and there has never been extra money for exempt positions. It does motivate the PSC to be prudent with dollars. However, the pay level is not nearly what it is throughout state government.

SEN. DEVLIN asked if the PSC is asking for \$15,000 each year above the authorized amount for state employees. Mr. Ellis said yes. The PSC would like to reward some of the nine positions with extra pay. Administrators have been lost to other positions because of the low pay. CHAIRMAN KIMBERLEY asked if this is a one-time expense or ongoing. Mr. Ellis answered that to make it ongoing, the PSC would have to submit another budget request. Mr. Lloyd clarified that to make this a one-time modification approval, language should be included to that effect. SEN. WEEDING asked if this is not made ongoing, in two years would the employees take a pay decrease. Mr. Ellis stated that this amount would be built into the biennium base. Any additional increase would have to be requested. Employees would not take a decrease but would stay at the same level.

Bill Mandeville, OBPP, stated for clarification, that an exempt position isn't assigned any grade or step; it is assigned a dollar amount. Commissioners could give the exempt position a pay raise equal to the grade and step, but it is not mandatory and is not done like classified positions. Exempt positions wouldn't be covered by a pay raise in the next biennium, unless the Commissioners or Committee so choose.

SEN. BENGTON asked when an agency budgets for Personal Services don't they make projections? Mr. Mandeville answered, this is taken into account and the Commissioners advise if positions have a commensurate pay raise with other employees.

SEN. DEVLIN asked if the \$15,000 would be in addition to what the exempt employees currently receive. Mr. Ellis said the exempt positions are not in the pay plan. They were granted a 2-1/2% increase last biennium. The level of pay and duties for these positions is not commensurate with the state employees doing equal work.

CHAIRMAN KIMBERLEY stated there being no more questions, the hearing the PSC will be closed for executive action.

REP. NISBET suggested the Subcommittee should use either the LFA or Executive Budget for each of the agencies and not adopt one for everything.

Motion/Vote: REP. NISBET moved to adopt the LFA Budget for the PSC and address each issue separately. Motion CARRIED unanimously.

#### CURRENT LEVEL ISSUES:

1. FTE Reduction. Motion/Vote: REP. NISBET moved to accept Item No. 1. Motion carried unanimously.

2. Biennial Appropriation. Motion/Vote: SEN. BENGTON moved to accept the Executive Budget and add \$18,886 to the base to bring it to \$50,000. This appropriation would be a line-item. Motion

carried unanimously.

3. Equipment. Motion/Vote: SEN. DEVLIN moved to add \$5,000 for equipment for the biennium. Motion carried 5 to 1.

4. Budget Base Differences. Discussion: SEN. BENGTON asked with the Executive Budget, what longterm implications would there be concerning future budgeting. Mr. Mandeville stated the figures here would be included in next biennium's budget. This would represent an increase and an ongoing expense.

Motion/Vote: REP. NISBET moved to add \$25,507 for FY92 and \$26,140 for FY 93. Motion carried unanimously.

EXECUTIVE BUDGET MODIFICATIONS:

1. Travel Registration Fees. Discussion: Mr. Mandeville explained the travel approved in the budget base was for the Pipeline Safety Program. This travel is predominately for Commissioners. Mr. Lloyd said the total amount of travel budgeted would be approximately \$90,000 each year. Instate was about \$34,000/year and out-of-state about \$45,000/year. These figures represent an inflated base and take into consideration the cost of gasoline.

REP. GRADY stated the PSC didn't have enough funds to attend many out-of-state meetings. Members need to decide how important is attendance. SEN. DEVLIN asked what amount was for registration fees out of the \$25,000 appropriated. Ms. Cottrill said registration fees are not included in the \$25,000, they are in a difference category. The \$20,000 is a proprietary fund reimbursable by the utilities for out-of-state travel.

Motion/Vote: SEN. DEVLIN moved to accept an additional \$12,500 for travel each year. Motion carried unanimously.

2. Utility Management Audit. CHAIRMAN KIMBERLEY stated this will be addressed later.

ELECTED OFFICIAL MODIFICATIONS:

1. Relocation of PSC. CHAIRMAN KIMBERLEY stated this will be addressed later.

2. Exempt Positions. Motion/Vote: SEN. WEEDING moved to accept the Executive Budget of \$15,000 for each biennium. Motion carried 5 to 1 with SEN. DEVLIN voting no.

HEARING ON THE DEPARTMENT OF LIVESTOCK

Les Graham, Executive Secretary, Board of Livestock, introduced Dr. Donald Ferlicka, State Veterinarian; Corky Mortenson, Meat Inspection; John Skufka, Centralized Services.

**EXHIBIT 1 - REVISIONS FOR FY90**

Centralized Services handles accounting and bookkeeping functions. It is funded 15% General Fund and 85% revenue accounts. The Meat Inspection Program receives some federal reimbursement.

**CURRENT LEVEL ISSUES:**

1. Per Diem. Several Board of Livestock members don't request reimbursement for expenses.
2. Leased Vehicle. Funds were available to purchase a vehicle in FY91. It was recommended the Department would be further ahead to lease that vehicle. It will be an ongoing expenditure instead of a one-time cost so the Department requests those funds be put back in the budget.
3. Base Adjustments. These were adjustments to the base for FY90 and FY91.

Centralized Services and the Diagnostic Lab are funded by the General Fund and private revenue accounts on a percentage base understanding. The Lab was funded 50-50 and is now 41-59. The Legislative Auditor said if money were available in earmarked revenue accounts, regardless of which division it was in, those funds should be applied to the General Fund. The Department does not agree with this but will accept what the committee decides.

**Mr. Lloyd** reviewed budget differences for Centralized Services.

**EXHIBIT 2.** The chart shows difference between the LFA and Executive Budgets for FY92 and FY93.

**CURRENT LEVEL ISSUES:**

1. Per Diem. LFA budgeted at actual FY90 expenditures. The Executive Budget is higher because it determined the Board of Livestock needed additional funds.
2. Leased Vehicle. The Executive Budget includes \$4500 each year for lease of a vehicle. However, money was appropriated in FY91 for its purchase.
3. Base Adjustments. This is an LFA adjustment to bring it up to actual FY90 expenditures.
4. Budget Base Differences. The Executive Budget used FY91 appropriation as a base and the LFA used FY90 actual expenditures.

**Mr. Schweitzer** explained that actual operating expenses in FY90 were \$153,627. The leased vehicle expense for \$4500 which wasn't in the FY90 expenditure is now in the base for FY92 and FY93, plus the LFA inflation amount of \$5,477 to keep current with

FY90, adds up to a total operating budget to keep current with FY90 of \$163,607. He suggested the committee accept the Executive Budget as the Department is already below inflation. Mr. Graham stated they agreed with Mr. Schweitzer.

**Motion/Vote:** SEN. BENGTSION moved to accept the Executive Budget for Centralized Services. Motion carried unanimously.

Mr. Graham explained the fees collected for using the Diagnostic Lab funds about 30% of the budget in earmarked funds. The Montana State University Physical Lab always bills the Department more than its budget allows and the Department can't do anything because they need their services. Equipment is very expensive and must be continually updated which is an ongoing expense. The Diagnostic Lab is fully accredited.

**EXHIBIT 3.** Mr. Lloyd reviewed the budget analysis for the Diagnostic Laboratory Program. The Executive Budget for FY92 is \$33,464 and for FY93,

**CURRENT LEVEL ISSUES:**

1. Position Downgrade. This is the budget level Sept FY91.
2. Base Adjustments. This is actual FY90 expenditures.
3. Equipment. This reflects the FY90 expenditures, less \$15,638 which was a one-time item to purchase a piece of lab equipment.
4. Budget Base Differences. The differences were because the LFA and Executive worked from a different base.

Mr. Schweitzer explained differences in operating the Diagnostic Lab. The FY90 operating expenditure was \$209,008, plus \$4,199 for LFA inflation and approximately \$5,500 for contracts with MSU, using a 10% inflation factor; this equals approximately \$218,707. The Executive Budget for FY92 is \$215,870 and the LFA is \$202,060 which are both lower than the projected budget. Therefore, he suggested the committee consider the Executive Budget.

**EXHIBIT 4.** This is a list of equipment requested by the Department. FY92 the LFA Budget is \$8,384 and the Executive Budget is \$15,661.

SEN. BENGTON asked what MSU contracts are referred to. Mr. Graham said any chemical testing has to go to the MSU Chemical Testing Department and the Department reimburses them.

SEN. BENGTON asked if the Diagnostic Lab interfaces with other state veterinarian labs. Dr. Quinn stated there are no other diagnostic labs in the state. The state lab handles all the veterinarian cases and shares a building with MSU's Department of Veterinary Biology, a research facility. The Department has working agreements with the College of Agriculture. Other states

have private Veterinary Clinics which handle work of companion companies. The Diagnostic Lab deals with many interstate and international cattle shipments to maintain certification and also with the interstate Food and Drug for milk distribution.

**SEN. BENGTSON** asked what the Department's responsibility is for certification for private individuals to ship interstate or to Japan. Is there a liability to the state for certain certifications? **Dr. Quinn** answered that if the Department does not certify the shipments it is liable. The tests are mandated by the receiving companies.

**SEN WEEDING** asked what happens when the budget is expended. **Mr. Graham** stated they have been able to work with **Dr. Quinn** and in the middle of the fiscal year have had to request an increase in the contract.

**Dr. Quinn** stated in the Chemistry Laboratory, the milk program is a big user. They have to test Grade A Dairies for pesticides twice a year. Some testing is turned over to the Toxicology Lab.

**Motion/Vote:** **SEN. GRADY** moved to accept the Executive Budget for the Diagnostic Laboratory Program.

**Discussion:** **REP. NISBET** said that position has been downgraded and \$3,900 shouldn't be included in the budget. **Mr. Lloyd** explained the way the motion now stands, it would include that \$3,900 in the budget.

**Motion/Vote:** **REP. GRADY** amended his motion to accept the Executive Budget less the \$3,900 for the downgraded position. Motion **CARRIED** unanimously.

**DISEASE CONTROL PROGRAM: EXHIBIT 5**

**Mr. Graham** asked if the committee agrees with the present percent of funding. The Department does not agree with the Legislative Auditor's position.

**Mr. Schweitzer** stated the Auditor said the Department must spend the State Special Fund before the General Fund. The Executive suggested some of these programs should be financed with General Fund. The Auditor says this is a law regardless of intent. It will be looked at this legislative session.

**SEN. BENGTSON** asked how the Livestock was different from other agencies. **Mr. Schweitzer** stated Livestock is unique because it has a mix of General Fund and State Special Funds.

**Mr. Skukfa** stated, there are two points of contention: 1. The disagreement between balances which we believe are necessary, because the revenue comes in on an annual basis. 2. In the proposed Legislation, we did discuss with the Legislative Auditor that language should be put in that all agencies should be the

same.

SEN. BENGTSON stated, if they have a large balance they shouldn't be spending General Fund dollars. The taxpayers wouldn't like this.

Mr. Graham replied, the Legislature didn't complain about the Department of Livestock when we dropped a 15 positions in FY85. What we attempted to do was put our Dept. on a cash-flow basis, based on what we anticipated our revenue to be. The Governor at that time suggested we spend our revenue funds and borrow from the General Fund, tax free. This costs the taxpayers.

REP. NISBET asked, where does the State Special Revenue revert to?

Mr. Graham answered, the revenue goes back into the Department from which it came.

Mr. Graham stated, the \$35,000 we used for Contracted Services was due to reduction in FTE's. We decided that we would contract with local Veterinarians and not retain FTE's as State Employees. An example, was the testing we did on the Bison in 1989, we used local Veterinarians from Livingston and reimbursed them. The danger in this is that we cut back on FTE's and used contracted services and we need that base for emergency disease control if it occurs. We reverted \$62,000 and if we don't need it we won't spend it.

Mr. Lloyd reviewed the budget analysis for the Disease Control Program. **EXHIBIT 5.**

The differences of the LFA Budget is \$37,451, the Executive Budget for FY93 is \$38,071. LFA budgeted at actual expenditures of FY90 which were zero. The Budget Base Differences regarding the language in HB2, the committee may want to consider the language as it appears here.

Mr. Schweitzer stated, regarding the \$35,000 for Contracted Services the Legislature approved this in case it was needed for a disease outbreak. Therefore, Executive did recommend to continue this appropriation for this biennium.

**QUESTIONS:** None

**MOTION/Vote:** by SEN. DEVLIN to approve the Executive Budget on the Disease Control Program. Motion **CARRIED** unanimously.

Mr. Lloyd read the HB2 language as follows: "IF THERE IS A BRUCELLOSIS OUTBREAK, THE OUTBREAK IS AN EMERGENCY FOR BUDGET AMENDMENT PURPOSES UNDER 17-7401 THROUGH 17-7-405, MCA."

**Motion/Vote:** SEN. BENGTSON moved to accept HB2 language. Motion **CARRIED** unanimously.



**Mr. Graham** asked, if the language could say "AN ANIMAL DISEASE" instead of "A BRUCELLOSIS" as there are many other diseases besides Brucellosis.

**SEN. BENGTON** stated she would withdraw the first motion.

**Amended Motion/Vote:** by **SEN. BENGTON** to replace language in HB2 as follows: "IF THERE IS AN ANIMAL DISEASE OUTBREAK, THE OUTBREAK IS AN EMERGENCY FOR BUDGET AMENDMENT PURPOSES UNDER 17-7-405, MCA." Motion **CARRIED** unanimously.

**MILK AND EGG PROGRAM EXHIBIT 6**

**Mr. Graham** stated, the Department was proposing a reduction in FTE's from 5.7 employees to 4.75 employees in the next biennium proposing transferring that FTE to the Meat Inspection Program.

**Mr. Lloyd** reviewed the Budget Analysis differences between the LFA Budget and the Executive Budget. The LFA Budget is \$172 for FY92 is greater than the Executive Budget. For FY93 the Executive Budget is \$380 greater than the LFA. The differences result from using different bases. **EXHIBIT 6**

**Mr. Schweitzer** stated, concerting the moving FTE's, this will come into two other programs, Predator control and Meat Inspection. I suggest the committee accept the Executive Budget. Another issue which is not in the Exhibit is a transfer of one more position out of this program.

**Mr. Graham** stated they would like to keep the operating budget even they are transferring an employee out of the Department. So the savings would be in Special Services, not in Operating Expenses. This position is transferred to the Inspection Program.

**REP. NISBET** asked, is the total FTE 4.5? Personal Services figure doesn't show this move, is that correct?

**Mr. Schweitzer** explained, The LFA and I will have to identify a position and take that amount of money out for the FTE and added into the next program.

**SEN. DEVLIN** inquired, does the Operating Expenses remain constant? **Mr. Schweitzer** answered "yes".

**SEN. BENGTON** asked, do we have to address the internal reorganization?

**Mr. Lloyd** clarified, if the committee adopts the Executive Budget, I would adjust the LFA Budget to reflect the internal reorganization. If the committee decides to transfer another FTE out as outlined by **Mr. Graham**, that would be a separate vote by the committee. If you adopt the Executive for the expenses, you may want to go with the LFA for funding and spend the Federal Revenue to replace the General Fund.

**Motion/Vote:** by SEN. BENGTON to accept Executive Budget for the Milk and Egg Program. Motion CARRIED unanimously.

**Motion/Vote:** by SEN. BENGTON to accept the Executive Budget for spending of the fund balance. Motion CARRIED unanimously.

**Motion/Vote:** by SEN. BENGTON to move one FTE into the Inspection and Control Program. Motion CARRIED unanimously.

**INSPECTION AND CONTROL PROGRAM: EXHIBIT 7**

Mr. Graham stated, we are dealing with narcotics and they are stealing livestock to support their habits. We have to use a different approach in training inspectors. We have requested the FTE from the Milk and Egg Program be transferred to this Dept. and put into Eastern Montana in an advisory position. Also, The Department has requested extra funds to rerecord brands. One of the problems we have is with the Postal Service. They returned some 20,000 applications to us at a charge of 21 cents to mail them out again. It cost nearly \$1 per envelope before we finally get these mailed.

**EXHIBIT 7 - Mr. Lloyd** reviewed the Budget Analysis on the Inspection & Control Program. The differences were \$6,531 for FY92 for the Executive Budget and \$12,785 for FY93 for the LFA Budget. These are due to the different bases these two started from. The Executive is recommending a Budget Modification to handle the increased workload in Livestock of one additional FTE for \$55,064 in FY92 and \$56,994 in FY93. The committee may wish to put language in HB2 as such as: "IF THE DEPARTMENT DOES NOT HAVE SUFFICIENT RESOURCES TO PERFORM THE 10-YEAR BRAND RERECORD AS REQUIRED BY 81-3-104, THE LACK OF RESOURCES IS AN EMERGENCY FOR BUDGET AMENDMENT PURPOSES UNDER 17-7-401 THROUGH 17-7-405". This is applicable only through 1992.

Mr. Schweitzer showed an overview explaining some of the Budget Differences. In FY90 they spent \$292,000 with inflation the LFA has of \$7,274, this equals an Operating Budget of approximately \$300,000. The LFA Budget is \$294,176 and the Executive Budget is \$303,484. In regard to the workload increase, two bienniums ago, this Dept. identified 10 positions they took out of the Budget because they didn't have funds to support it. With increased livestock numbers, their workload has increased. Therefore, they convinced the Executive to give them one additional FTE to help with increase in workload. The Livestock Workload increase reflects that in the Budget. We should transfer that position from the Milk and Egg Program back into this program.

**QUESTIONS:** Sen. Weeding asked if this would make 2 FTE's?

Mr. Graham: answered "yes" and this would still below the level we had in 1985 of 9 or 10 FTE's.

SEN. WEEDING stated, on the Executive Sheet it shows a decrease of 2 FTE's. Is that the end of the Brand Rerecording period on FY92.

Mr. Graham answered, that is correct. These are temporary fulltime employees. This would make 61.2 employees.

SEN. BENGTON explained the differences in salary. for FY92 it's \$55,064 and for FY93 it's \$54,994.

Mr. Skufka replied, there is also operating costs with this workload of the FTE's. This could vary a \$100 or so.

Mr. Lloyd explained, in the Modification Budget is included \$25,000 each year for operating expenses. The difference is Personal Services.

SEN. BENGTON asked if they were using 7.27% inflation factor throughout the entire budget?

Mr. Lloyd stated, that figure reflects a dollar amount which Carl used in his calculations. We did use a set inflation figure on a number of expenditure codes for the LFA Budget. However, the Executive Budget used different inflation figures in some categories.

SEN. BENGTON asked, what the differences are.

Mr. Schweitzer explained, we haven't worked those out, but our Directors are going to work this out to come up with a factor.

CHAIRMAN KIMBERLEY asked, how does Senate Bill 9. which affects the number of brands, affect the rerecord process.

Mr. Graham explained, it won't affect the budgeting process.

Motion/Vote: by SEN. DEVLIN to approve the Executive Budget on all items including the transfer of one FTE from the Milk and Egg Department, and also the language in HB2.

DISCUSSION: SEN. BENGTON asked if the \$55,064 was an additional motion.

Mr. Lloyd clarified, there wasn't anything in the motion to include the Budget Modification for \$55,064.

Motion CARRIED unanimously.

Motion/Vote: by SEN. DEVLIN to approve the Executive Budget Modification.

DISCUSSION: SEN. BENGTON, asked, if the additional FTE was the one who was going to go to Eastern Montana? Also, where the \$25,000 Operating Expenses fit in.

Mr. Lloyd clarified, there are two issues here; 1. the internal transfer among programs, the Eastern Montana person. All that is moving to that Dept. is the FTE, no funds are transferring. 2. A new FTE is in the Budget Modification and of the funds listed, \$25,000 are operating funds and the remaining approximately \$30,000 is the Social Services associated with that one FTE.

SEN. WEEDING asked, can we think of it as 2 FTE's how we are dividing up the \$25,000.

Mr. Graham explained, this is for one FTE and expenses. We have not addressed the expenses on transferring the General Fund to this one.

SEN. WEEDING asked, when do we pick up the expenses which go along with the transfer?

Mr. Graham stated, we haven't done that yet, we want to work with Mr. Lloyd and Mr. Schweitzer on this issue.

Motion CARRIED unanimously.

**PREDATORY ANIMAL CONTROL PROGRAM: EXHIBIT 8**

**Internal Reorganization -**

Mr. Graham said, this is the Dept. the .25 FTE was transferred from the Meat Inspection Program. Dr. Sheets is the Bureau Chief Milk and Egg Dept. and also the Veterinary Training Officer for the Meat Inspection Program. We also use him in a supervisory roll. We are attempting to spread his salary between the three programs.

**Fish, Wildlife and Parks Grant -**

This was a onetime item in FY89 and we would like the committee to put this \$20,000 back in the Budget.

**Budget Base Differences -**

We need to keep a balance in this fund for contract services, as a breakdown on a helicopter can be expensive. We used to have three and are now down to one.

Mr. Lloyd reviewed the Modifications and the Budget Base differences. The LFA used the FY90 actual expenditures.

Mr. Schweitzer explained, the above issues as follows: The Predatory Animal Control Program spent \$68,000 in FY90 for predator control contracts. There are two ways in taking of predators, 1. we use a helicopter in the Western part of the State. In Eastern Montana they contract for helicopters for control. The LFA took out this one-time item of \$20,000, so they are back to \$48,000. The Executive Budget left this \$20,000 in, so they were back up to the \$68,000. Plus, we gave them an additional \$32,000 in FY92 which makes a total of \$118,000 In

FY92 the Dept. asked for \$18,000 be used for current maintenance for the helicopter. So, this reduced FY92 appropriation to \$100,000.

SEN. BENGTSON asked, in regard to Fish, Wildlife and Parks, why do they give the Dept. a Grant? Mr. Graham answered, prior to last session, Mr. Flynn approached me and since we do a lot of work for them, he felt he would like to become more involved on the Federal level.

CHAIRMAN KIMBERLEY asked, if the one-time reorganization would save funds? Mr. Graham replied, it would be a savings from the General Fund and Federal Fund accounts for the Milk and Egg Program and the Meat Inspection Program.

Motion/Vote: by SEN. GRADY to approve the Executive Budget and also the internal reorganization Grant contingent upon approval of the Fish, Wildlife and Parks budget amendment.

Mr. Lloyd clarified, did you mean contingent upon the increase or contingent upon approval of the Budget Modification that is within the Fish, Wildlife and Parks?

Substitute Motion/Vote: by SEN. GRADY to approve the \$20,000 Executive Budget contingent upon approval of the Budget Modification for Fish, Wildlife and Parks for the same amount.

SEN. NISBET stated, we have already voted on the Executive Budget, so we need to vote on the Modification.

Withdraw the Motion: by SEN. GRADY to rephrase the motion, since the committee already approved the Executive Budget.

Motion/Vote: by SEN. GRADY to approve the Modification of \$20,000 for the Fish, Wildlife and Parks for Predator Control. Motion CARRIED unanimously.

#### Rabies Control - EXHIBIT 9

Mr. Graham stated, this program has reflected a big change from prior years. Since we cannot use strychnine for rabid skunks, the Board of Livestock asked us not to request the full amount of the budget.

EXHIBIT 9 - Mr. Lloyd reviewed the comparisons in the budget between the LFA and Executive Budget and stated, there were no differences. The State Revenue Fund is entirely from the Dept. of Fish, Wildlife and Parks Grant to the Dept. of Livestock. That amount is \$15,000 for FY92 and FY93.

DISCUSSION: Mr. Skufka stated the Lab. still does a lot of Rabies testing. The only thing we do not use is strychnine. They still assist Counties, Cities and are involved in the Department of Health, Educational Programs. They still do a lot of traveling

and also assist veterinarians in communities around the State and quarantine if there is a rabies outbreak. We reverted \$40,500 in FY90 out of that General Fund.

**Motion/Vote:** by REP. NISBET to accept the LFA Budget on Rabies Control. Motion CARRIED unanimously.

Meat Inspection Program - EXHIBIT 10

Mr. Graham gave an overview of this Dept: This Dept. was established 4 years ago by the Legislature. This program is continually expanding. We now have inquiries from 11 private slaughtering plants in the State. This is funded by 50% Federal Funds and 50% General Funds.

**EXHIBIT 10 - Mr. Lloyd** gave an analysis of the funding of this program. The Executive Budget in FY92 is \$11,883 greater than the LFA and in FY93 \$12,574 greater. There are two differences; 1. Internal Reorganization, which had the most changes. The LFA Budget does not include any of these reorganization in this or the previous program. 2. The Budget Base Differences.

Executive Budget Modification: This modification would add 4 FTE positions in each of FY92 and FY93. With \$170,753 for FY92 and add \$166,795 for FY93.

Mr. Schweitzer clarified, the State Meat Inspection Program was started by Rep. Donaldson's Bill to start this program, because he felt the State's meat industry was not properly served by the Federal Meat Inspection Program. The Budget Base differences reflect the growth in the industry. The Executive Budget Modification reflects the increase of 4 FTE positions to handle the increase in this Dept.

REP. GRADY stated, we have been getting letters concerning this program. Mr. Graham stated, they are afraid they may eliminate this program. There are 177 exempt plants under State Inspection and 33 slaughter and processing plants under State Inspection.

CHAIRMAN KIMBERLEY said, he also was receiving letters stating their concern of dropping this program. Mr. Graham stated, the State had dropped it previously and these people are afraid it will happen again. That is not the case. Also, there is the feeling that we should be doing the inspection at the Prison in Deer Lodge, rather than Federal Inspection.

SEN. WEEDING asked, if there was a fee for this inspection. Mr. Graham replied, no there is not according to Federal Law which is an issue in Congress at the present time. I feel that we are at a point where this Dept. will not grow significantly as we are near a saturation point.

SEN. BENGTON asked, has there been complaints, are the consumer adequately protected? There are no complaints in Yellowstone

County. **Mr. Graham** stated, we have had very few complaints and also allows small family plants to operate where the Federal Inspection Program won't participate.

**REP. GRADY** stated, I know we wouldn't have a lot of plants open today if we didn't have State Inspection Programs.

Motion/Vote: by **SEN. BENGTON** to approve the Executive Budget for Meat Inspection Program. Motion **CARRIED** unanimously.

Motion/Vote: by **SEN. BENGTON** to add 2 FTE positions instead of 4,

DISCUSSION: **SEN. GRADY** asked, what about the prison, do you think you can handle that too? What would happen if we decided on 2 FTE positions instead of 4?

**Mr. Corky Mortenson**, Dept. of Livestock stated it is very difficult to project, because you don't know the volume. Traveling is also involved in this program. In the past our projections have been pretty close as to the FTE positions needed.

**Sen. Devlin** stated, a lot of times your revisiting times would change if you had to revisit a plant which was doing something wrong. **Mr. Mortenson** stated, some are visited every day, depending on what they do and when they do it. When slaughtering is taking place, there must be an inspector there at the time. If we have to call a veterinarian to decide if an animal should be slaughtered or if something was discovered in the post-mortem inspector, he contacts the veterinarian. We use the people on a contract basis. Sometime we have to send **Dr. Sheets** out of State for Federal training and he trains our people. Training is an ongoing thing.

**SEN. GRADY** stated, I feel this program is important for the State and we should be inspecting the Prison instead of the Feds. If you need the 4 positions to do this, I would be in favor of that. **Mr. Graham** stated, in looking at the budget, half is State Funds and half is General Fund.

Substitute Motion: by **SEN. GRADY** to approve funding for the 4 FTE positions. Motion **CARRIED** 5 - 1 (**SEN. BENGTON** voting no)

HOUSE NATURAL RESOURCES SUBCOMMITTEE

January 14, 1991

Page 16 of 16

ADJOURNMENT

Adjournment: 11:50 A.M.

  
\_\_\_\_\_  
REP. BERV KIMBERLEY, Chair

  
\_\_\_\_\_  
THEDA ROSSBERG, Secretary

BK/tr



**HOUSE OF REPRESENTATIVES**  
**NATURAL RESOURCES SUBCOMMITTEE**

**ROLL CALL**

**DATE** 1-14-91

<b>NAME</b>	<b>PRESENT</b>	<b>ABSENT</b>	<b>EXCUSED</b>
SEN. ESTHER BENGTSON, VICE-CHAIR	✓		
REP. ED GRADY	✓		
REP. JERRY NISBET	✓		
SEN. GERRY DEVLIN	✓		
SEN. CECIL WEEDING	✓		
REP. "BERV" KIMBERLY, CHAIRMAN	✓		

**HOUSE OF REPRESENTATIVES**  
**NATURAL RESOURCES SUBCOMMITTEE**

**ROLL CALL VOTE**

**DATE** 1-14-91 **AGENCY** \_\_\_\_\_ **NUMBER** 174

**MOTION:** By Sen Devlin I accept

5000 for the Bismarck for airport.

NAME	AYE	NO
SEN. ESTHER BENGTSON, VICE-CHAIR		✓
REP. ED GRADY	✓	
REP. JERRY NISBET	✓	
SEN. GERRY DEVLIN	✓	
SEN. CECIL WEEDING	✓	
REP. "BERV" KIMBERLY, CHAIRMAN	✓	
TOTAL	5	11

*Passed*  
*5-1*

4201 PUBLIC SERVICE REGULATION  
01 PUBLIC SERVICE REGULATION PROG  
00000

DATE : 01/08/91  
TIME : 21/29/24  
CURRENT LEVEL COMPARISONS

Budget Item	Actual Fiscal 1990	Executive Fiscal 1992	LFA Fiscal 1992	Difference Fiscal 1992	Executive Fiscal 1993	LFA Fiscal 1993	Difference Fiscal 1993
FTE	46.00	46.00	44.00	2.00	46.00	44.00	2.00
Personal Services	1,372,335	1,528,660	1,481,995	46,665	1,527,623	1,481,061	46,562
Operating Expenses	304,111	371,349	318,531	52,818	371,958	317,900	54,058
Equipment	45,910	38,605	33,605	5,000	42,079	37,079	5,000
Total Expend.	\$1,722,356	\$1,938,614	\$1,834,131	\$104,483	\$1,941,660	\$1,836,040	\$105,620
<u>Fund Sources</u>							
General Fund	1,683,400	1,892,696	1,788,213	104,483	1,895,742	1,790,122	105,620
Federal Revenue Fund	21,780	25,918	25,918	0	25,918	25,918	0
Proprietary Fund	17,176	20,000	20,000	0	20,000	20,000	0
Total Funds	\$1,722,356	\$1,938,614	\$1,834,131	\$104,483	\$1,941,660	\$1,836,040	\$105,620

CURRENT LEVEL ISSUES:

--EXEC OVER (UNDER) LFA--  
FY 92 FY 93

1. FTE REDUCTION - LFA current level eliminates 2.0 FTE that had been vacant over 6 months in the 1991 biennium. \$46,665 \$46,562
2. BIENNIAL APPROPRIATION - The Executive Budget includes a \$50,000 biennial appropriation for consultants, whereas the LFA current level is based on actual expenses. \$18,886 \$18,886
3. EQUIPMENT - The Executive Budget includes additional computer software. \$5,000 \$5,000
4. BUDGET BASE DIFFERENCES - The Executive Budget is higher due to using the FY 1991 appropriation as a base, whereas the LFA current level is based on FY 1990 actual expenses. \$33,932 \$35,172

TOTAL CURRENT LEVEL ISSUES

\$104,483 \$105,620  
=====

EXECUTIVE BUDGET MODIFICATIONS:

1. TRAVEL/REGISTRATION FEES
2. UTILITY MANAGEMENT AUDIT

FTE	FY 92	FY 93
	0.00	0.00
	1.00	2.00
	1.00	2.00
	=====	=====

\$25,000 \$25,000  
\$48,286 \$175,516  
\$73,286 \$200,516  
=====

TOTAL EXECUTIVE BUDGET MODIFICATIONS

ELECTED OFFICIAL MODIFICATIONS:

1. RELOCATION OF PSC
2. EXEMPT POSITIONS

\$191,650 \$160,000  
\$15,000 \$15,000  
\$206,650 \$175,000  
=====

TOTAL ELECTED OFFICIAL MODIFICATIONS

EXHIBIT 1  
DATE 1-14-91  
HB Natural Gas Sub.

Munich

Exhibit 1- 1-11-91

REVERSIONS FOR F.Y. 90

<u>Program</u>	<u>General Fund</u>	<u>St. Spec. Rev.</u>	<u>Federal Funds</u>
Cent. Services	1,990		
Diag. Lab.	27,991		
Animal Health		62,530	
Milk & Egg	10,450		
Insp. & Ctrl.		14,041	
Predator Control		31,579	
Rabies	40,492		
Meat/Poultry	<u>16,634</u>	<u>          </u>	<u>16,309</u>
Totals	\$97,557	\$108,150	\$16,309
 Total Department	 \$222,016		

Serial #1  
 11-14-91  
 9/6/90  
 DATE 1-14-91  
 Natural Res. Div.

Budget Item	Actual Fiscal 1990	Executive Fiscal 1992	LFA Fiscal 1992	Difference Fiscal 1992	Executive Fiscal 1993	LFA Fiscal 1993	Difference Fiscal 1993
FTE	9.00	9.00	9.00	.00	9.00	9.00	.00
Personal Services	246,940	312,659	310,852	1,807	312,377	310,580	1,797
Operating Expenses	(153,627)	159,239	144,534	14,705	160,556	145,335	15,221
Equipment	5,024	4,500	4,500	0	3,500	3,500	0
Total Expend.	\$453,591	\$476,398	\$459,886	\$16,512	\$476,433	\$459,415	\$17,018
Sources							
State General Fund	81,245	86,911	86,270	2,641	86,925	84,183	2,742
Federal	356,887	370,797	370,965	13,832	370,831	356,597	14,234
	17,459	18,690	18,655	39	18,677	18,635	42
Total Funds		\$476,398	\$459,886	\$16,512	\$476,433	\$459,415	\$17,018

CURRENT LEVEL ISSUES:

--EXEC OVER (UNDER) LFA--  
FY 92 FY93

1. PER DIEM - LFA current level reflects actual expenditures by the Board of Livestock \$1,850
2. LEASED VEHICLE - The Executive Budget includes funding to lease a vehicle. \$4,500  
Funds were appropriated in fiscal 1991 for purchase of the vehicle. \$8,473
3. BASE ADJUSTMENTS \$8,473
4. BUDGET BASE DIFFERENCES - The Executive Budget is higher due to using the FY 1991 appropriation as a base, whereas the LFA current level is based on FY 1990 actual expenses. \$1,689

TOTAL CURRENT LEVEL ISSUES

\$16,512 \$17,018  
=====

2  
DATE 1-14-91  
-34ptual Bas. Inc.

ITEM B: COMPARISON BETWEEN CONTRACTED SERVICES AND CAPITAL OUTLAY

	<u>FY90 Actual</u>	<u>Exec. (DSL Request)</u>	<u>LFA Budget FY90 Actual)</u>	<u>Difference</u>
Contracted Services	\$2,040,868	\$2,509,314	\$2,039,800	\$ 469,514
Capital Outlay <i>Construction</i>	<u>5,418,820</u>	<u>5,000,000</u>	<u><del>5,039,800</del></u>	<u>0</u>
Total	\$7,459,688	\$7,509,314	\$7,039,800	\$ 469,514

EXHIBIT 2  
DATE 1-14-91  
HB Natural Gas Act

Exhibit 2  
1-14-91

1990 MONTANA STATE INSPECTION TOTALS

SLAUGHTER PLANT HEAD COUNT - (10 PLANTS)

<u>Bulls</u>	<u>Cows</u>	<u>Steers</u>	<u>Heifers</u>	<u>Calves</u>	<u>Sheep</u>	<u>Lambs</u>	<u>Swine</u>	<u>Goats</u>	<u>Poultry</u>	<u>Turkeys</u>	<u>Rabbits</u>	<u>Buffalo</u>
348	538	680	386	1	512	85	2,995	6	2,855	10	81	2

PROCESSING PLANT TOTAL POUNDAGE - (23 PLANTS)

Meat      Poultry

2,588,485 lbs.    85,595 lbs.

CUSTOM EXEMPT PLANT HEAD COUNT & TOTAL POUNDAGE - (177 PLANTS)

<u>Beef</u>	<u>Bulls</u>	<u>Cows</u>	<u>Steers</u>	<u>Heifers</u>	<u>Calves</u>	<u>Sheep</u>	<u>Lambs</u>	<u>Swine</u>	<u>Goats</u>	<u>Poultry</u>	<u>Turkeys</u>	<u>Buffalo</u>
5,507	240	630	2,049	785	22	1,328	596	5,208	12	44,306	1,550	5
3,735,089	216,000	321,300	1,434,300	471,000	6,050	80,003	29,900	833,727	360	177,224	27,900	3,750 lbs.

NUMBER OF ESTABLISHMENT LICENSES ISSUED

<u>Federal</u>	<u>State</u>	<u>Custom Exempt</u>	<u>Meat Depots</u>
46	28	Meat    Poultry	15
		26	

COMPLIANCE INVESTIGATIONS

<u>Number of Reviews</u>	<u>Number of Cases Worked</u>
666	55

\* 1988 Wild Game Harvest

<u>Elk</u>	<u>Antelope</u>	<u>Deer</u>	<u>Mountain Sheep</u>	<u>Moose</u>	<u>Mountain Goats</u>
23,362	39,290	100,726	207	595	213

Figures obtained from Department of Fish, Wildlife, & Parks.

A large percent of these wild game carcasses are processed in licensed establishments.

\* BEEF ARE FARM KILL WHERE SEX IS NOT KNOWN.

- \* BEEF AVERAGE WEIGHT 678 lbs.
- BULLS AVERAGE WEIGHT 900 lbs.
- COWS AVERAGE WEIGHT 519 lbs.
- STEERS AVERAGE WEIGHT 700 lbs.
- HEIFERS AVERAGE WEIGHT 600 lbs.
- CALVES AVERAGE WEIGHT 275 lbs.
- SHEEP AVERAGE WEIGHT 60 lbs.
- LAMB AVERAGE WEIGHT 50 lbs.
- SWINE AVERAGE WEIGHT 160 lbs.
- GOATS AVERAGE WEIGHT 30 lbs.
- CHICKEN AVERAGE WEIGHT 4 lbs.
- TURKEY AVERAGE WEIGHT 18 lbs.
- BUFFALO AVERAGE WEIGHT 750 lbs.

EXHIBIT 2  
DATE 1-14-91  
By Natural Res. Div.

5603 DEPARTMENT OF LIVESTOCK  
03 DIAGNOSTIC LABORATORY PROGRAM  
00000

DATE : 01/08/91  
TIME : 21/29/24  
CURRENT LEVEL COMPARISONS

Budget Item	Actual Fiscal 1990	Executive Fiscal 1992	LFA Fiscal 1992	Difference Fiscal 1992	Executive Fiscal 1993	LFA Fiscal 1993	Difference Fiscal 1993
FTE	18.00	18.00	18.00	.00	18.00	18.00	.00
Personal Services	504,748	554,250	550,257	3,993	554,210	550,220	3,990
Operating Expenses	(209,012)	215,870	202,060	13,810	215,530	202,680	12,850
Equipment	24,023	24,045	8,384	15,661	24,500	8,384	16,116
Total Expend.	\$737,763	\$794,165	\$760,701	\$33,464	\$794,240	\$761,284	\$32,956
Fund Sources							
General Fund	284,503	321,637	308,084	13,553	321,667	308,320	13,347
State Revenue Fund	453,200	472,528	452,617	19,911	472,573	452,964	19,609
Total Funds	\$737,783	\$794,165	\$760,701	\$33,464	\$794,240	\$761,284	\$32,956

CURRENT LEVEL ISSUES:

--EXEC OVER (UNDER) LFA--  
FY 92 FY93

1. POSITION DOWNGRADE - The LFA reflects current grade and step.

2. BASE ADJUSTMENTS

3. EQUIPMENT - LFA reflects actual fiscal 1990 expenditures less \$15,638 of one-time-only lab expenditures.

4. BUDGET BASE DIFFERENCES - The Executive Budget is higher due to using the FY 1991 appropriation as a base, whereas the LFA current level is based on FY 1990 actual expenses.

TOTAL CURRENT LEVEL ISSUES

\$3,993	\$3,990
\$2,200	\$2,200
\$15,661	\$16,116
\$11,610	\$10,650
<u>\$33,464</u>	<u>\$32,956</u>

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1-14-91  
Natural Res.  
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Department of Livestock  
Diagnostic Laboratory Program  
Operating Costs

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DATE 1-14-91  
HE Natural Res. Serv.

FY92

FY90 Expenditures	\$ 209,008
Inflation LFA	4,199
MSU Contracts in FY90 - 55 to 60 thousand - if those contracts increased only 10% between FY90 and FY92 there the budget would increase:	<u>5,500</u>
Total to keep up with FY90	\$ 218,707

LFA Current Level Operating	\$ 202,060
Executive Budget Operating	\$ 215,870

# AGENCY REQUEST

AGENCY NUMBER 5603  
 PROGRAM NUMBER 03  
 CONTROL VARIABLE 0

AGENCY NAME Department of Livestock  
 PROGRAM NAME Diagnostic Laboratory  
 CONTROL VARIABLE NAME

Item Number*	Object of Expend. 3rd Level	DOCUMENT AGENCY REQUEST	FY91 Base Budget Data	REQUESTED 1993 BIENNIIUM	
				FY92	FY93
1.	3113	Justification for Equipment:  One (1) Air conditioner-roof top unit. This unit should provide air conditioning in 3 to 4 laboratory rooms (areas) that currently do not have any.	25,625	0	5,000
2.	3116	a.) Tissue processor - replaces old equipment with new technology that can handle twice the volume. This processor is also self-vented which is safer than the existing system. b.) Pan Balance: This equipment will speed up processing for media preparation and mixing. c.) Spectrophotometer: replaces a borrowed one from M.S.U.-Vet. Research Lab, that the Lab may lose the use of. d.) Liquid nitrogen freezer: To be placed in the virology section to store cell lines. e.) General purpose incubator: This will be a new item of equipment for the bacteriology section that expands the Lab's capabilities for isolation of bacteria. f.) Table Top Centrifuge: This will be a new item of equipment for the histology section to concentrate samples.	17,850	1,000	1,095
				1,000	2,000
				1,100	

\*Sequentially number each item.

# AGENCY REQUEST

AGENCY NUMBER 5603  
 PROGRAM NUMBER 03  
 CONTROL VARIABLE \_\_\_\_\_

AGENCY NAME Department of Livestock  
 PROGRAM NAME Diagnostic Laboratory  
 CONTROL VARIABLE NAME \_\_\_\_\_

Item Number*	Object of Expend. 3rd Level	DOCUMENT AGENCY REQUEST	FY91 Base Budget Data	REQUESTED 1993 BIENNIIUM	
				FY92	FY93
continued					
2.	3116	g. Antibiotic testing system (MIC). This item of equipment will provide the Lab with the ability to go from plate technology on antibiotics to more realistic laboratory models. h.) CO2 Incubator: Replaces existing equipment in the virology section, is more efficient, uses less CO2 and maintains CO2 concentration at more critical levels.			13,800
					5,700

\*Sequentially number each item.

1-14-91

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DATE 1-14-91  
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5603 DEPARTMENT OF LIVESTOCK  
04 DISEASE CONTROL PROGRAM  
00000  
DATE : 01/08/91  
TIME : 21/29/24  
CURRENT LEVEL COMPARISONS

Budget Item	Actual Fiscal 1990	Executive Fiscal 1992	LFA Fiscal 1992	Difference Fiscal 1992	Executive Fiscal 1993	LFA Fiscal 1993	Difference Fiscal 1993
FTE	10.50	10.50	10.50	.00	10.50	10.50	.00
Personal Services	344,337	361,776	361,776	0	361,633	361,633	0
Operating Expenses	78,372	116,437	78,986	37,451	116,439	78,368	38,071
Equipment	17,797	19,041	19,041	0	20,187	20,187	0
Total Expend.	\$440,506	\$497,254	\$459,803	\$37,451	\$498,259	\$460,188	\$38,071
Fund Sources							
State Revenue Fund	440,506	497,254	459,803	37,451	498,259	460,188	38,071
Total Funds	\$440,506	\$497,254	\$459,803	\$37,451	\$498,259	\$460,188	\$38,071

CURRENT LEVEL ISSUES:  
--EXEC OVER (UNDER) LFA--  
FY 92 FY93

1. LOCAL VETERINARIAN CONTRACT - The LFA reflects no fiscal 1990 expenditures from the contingency to be used in case of a disease outbreak.  
\$35,000 \$35,000
2. BUDGET BASE DIFFERENCES - The Executive Budget is higher due to using the FY 1991 appropriation as a base, whereas the LFA current level is based on FY 1990 actual expenses.  
\$2,451 \$3,071  
\$37,451 \$38,071

an. Current decision

HOUSE BILL 2 LANGUAGE - "IF THERE IS A BUDGET OUTBREAK, THE OUTBREAK IS AN EMERGENCY FOR BUDGET AMENDMENT PURPOSES UNDER 17-7-401 THROUGH 17-7-405, MCA".

Budget Item	Actual Fiscal 1990	Executive Fiscal 1992	LFA Fiscal 1992	Difference Fiscal 1992	Executive Fiscal 1993	LFA Fiscal 1993	Difference Fiscal 1993
FTE	6.00	5.75	6.00	.25-	5.75	6.00	.25-
Personal Services	167,527	167,590	167,888	298-	167,617	167,915	298-
Operating Expenses	32,854	33,238	33,112	126	33,276	32,598	678
Equipment	12,821	15,714	15,714	0	15,735	15,735	0
Total Expend.	\$213,202	\$216,542	\$216,714	\$172-	\$216,628	\$216,248	\$380
Fund Sources							
General Fund	183,201	186,542	185,074	1,468	186,628	184,030	2,598
Federal Revenue Fund	30,001	30,000	31,640	1,640-	30,000	32,218	2,218-
Total Funds	\$213,202	\$216,542	\$216,714	\$172-	\$216,628	\$216,248	\$380

CURRENT LEVEL ISSUES:

--EXEC OVER (UNDER) LFA--

FY 92

FY93

1. INTERNAL REORGANIZATION - The Executive Budget transfers out .5 FTE (grade 10) to the Meat Inspection Program and transfers in .25 FTE (grade 19) from the Meat Inspection Program.

(\$298)

(\$298)

2. BUDGET BASE DIFFERENCES - The Executive Budget is higher due to using the FY 1991 appropriation as a base, whereas the LFA current level is based on FY 1990 actual expenses.

\$126

\$678

(\$380)

=====

TOTAL CURRENT LEVEL ISSUES

\$1,640

\$1,640

FUNDING

1. SPENDING OF FUND BALANCE - The LFA uses fund balance within the federal animal health account to fund program operations.

6

DATE 1-14-91

Hayatun Res. Sub.

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EXHIBIT 7  
DATE 1-14-91  
Jeff Atterhal R.S. Dub

DATE : 01/08/91  
TIME : 21/29/24  
CURRENT LEVEL COMPARISONS

5603 DEPARTMENT OF LIVESTOCK  
06 INSPECTION & CONTROL PROGRAM  
00000

Budget Item	Actual Fiscal 1990	Executive Fiscal 1992	LFA Fiscal 1992	Difference Fiscal 1992	Executive Fiscal 1993	LFA Fiscal 1993	Difference Fiscal 1993
FTE	59.21	61.21	61.21	.00	59.21	59.21	.00
Personal Services	1,564,439	1,661,617	1,661,394	223	1,625,226	1,624,990	236
Operating Expenses	292,333	372,329	366,021	6,308	302,549	290,000	12,549
Equipment	120,245	77,689	77,689	0	83,319	83,319	0
Total Expend.	\$1,977,017	\$2,111,635	\$2,105,104	\$6,531	\$2,011,094	\$1,998,309	\$12,785
Fund Sources							
State Revenue Fund	1,977,017	2,111,635	2,105,104	6,531	2,011,094	1,998,309	12,785
Total Funds	\$1,977,017	\$2,111,635	\$2,105,104	\$6,531	\$2,011,094	\$1,998,309	\$12,785

CURRENT LEVEL ISSUES:

--EXEC OVER (UNDER) LFA--  
FY 92 FY 93

1. BUDGET BASE DIFFERENCES - The Executive Budget is higher due to using the FY 1991 appropriation as a base, whereas the LFA current level is based on FY 1990 actual expenses.

\$6,531 \$12,785

EXECUTIVE BUDGET MODIFICATION:

LIVESTOCK WORKLOAD INCREASE

FTE  
FY 92 FY 93  
1.00 1.00

\$55,064 \$54,994

HOUSE BILL 2 LANGUAGE - "IF THE DEPARTMENT DOES NOT HAVE SUFFICIENT RESOURCES TO PERFORM THE 10-YEAR BRAND RERECORD AS REQUIRED BY 81-3-104, THE LACK OF RESOURCES IS AN EMERGENCY FOR BUDGET AMENDMENT PURPOSES UNDER 17-7-401 THROUGH 17-7-405".

8  
DATE 1-14-91  
Signature: [Handwritten Signature]

Budget Item	Actual Fiscal 1990	Executive Fiscal 1992	LFA Fiscal 1992	Difference Fiscal 1992	Executive Fiscal 1993	LFA Fiscal 1993	Difference Fiscal 1993
FTE	1.00	1.25	1.00	.25	1.25	1.00	.25
Personal Services	44,912	59,220	48,456	10,764	59,432	48,694	10,738
Operating Expenses	191,331	317,311	260,521	56,790	215,211	139,740	75,471
Equipment	2,558	0	0	0	0	0	0
Total Expend.	\$238,801	\$376,531	\$308,977	\$67,554	\$274,643	\$188,434	\$86,209
<u>Fund Sources</u>							
State Revenue Fund	238,801	376,531	308,977	67,554	274,643	188,434	86,209
Total Funds	\$238,801	\$376,531	\$308,977	\$67,554	\$274,643	\$188,434	\$86,209

CURRENT LEVEL ISSUES:

	--EXEC OVER (UNDER) LFA-- FY 92	FY 93
1. INTERNAL REORGANIZATION - The Executive Budget transfers in .25 FTE (grade 19) from the Meat Inspection Program.	\$10,764	\$10,738
2. FISH, WILDLIFE AND PARKS GRANT - The LFA current level does not contain a \$20,000 grant to the Department of Livestock from the Department of Fish, Wildlife and Parks which the 1989 legislature stipulated was to be one-time-only.	\$20,000	\$20,000
3. BUDGET BASE DIFFERENCES - The Executive Budget is higher due to using the FY 1991 appropriation as a base, whereas the LFA current level is based on FY 1990 actual expenses.	\$36,790	\$55,471
TOTAL CURRENT LEVEL ISSUES	\$67,554	\$86,209

Ex 9 1-14-91

Page 9  
DATE 1-14-91  
Natural Res. Sub.

5603 DEPARTMENT OF LIVESTOCK  
09 RABIES CONTROL  
000000  
DATE : 01/08/91  
TIME : 21/29/24  
CURRENT LEVEL COMPARISONS

Budget Item	Actual Fiscal 1990	Executive Fiscal 1992	LFA Fiscal 1992	Difference Fiscal 1992	Executive Fiscal 1993	LFA Fiscal 1993	Difference Fiscal 1993
FTE	.00	.00	.00	.00	.00	.00	.00
Operating Expenses	15,636	15,000	15,000	0	15,000	15,000	0
Equipment	784	0	0	0	0	0	0
Total Expend.	\$16,420	\$15,000	\$15,000	\$0	\$15,000	\$15,000	\$0
<u>Fund Sources</u>							
General Fund	1,420	0	0	0	0	0	0
State Revenue Fund	15,000	15,000	15,000	0	15,000	15,000	0
Total Funds	\$16,420	\$15,000	\$15,000	\$0	\$15,000	\$15,000	\$0



CPW 10 1-14-91

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1-14-91  
Natural Resources Sub.

Budget Item	Actual Fiscal 1990	Executive Fiscal 1992	LFA Fiscal 1992	Difference Fiscal 1992	Executive Fiscal 1993	LFA Fiscal 1993	Difference Fiscal 1993
FTE	13.00	13.00	13.00	.00	13.00	13.00	.00
Personal Services	302,781	348,018	358,591	10,573-	347,460	358,007	10,547-
Operating Expenses	104,450	120,910	98,454	22,456	121,016	97,895	23,121
Equipment	4,632	0	0	0	0	0	0
Total Expend.	\$411,863	\$468,928	\$457,045	\$11,883	\$468,476	\$455,902	\$12,574
Fund Sources							
General Fund	205,769	234,464	228,522	5,942	234,238	227,951	6,287
Federal Revenue Fund	206,094	234,464	228,523	5,941	234,238	227,951	6,287
Total Funds	\$411,863	\$468,928	\$457,045	\$11,883	\$468,476	\$455,902	\$12,574

CURRENT LEVEL ISSUES:

--EXEC OVER (UNDER) LFA--  
FY 92 FY93

1. INTERNAL REORGANIZATION - The Executive Budget transfers in .5 FTE (grade 10) from the Milk and Egg Program and transfers out .25 FTE (grade 19) to the Milk and Egg Program and .25 FTE (grade 19) to the Predator Control Program.

2. BUDGET BASE DIFFERENCES - The Executive Budget is higher due to using the FY 1991 appropriation as a base, whereas the LFA current level is based on FY 1990 actual expenses.

TOTAL CURRENT LEVEL ISSUES

(\$10,573) (\$10,547)  
\$22,456 \$23,121  
\$11,883 \$12,574  
=====

FTE  
FY 92 FY 93

EXECUTIVE BUDGET MODIFICATION:

MEAT & POULTRY INSPECTION

4.00 4.00  
\$170,753 \$166,795

## VISITORS' REGISTER

Nature Resources

COMMITTEE

BILL NO. \_\_\_\_\_

DATE

1-14-91

SPONSOR \_\_\_\_\_

NAME (please print)	RESIDENCE	SUPPORT	OPPOSE
M. Pichette	Helena	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Lisa Campbell	Helena	<input type="checkbox"/>	<input type="checkbox"/>
Don Elliott	PSC	<input type="checkbox"/>	<input type="checkbox"/>
Madeleine Corcoran	PSC	<input type="checkbox"/>	<input type="checkbox"/>
Robin McHugh	PSC	<input type="checkbox"/>	<input type="checkbox"/>
Dr. Furlong	Dept. of L&S / Con. Health	<input type="checkbox"/>	<input type="checkbox"/>
William J. Quinn	BOZEMAN	<input type="checkbox"/>	<input type="checkbox"/>
Randy Kidd	BOZEMAN	<input type="checkbox"/>	<input type="checkbox"/>
Cork Mortensen	Dept. of L&S - Helena	<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>
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		<input type="checkbox"/>	<input type="checkbox"/>

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR WITNESS STATEMENT FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.