

**MINUTES**

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

**SUBCOMMITTEE ON NATURAL RESOURCES**

**Call to Order:** By CHAIRMAN BERV KIMBERLEY, on February 19, 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)

**Members Excused:** None

**Members Absent:** None

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

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

**Announcements/Discussion:** Roger Lloyd, LFA stated, SEN. WEEDING  
asked for some coal tax revenue estimates. This outlines  
the estimates and the differences in 1992 and 1993.  
EXHIBIT 1.

**DEPARTMENT OF COMMERCE  
HEARING ON COORDINATOR OF INDIAN AFFAIRS**

**Kathleen Fluery, Coordinator of Indian Affairs** gave an overview  
of this division. EXHIBIT 2 & 2A.

The coordinator of Indian Affairs works as a liaison between the  
state, federal government, local government tribes, and urban  
Indians to seek solutions to problems faced by the Indian  
population.

Some of the duties of this division are; state and tribal  
agreements, provide assistance to tribes and state agencies  
relating to development of natural resources, act as spokesperson  
for Indian organizations, inform the state of Montana on Indian  
concerns, assist Indian population in economic and employment  
development.

The Coordinator of Indian Affairs office is funded entirely by the General Fund. There are 8 tribes in the State of Montana with a population of approximately 45,000. Approximately 50% live in urban areas. There is no other minority group in the state or nationally with the social and economic problems of the magnitude faced by the Indian people.

The department requests \$106,000 in federal funds to identify Native American firms involved in highway construction. A percentage of all construction project receiving federal funds must be awarded to disadvantaged firms.

In FY90 the general fund shows \$90,579. That is a lower figure because we did not have a Coordinator of Indian Affairs from June until December. That figure is approximately \$5,133 less than the Executive budget for 1990. Funds for a newsletter were not provided for a newsletter during that interim period.

The contract with the Department of Highways is federal funds. There was a contract in the previous year with the Department of Highways which identified disadvantage business enterprises and helped Indian businesses certification to be eligible for competing for the highway construction awards. That contract ended September 30, 1991, and I have renegotiated that contract which will be affective April 15, 1991.

**SEN. BENGTON** asked, what does the Highway Department have to do with Indian Affairs. **Ms. Fluery** answered, through the Civil Rights Division there are funds available to help minority businesses.

**Bill Mandeville, OBPP** explained, the main emphasis of this program is to get Native American contractors into road construction projects. The Highway Department is the main builder of roads in the state, and receives federal funds to help Native American companies.

**Rep. Floyd Gervais, District 9 Glacier County** said, I have worked with the Indian Affairs Committee and this is a very important program. In working as a liaison, I have found a lot of misunderstanding between the Indians and the state. I definitely support this program.

**Rep. Paul Svrcek, District 26 Thompson Falls** said, I served as the Chairman of the Indian Affairs Committee during the last session. You can double the budget requested and it would not be enough. The inter-relations between the tribes and the State of Montana are increasing in quantity and are becoming increasingly complex. We are very fortunate to have **Ms. Fluery** as Coordinator of Indian Affairs. She has a wealth of experience in Indian affairs and as an attorney. The former Indian Affairs Coordinator had so much to do and such a small budget he was seeking charitable donations from the private sector to cover some of his activities. Because of the importance of this

program, we should give strong financial support.

**SEN. BENGTON** asked, Ms. Fluery, are you Native American?

**Ms. Fluery** replied, I am a member of the Little Shell Chippewa.

**SEN. BENGTON** asked, would you name other areas you are involved in?

**Ms. Fluery** replied, any area that affects Indian Affairs I am involved in. I serve as Chief Advisor to the Governor on all matters involving Indian affairs. I am involved with the gambling, compacts, water negotiations and to serve as a liaison between the tribes, the federal government and the Governor.

**SEN. DEVLIN** asked, how does the EEO Grants work?

**Ms. Fluery** said, the funds are from the Federal Department of Transportation. Those funds go into the Montana Highway Department, earmarked specifically for minority businesses.

**INDIAN AFFAIRS COORDINATOR EXHIBIT 3 (Budget)**

**Mr. Lloyd** referred to the LFA budget on Page C-140, **EXHIBIT 3-A**, which discusses the modification and identifies 4 purposes the grant is to achieve.

**Budget Base Differences:**

The differences are due to the LFA and the Executive using different bases for \$4,732 per year.

**Modifications for Program Expansion:**

**EEO Grant - Ms. Fluery** explained to the committee the purpose of this grant.

**Ms. Fluery** said, in regard to the EEO Grant, I would like the committee to increase the contract which was negotiated for \$100,000 per year instead of \$53,000.

The LFA did not include the travel and contracted services for the newsletter, which made the budget less than the Executive. Also, the Coordinator position was not filled for 6 months.

**SEN. BENGTON** asked, what did you do with the \$60,000 federal grant you received in 1990?

**Ms. Fluery** said, a Program Director was hired specifically to identify disadvantaged businesses and to assist Indian construction businesses that were already in operation to help them become certified for the awards set aside for construction. The director also helped in the area of bonding in order to get contracts and help with accounting and bookkeeping which all businesses need. There were 15 new Indian businesses certified as disadvantaged business enterprises.

**CHAIRMAN KIMBERLEY** asked, when Don Wetzel had that position last session he must have taken a large financial cut from a school Superintendent to the Indian Affairs Coordinator. Have they done better for you?

**Ms. Fluery** said, I cannot answer that as I do not know what his salary was.

**Rep. Svrcek** said, I believe Mr. Wetzel's salary was about \$33,000 which was pretty low considering his responsibilities.

**SEN. BENGTON** asked, is there a lot of travel associated with your position?

**Ms. Fluery** said, I haven't been doing a lot of traveling since the legislature started. When the session is over I will be meeting with all the Tribal Councils all over the state. I will be involved in any conference or problems related to Indian affairs. I will also do some traveling for national issues dealing with Indian affairs.

**SEN. WEEDING** asked, are there Indian construction firms now? How are the grants applied?

**Ms. Fluery** said, the federal funds for minority construction businesses were not enough to keep them going. We are trying to identify other agencies that have set aside funds for minorities. Therefore, they could apply for other kinds of funds, not just for highway construction, but other businesses. The Forest Service, BIA and many other agencies have funds for minorities.

**SEN. DEVLIN** asked, what is the percentage of federal funds for minority enterprises?

**Ms. Fluery** said, I do not know the percentage. I would make a guess of approximately 5% to 10% of a federal contract.

**SEN. DEVLIN** asked, can a construction firm who is given a contract sublet that work?

**Ms. Fluery** said, it is possible they could hire a sub-contractor.

**SEN. DEVLIN** said, the Morning Star Construction has contracted with other construction firms who were not disadvantaged. I would think that would defeat the purpose.

**Ms. Fluery** said, Morning Star has been a very successful business, and it does defeat the purpose of providing employment for Indian people by contracting without outside firms. The reason we want to bring together all the economic development businesses together, is to discuss some of these issues.

**SEN. DEVLIN** asked, how did the amount of the grant change from \$53,000 to \$100,000 per year?

Ms. Fluery said, Montana received more federal funds because of the success of this program.

Carolyn Doering, Chief Administrator Management Services said, we should be aware, there are also 2 FTE associated with this contract for federal funds.

SEN. DEVLIN asked, what happens to those FTE if the program is only funded by half the federal funds?

Ms. Doering said, we have had that happen, we had a program manager and when his contract expired, so did his job.

SEN. WEEDING asked, is the contracts with highways an ongoing procedure?

Ms. Fluery said, it is my understanding that last year was the first the contract was negotiated, and we are hoping that it will continue. If we can prove the program successful, they are more willing to provide the funding.

**EXECUTIVE ACTION**  
**INDIAN AFFAIRS COORDINATOR**

**Motion/Vote:** SEN. BENGTON moved to approve \$100,000 each year of the biennium for grants instead of \$53,000 each year. **Motion CARRIED** unanimously.

SEN. DEVLIN said, what are costs of the FTE and travel expenses?

Ms. Fluery said, we have a budget attached to the contract with the Department of Highways and the Department of Commerce for the FTE'S.

**Substitute Motion/Vote:** REP. NISBET moved to accept the Executive Budget for Indian Affairs Coordinator program. **Motion CARRIED** unanimously.

**Motion/Vote:** SEN. BENGTON moved her original motion, to approve \$100,000 each year of the biennium for grants instead of \$53,000. **Motion CARRIED** unanimously.

SEN. DEVLIN stated, I would like to see a breakdown of the budget. Ms. Fluery said, she would provide a copy of the breakdown.

**HEARING ON DEPARTMENT OF TRANSPORTATION**  
**(Without Reorganization)**

Patricia Saindon, Administrator Department of Transportation gave and overview of this department. EXHIBIT 4.

Ms. Saindon said, the department consists of two bureaus; the Intermodal Commodities Bureau (ICB) and the Passenger Bureau

(PB). The department provides technical and financial assistance to local officials, communities, transit operators and users in planning, development and financing of passenger transportation services.

There are 13 FTE's in the department. The administrator, Attorney, Administrative Officer, Program Assistant, four employees in ICB and five in PB. (See EXHIBIT 4).

We provide transportation to private non-profit organizations for the elderly and disabled, with 70% federal funding and 30% matched funds.

**Department of Transportation EXHIBITS 5.**

Mr. Lloyd reviewed the proposed reorganization of the Transportation Division and the Aeronautics Division into the Department of Transportation with the committee.

The committee approved the modification for transfer of one FTE from the Montana Promotion Division into the Intl. Affairs Coordinator. The differences between the authorized FTE in 1991 and the Executive FTE for 1992 was a total of -0.50 FTE.

Under the Fiscal Note (EXHIBIT 5) Department of Commerce, Item 3, it states there will be a total of 2.50 FTE savings under reorganization. Actually, there will only be a reduction of .50 FTE.

The Transportation Division, pays rent and indirect costs to fund administrative costs. The total \$159,978 moving costs will remain in the budget for 1992 and be expended for relocation expenses. The Aeronautics Division has no rent expense, but they have indirect costs, and those costs will remain in the budget when they move to Department of Transportation. When these two divisions move, the rent and indirect costs will move with them unless this committee decides differently. The committee might consider the Transportation costs of \$51,000 and the Aeronautics cost of \$33,226 contingent upon reorganization.

Mr. Mandeville said, the fiscal note is talking about a reduction in funding for positions. The positions in the Transportation Division and Aeronautics Division are funded with motor fuel taxes. When these programs transfer to the Department of Transportation, it was no longer necessary for these positions. Consequently they were eliminated and also the appropriations for those positions was reduced. Therefore, there was a savings of approximately \$87,800 as indicated in the fiscal note. We felt we could reduce these FTE because of the shared responsibilities in the Department of Transportation.

CHAIRMAN KIMBERLEY asked, if that shows a 2.5 FTE savings where are they cut?

Mr. Mandeville said, the funding for the 2.5 FTE was highway

special revenue funds, and those funds were reduced when the departments were transferred to the Department of Transportation. The Montana Promotion and Intl. Affairs Coord. are funded with different funding sources..

**Ms. Doering** said, these positions were moved before reorganization was considered. In our fiscal note we did not show any savings for these transfers.

**Mr. Lloyd** said, the FTE level and the appropriation level as they would be in the Transportation Division have been reduced. There has also been a corresponding increase in FTE and the appropriation in the program which acquired these programs. There is an increase in FTE and appropriations for Montana Promotion and Intl. Affairs Coord.

**Ms. Doering** said, in 1992 the budget does show a reduction in FTE and that could be an assumption that would be a savings for the DOT. However, there will be an offsetting increase in FTE when we transfer those positions to another division.

**Mr. Mandeville** said, there are a lot of different sources in funding between the Department of Commerce and Transportation. The Department of Commerce charges each of its different programs an administrative overhead fee to recuperate the cost that is shared by all the different programs. In the Department of Transportation there are two funding sources; highway state special revenue and federal funds. The federal funds are for the state construction program. Because all the programs get reimbursed out of the same source, the Department of Highways and Department of Transportation do not charge each of its' different programs a fee for administrative overhead, rent or any other shared costs. Consequently, the \$33,176 overhead cost in the Aeronautics Division will not be necessary in the Department of Transportation.

**Mr. Lloyd** stated, the amount of \$51,886 in the Transportation Division and the \$33,226 in the Aeronautics Division for FY92 will remain in the budget for moving costs to the Department of Transportation.

**Transportation Division (Without Reorganization) EXHIBIT 6**  
**(Budget).**

**Mr. Lloyd** reviewed the budget differences between the LFA and the Executive with the committee.

**Personal Services:**

The Executive budget deleted .5 FTE because of loss of federal funding. The decrease would have happened with or without reorganization.

Both budgets reflect the loss of 1 FTE because that FTE was included in the Intl. Affairs Coord.

Higher benefit costs of approximately \$1,000 are due to higher rates in the Department of Transportation for Workers Compensation and Unemployment Compensation.

Education and Training Costs:

The LFA used a 5 year average and the Executive requested \$3,500 more each year.

Budget Base Differences:

The base differences are due to different bases used by the LFA and the Executive for \$31,886 each year.

Budget Modification:

Local Rail Service Assistance Grant - this is a request for \$500,000 for FY92 only.

Language:

The committee may wish to consider the language used in the general appropriations act for litigation costs for the McCarty Farms case.

Biennial Appropriation:

The agency requests, the \$500,000 for the Local Rail Service Assistance Grant, be a biennial appropriation.

Reorganization:

We have already discussed the reorganization costs.

Budget Review: EXHIBIT 6 & 6-A.

Patricia Saindon, Administrator Transportation Division reviewed the budget with the committee.

Personal Services:

She stated, we lost the federal funds for the .5 FTE so that position no longer exists.

Reorganization Costs - we don't have any control over that.

Educational And Training Costs:

In 1990 when we went through reorganization we lost our Interstate Commerce Practitioner. We have hired an attorney to fill that position, but he will require a lot of training. That position was vacant for over a year. We did not complete our Rail Plan or our Office Management Reviews in FY90.

Budget Base Differences:

We had a \$12,000 savings in federal funds for travel by combining the Passenger Bureau travel with the one-time grant we received. There was a reduction in costs of communications because of vacant positions. The Business Assistance Division rented our office, and there was some savings there. Therefore, our 1990 budget was substantially less than we need for the next biennium.

REP. GRADY asked, what kind of training does the attorney need?



**Ms. Saindon** said, they have to be able to practice before the Interstate Commerce Commission. We are involved in EPA issues which is a specialty. The attorney has no training in these areas. We tried to replace the practitioner with a ICC practitioner, but there are only two in the state of Montana. We hired the attorney at a grade 16.

**REP. GRADY** asked, couldn't you use contracted services for an attorney.

**Ms. Saindon** said, there are no trained attorneys available.

**SEN DEVLIN** asked, were there any training costs in those 5 years?

**Ms. Saindon** said, we have to train an attorney. You might consider that our division has not had any turnover in the last couple of years. I feel we are going to have additional training needs in the next biennium.

**Mr. Lloyd** said, in the last 5 years there has been approximately \$2,500 average spent on education and training, which is the amount budgeted by the LFA.

**SEN. DEVLIN** asked, is that additional \$2,500 only for attorney training?

**Ms. Saindon** replied, the additional \$2,500 is for training in the entire division.

Local Rail Service Assistance Grant Modification:

We are asking for \$500,000 federal funds for the biennium to rehabilitate the Rail Service Assistance.

Motion/Vote: **SEN. DEVLIN** moved to accept the Executive budget for Items, 1,2,3,4,5 for a total of \$25,170 FY92 and \$23,741 FY93.

**Mr. Lloyd** said, there are some areas the committee should consider; reorganizations costs are \$1,000 higher because of personal services, the indirect and rent costs are not needed for the transportation program as it is now. You could move the Executive with those exceptions depending upon reorganization, or vote on the LFA or Executive with those exceptions without reorganization.

**Ms. Doering** said, I would suggest taking the Executive Budget with language stating adjustments would be made upon reorganization.

**Mr. Mandeville** said, indirects and rent will not be necessary in FY93. However, in FY92 those costs were left in the department's budget to pay for miscellaneous and unknown expenses in moving. I would suggest you target eliminating those amounts in FY93.

**Motion Withdrawn:** after extensive discussion on whether or not reorganization occurs, the motion was withdrawn.

Mr. Lloyd drew a chart on the blackboard to clarify the issue of reorganization if the Transportation Division is moved to the Department of Transportation.

**Motion/Vote:** SEN. WEEDING moved to accept the Executive Budget for \$3,346,464 in FY92 and \$1,312,612 for FY93 with language stating, if the Department of Transportation is not formed, the \$51,886 will be added back in the budget to pay for indirect and rent costs, and Personal Services will be reduced by \$1,012 for FY92 and \$1,047 for FY93. **Motion CARRIED** unanimously.

**Motion/Vote:** SEN. DEVLIN moved to accept the Executive budget with language stating the \$500,000 be a biennial appropriation. **Motion CARRIED** unanimously.

**Motion/Vote:** SEN. DEVLIN moved to approve the McCarty language as follows: "The biennial appropriation of \$180,000 is for litigation costs for the McCarty Farms case. The department shall seek to recover the general fund expenditures plus interest at a rate of 10% from any settlement in this case." **Motion CARRIED** unanimously.

**HEARING ON AERONAUTICS DIVISION**  
**(Without Reorganization)**

Mike Ferguson, Administrator Aeronautics Division, gave an overview on this division. EXHIBITS 7 & 7B.

The Aeronautics Division is comprised of a 9 member advisory board. There two bureaus within the division; Safety and Education Bureau and Airport/Airways Bureau. The division is funded by a one cent aviation fuel tax which amounts to about \$335,000 per year.

The Safety and Education Bureau conducts education programs for pilots, flight instructors, search volunteers and mechanics. We also have school programs, film libraries and are involved in monitoring construction of towers and other obstructions to air navigation.

The bureau also has a monthly newsletter which will be distributed to all registered pilots in the state, to keep our pilots informed of activities effecting aeronautics on the federal and local level.

The Montana Aviation Conference is being held in Kalispell from February 27th through March 2nd of this year. This conference is co-sponsored with other aviation organizations at different sites throughout the state each year.

**Aeronautics Division EXHIBIT 8 (Budget)**

Mr. Lloyd reviewed the differences in the budget with the committee, between the LFA and the Executive.

Funding for this division is state special revenue as well as proprietary funds. The proprietary funds are for the West Yellowstone Airport.

**Personal Services:**

A. the Executive transfers 1.0 FTE to Montana promotions Division.

B. there are some reorganization costs due to higher benefit rates.

C. Per Diem - the LFA used actual expenditures in FY90.

**Budget Base Differences:**

The differences are due to difference bases used by the LFA and the Executive.

**Budget Modification:**

West Yellowstone Airport Maintenance - request for \$17,000 in FY92.

**Reorganization Costs:**

If the Aeronautics Division moves to the Department of Transportation there will be \$33,176 in the budget for moving costs in FY92, and no dollars for FY93. If the division does not move there will be \$33,176 in FY92 and \$33,226 in FY93 for indirect and rent costs.

**Budget Review:**

Mr. Ferguson reviewed the budget with the committee.

**Personal Services:**

We have no problem with the transfer of 1.0 FTE with the LFA recommendation.

Mr. Lloyd explained, the committee already accepted that move when we visited Montana Promotions Division.

Reorganization costs - Ms. Doering said, the \$9,745 is for increased Workman Compensation if the Aeronautics Division moves to the Department of Transportation. She said, she didn't know why the amount was so high.

Mr. Lloyd explained, aeronautics contained a higher risk factor, where in transportation, there would be more office type employees.

SEN. WEEDING said, I wouldn't think a bookkeeper would have to pay any more in aeronautics as in transportation. I can't see any differences in the two agencies for pilots.

Mr. Lloyd explained, the Department of Transportation is a higher risk agency than the Department of Commerce, and if aeronautics move to DOT, there will be a higher rate. I believe Department of Highways is a higher rate now.

REP. GRADY asked, will they be doing a different job than what they are doing now, to put them at a higher risk?

Ms. Doering said, we don't have any control over the rates. The information goes into a computer and this was the rate it came up with.

SEN. BENGTON asked, is there anything we can do about it?

CHAIRMAN KIMBERLEY said, we will by-pass this item until we can get an explanation as to why, the rates for Workman Compensation would be higher.

Per Diem - Mr. Ferguson said, the agency would accept the LFA recommendation not to include the \$1,250.

Budget Base Differences:

Mr. Ferguson said, the agency would accept the LFA recommendation, plus \$2,000 for repair and maintenance.

Budget Modification:

West Yellowstone Airport Maintenance - the \$17,000 for FY92 is for re-stripping the runway and some repairs on the remote control lighting system. This airport is under the FAA and we are under a one year extension now, for re-stripping the runway. If we do not take care of this, we will lose our airline certification.

CHAIRMAN KIMBERLEY asked, where do you get the funds for the airport?

Mr. Ferguson replied, the one cent fuel tax goes to the Aeronautics Division, it doesn't go to West Yellowstone. We have a five cents a gallon tax on fuel at the airport and landing fees for the larger airlines. We have vendors in the terminal building, and we get a percentage of the car rentals and sq. ft. rental. We get rental fees from the airlines and a percentage of the gross sales from the cafe. This year we will have a gift shop, and the fixed base operator leases space in the terminal.

The military planes are also charged the same rates. When they had the Sac base at Glasgow and Great Falls, those B52's drank a lot of fuel. We had a lot of accounts, and is the reason the Aeronautics Division was able to build a lot of airports back then.

EXECUTIVE ACTION  
AERONAUTICS DIVISION

Motion/Vote: SEN. BENGTON moved to accept the LFA budget for

the Aeronautics Division. Motion CARRIED unanimously.

Motion/Vote: SEN. BENGTON moved to accept the Executive budget for transfer of 1.0 FTE to Montana Promotions for (\$30,920) in FY92 and (\$30,849) in FY93. Motion CARRIED unanimously.

Motion/Vote: SEN. BENGTON moved to accept the Executive budget for \$2,095 each year of the biennium for budget base differences. Motion CARRIED unanimously.

Motion/Vote SEN. BENGTON moved to accept the Executive budget for the West Yellowstone Airport Maintenance of \$17,000 in FY92. Motion CARRIED unanimously.

Mr. Mandeville said, the Aeronautics Division is under a policy that was made for all the agencies that are being transferred. The indirect costs and rent costs would be used for moving costs for FY92 only.

Motion/Vote: SEN. BENGTON moved that \$33,176 for indirect and rent costs may not be used for moving expenses.

After a lengthy discussion concerning the Aeronautics Division budget of \$33,176 for indirect and rent costs, SEN. BENGTON withdrew her motion.

SEN. BENGTON said, I wish the Budget Office and the Fiscal Analyst would get together to resolve these issues. It is very frustrating, every time a situation like this occurs.

Motion/Vote: SEN. WEEDING moved that \$33,276 and \$33,226 shall not be used for moving costs. Motion CARRIED unanimously.

#### HEARING ON BOARD OF HORSE RACING

EXHIBITS 9 & 10.

Sam Murfitt, Executive Secretary Board of Horse Racing gave testimony on this division. See EXHIBIT 9 for testimony.

The bureau regulates 8 race tracks in the state and 14 simulcast network sites. The bureau employs 4.78 FTE's. In 1990 there was \$6.5 million wagered on live tracks and \$3 million wagered on simulcasts. The bureau is funded by state special revenue tax of one percent of parimutuel handle from both simulcast and live horse racing. Other revenue sources are, medication fees, fines and sale of annual licenses.

Horse racing has steadily decreased due to video games and lottery industries expanding their operations.

The bureau is responsible for adoption, licensing and enforcement of racing rules, drug testing, auditing, supervision and investigations pertaining to parimutuel racing.

REP. GRADY asked, is simulcast affecting live horse racing? We can hardly afford to keep the Helena track open.

Mr. Murfitt replied, the intent of simulcast wagering was to increase contract purses and breeder incentive funds.

CHAIRMAN KIMBERLEY said, the Billings track is in trouble also. Are all the tracks in financial trouble?

Mr. Murfitt said, yes, they were all in financial trouble last year, but we are hopeful this season will be better.

REP. GRADY asked, what is the problem in Helena, when we have the only mile race track in the whole northwest?

Mr. Murfitt said, some of the problems are, we have such a short season.

REP. GRADY said, it seems Billings and Great Falls get most of the races.

Mr. Mandeville said, as the gaming machines, lottery and lotto increase, horse racing will go down. People only have so much money to gamble with.

#### Bureau of Horse Racing EXHIBIT (Budget)

Mr. Lloyd reviewed the differences in the budget between the LFA and the Executive.

#### Personal Services:

A. Overtime - the LFA budget is at actual FY90 which is \$200 less than the Executive request.

B. FTE Transfer - the Executive transfers one FTE to Director's Management Services Division and the remaining .78 FTE was reclassified as grade 12 step 2.

C. Authority - the Executive moves authority from personal services to operations.

#### Consulting:

A. that move shows up here in consulting for the one FTE.

B. Other - the agency will address this item.

#### Budget Base Differences:

The agency will address these differences.

#### Budget Review:

Personnel Services - Mr. Murfitt said the agency lost one FTE and the remaining FTE was reclassified.

The authority was moved out of operations into Consulting which offsets the \$32,345 in FY92 and \$32,586 in FY93. SB330 is going

to try and put that person back into personal services, because for a number of reasons, we feel that is important.

The \$17,427 is for the expense of national speakers to attend our annual conference in Montana. It is a six day course to train racing officials, stewards and persons involved with racing.

Budget Base Differences - there was \$3,000 in travel and some supplies, basically due to the increase in simulcast racing.

**EXECUTIVE ACTION**  
**BOARD OF HORSE RACING**

**Motion/Vote:** SEN. BENGTON moved to accept the Executive Budget for Personal Services, Consulting and Budget Base Differences.

**Motion** CARRIED unanimously.

**ADJOURNMENT**

**Adjournment:** 12:00 P.M.

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

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

BK/tr

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

**ROLL CALL**

**DATE** 2-19-91

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



7  
SPR 1  
ACTION 1  
DATE 2-19-91  
SS

# NATURAL RESOURCES SUBCOMMITTEE

## COMPARISON OF COAL TAX REVENUE ESTIMATES

### FISCAL 1992

<u>Program</u>	<u>Executive</u>	<u>LFA</u>	<u>Difference</u>
Coal Board - Local Impact	\$2,566,599	\$2,566,024	\$ 575
County Land Planning	\$ 146,663	\$ 146,630	\$ 33

### FISCAL 1993

<u>Program</u>	<u>Executive</u>	<u>LFA</u>	<u>Difference</u>
Coal Board - Local Impact	\$2,467,746	\$2,554,868	(\$87,122)
County Land Planning	\$ 141,014	\$ 145,992	(\$4,978)

Kathleen Sluery

EXHIBIT 2  
DATE 2-  
MS. Nat. Res. Sub.

## I. Overview

The Coordinator of Indian Affairs was legislatively created pursuant to MCA 2-15-1813 for the purpose of addressing problems which face the Indian population in the State of Montana. The Legislative policy basically states that there has not been any coordinated effort to resolve some the economic and social problems which face the Indian population, both on and off the reservation. Many of these problems are the result of the isolation of Indian reservations and the supervision by the federal government which is not always coordinated with State programs affecting the Indian population.

The legislative intent is to place the Indian population in their rightful place in our society and to assume the same privileges of full citizenship in all areas of economic, social, health, education and welfare programs.

The duties and assistance of the coordinator of Indian affairs includes advising the legislative and executive branches of the state of Montana on problems confronting the Indian population and to make recommendations for the resolution of these problems. The coordinator of Indian affairs serves as the Montana delegation in the federal congress as an advisor and intermediary in the field of Indian affairs. Duties include serving as a spokesman for representative Indian organizations and groups both public and private whenever support is solicited.

There are eight tribes in the State of Montana with a conservative population figure of approximately 45,000. This figure represents over 5% of the population of the State. Approximately 50% of the Indian population live in urban areas. There is no other minority group in the State or nationally who have the social and economic problems of the magnitude faced by the Indian population. The Indian population has the highest unemployment rate, the highest infant mortality rate, the highest suicide rate, the highest substance abuse, and the lowest per capita annual income of any minority group.

The purpose of the Coordinator of Indian Affairs is to work as a liaison between the state, federal and local governments, tribes and urban Indians seeking solutions to the many problems faced by the state's Indian population.

The Coordinator of Indian affairs also provides technical assistance to Montana's tribes and state agencies relating to the development of coal, water, negotiation, gambling negotiation, jurisdictional issues, employment and economic development.

The Coordinator of Indian affairs also promotes good relations between Indian and non-Indian groups, organizations and governments.

## II. Program

The Office of the Coordinator of Indian Affairs Office has two full-time employees, the Coordinator and an administrative assistant.

The Coordinator and staff is responsible for keeping current on state and federal legislation that may affect the Indian population. This may include reading and researching state and congressional legislation, State court decisions, Circuit Court and Supreme Court decisions, legal publications, and newspapers. Personal contacts may include legal services, the state Attorney General, tribal attorneys, U. S. Attorney, various state agencies, the Legislative Council staff, county attorneys, state, federal and tribal representatives.

The Coordinator and his staff must attend and participate in meetings with the following entities: federal agencies, Bureau of Indian Affairs, Indian Health Service, Montana's federal delegation, tribal council meetings, branches of tribal government, state agencies, urban Indian alliances, and various out-of-state concerns such as the National Congress of American Indians, Governor's Indian Interstate Council and the Western Governor's Association.

The Coordinator coordinates meetings between tribal governments/agencies and state agencies of government, federal agencies, local agencies, urban Indian alliances, and individual Indians.

The staff may also be asked to assist in drafting legislation which will affect tribes and state governments, provide testimony at public hearings, provide written documentation to Montana's legislature on Indian issues.

DATE 2A  
 HB 2-19-97  
 Par. Post. Sec.

COORDINATOR OF INDIAN AFFAIRS

65017000.000

	Fiscal 1990 Actual	Fiscal 1991 Appropriated	Base	Fiscal 1992 Incr/Decr	Recommended	Base	Fiscal 1993 Incr/Decr	Recommended
Full Time Equivalent Employees	2.00	2.00	2.00	.00	2.00	2.00	.00	2.00
Personal Services	63,233.36	64,027	68,978	160	69,138	68,896	159	69,055
Operating Expenses	27,343.48	31,544	33,259	54,045	87,304	33,130	54,034	87,164
Total Agency Costs	\$90,576.84	\$95,571	\$102,237	\$54,205	\$156,442	\$102,026	\$54,193	\$156,219
General Fund	90,576.84	95,571	102,237	1,205	103,442	102,026	1,193	103,219
Federal Special Revenue Fund	0.00	0	0	53,000	53,000	0	53,000	53,000
Total Funding Costs	\$90,576.84	\$95,571	\$102,237	\$54,205	\$156,442	\$102,026	\$54,193	\$156,219

Overview

Over five percent of the citizens of the state of Montana are members of the Indian race. In the course of the past 90 years, these Indian citizens have been driven from their native lands and presently reside on reservations in isolated regions of the state. Due to isolation and failed government programs, grave economic and social problems have arisen. Efforts by Indians and other persons working to seek solutions to these problems have been hampered due to no coordination and united effort on the part of these persons. As a result of this situation, the Montana state legislature has set policy to serve the best interest of Montana's Indian population. The legislature's policy is to design a program to foster a plan which would establish and place Indian citizens in a position to take their rightful place in our society. Therefore, the legislature established an office of Coordinator of Indian Affairs to address the problems of the Indians of Montana at the state level and in cooperation with the United States of America. This includes Indians living on and off reservations.

The purpose of the Coordinator of Indian Affairs is to work as a liaison between the state, federal and local governments, tribes, and urban Indians seeking solutions to the many problems faced by the state's Indian population.

Goals

To have a thorough knowledge of problems facing both Indians and the state with regard to Indian concerns.

To advise the legislative branch of the state of Montana on Indian matters.

To advise the executive branch of the state of Montana on Indian matters and make recommendations for resolutions of problems.

To serve the Montana delegation in the federal congress on Indian Affairs.

To act as a spokesperson for Indian organizations and groups, both public and private.

To promote and establish state/tribal cooperative agreements.

To provide technical assistance to Montana's tribes and state agencies relating to the development of coal, water negotiation, gambling negotiation, jurisdictional issues, etc.

To assist Montana's Indian populace in employment and economic development.

## Performance Indicators

General performance indicators for the Office of Indian Affairs can be measured by accomplishing specific tasks, such as providing monthly editorials for the purpose of communication and information, numbers of cooperative agreements negotiated, job referrals, number of meetings attended, conferences arranged, testimony given, legislation produced and passed, requests for assistance by tribes/Indians, and state, federal and local agencies.

Due to the nature of this office and the intent and purpose of Montana's legislature in establishing the Coordinator of Indian Affairs Office, resolution of conflicts and ombudsmanship are objectives whose priorities are set by tribal governments/groups and the state of Montana's executive and legislative branches of government.

## Increase or Decrease from Base

### Current Level Adjustments

Personal services increased due to an adjustment in employee benefits.

FY92 - \$160    FY93 - \$159

Operating expenses show a net increase due to adjustments in department fixed costs.

FY92 - \$1,045    FY93 - \$1,034

### Program Enhancements

#### Federal Highway Contract

The Coordinator is currently under contract with the State Department of Highways. The contract requires the Coordinator to identify opportunities for Native American construction firms to work on highway construction projects in Montana. The contract also requires the Coordinator to establish an outreach program to identify legitimate Native American highway related construction firms and to provide seminars to disseminate information. The Department

received budget amendment approval for the original contract in August of 1989. The contract will continue into the 93 Biennium. The contract is federally funded.  
FY92 - \$53,000    FY93 - \$53,000

To promote good relations between Indian and non-Indian groups, organizations and governments.

### **Authorization**

Title 2-15-1813, MCA The Coordinator of Indian Affairs is appointed by the Governor and is allocated to the Department of Commerce for administrative purposes only.

Title 90-11-101 & 102, MCA To carry out legislative policy in establishing a program designed to establish and place Indian citizens in position to take their rightful place in our society.

### **Base Program**

The Coordinator of Indian Affairs Office has two full time employees, the Coordinator and an administrative assistant.

The Coordinator and his staff must keep abreast of laws/statutes and other legal issues affecting Montana's Indians. This includes reading and researching numerous publications such as legal publications, newspapers, contacting legal services agencies, the state Attorney General, tribal attorneys, various state agencies, the Legislative Council staff, county attorneys, state, federal and tribal representatives.

The Coordinator and his staff must attend and participate in meetings with, but not exclusive to, the following entities: federal agencies, Bureau of Indian Affairs, Indian Health Service, Montana's federal delegation, tribal council meeting, branches of tribal government (judicial, social service, resource management, etc.), individual Indian populace, state agencies, urban Indian alliances, and various out-of-state concerns such as the National Congress of American Indians, Governor's Indian Interstate Council and the Western Governor's Association. The Coordinator also participates in legislative committee meetings and public hearings on Indian issues.

For the purpose of problem resolution and communication, the Coordinator's office coordinates meetings between tribal governments/agencies and state agencies of government, federal agencies, local agencies, urban Indian

alliances, and individual Indians and citizens.

The Coordinator assists in drafting legislation that will affect tribes and state governments, provides testimony at public hearings, provides written documentation to Montana's legislature informing them of various Indian issues and attends meetings with members of the Governor's Office and legislature for the purpose of advising/informing them of various Indian-related issues.

When travel budget permits, the Coordinator will accompany tribal delegates to Washington, D.C. as the Governor's state representative on Indian Affairs and communicate in person, orally and in writing with the U.S. Congress as Montana's representative on Indian affairs.

The Coordinator serves as a spokesperson for the following Indian organizations and groups: Montana's eight tribes, Blackfeet, Fort Peck, Fort Belknap, Rocky Boy, Flathead, Northern Cheyenne, Crow and Little Shell, Montana's urban Indian alliances, individual Indians, and state, federal and local agencies as needed.

The Coordinator creates an environment where cooperative agreements could be established.

The Coordinator works with state agencies and tribes in areas of coal impact, water negotiation, gaming negotiation, energy assistance programs, health issues, Indian child welfare, crime control, institutions issues, etc.

The Coordinator works with tribes on employment and economic development issues.

The Coordinator's office promotes good relations between Indians and non-Indians, continuing to educate both groups in areas of governmental rules and regulations, and cultural and social issues.

### **Base Funding**

The Coordinator of Indian Affairs Office is funded entirely by the General Fund.

8-19-91  
 EXHIBIT # 3  
 DATE 2-19-91  
 HB Var. Adv. Acc.

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

6501 DEPARTMENT OF COMMERCE  
 70 INDIAN AFFAIRS COORDINATOR  
 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	2.00	2.00	2.00	.00	2.00	2.00	.00
Personal Services	63,234	69,138	69,138	0	69,055	69,055	0
Operating Expenses	27,345	34,304	29,171	5,133	34,164	29,256	4,908
Total Expend. Control	\$90,579	\$103,442	\$98,309	\$5,133	\$103,219	\$98,311	\$4,908
<i>new program for 1993</i>							
Fund Sources							
General Fund	90,579	103,442	98,309	5,133	103,219	98,311	4,908
Total Funds	\$90,579	\$103,442	\$98,309	\$5,133	\$103,219	\$98,311	\$4,908

--Executive Over (Under) LFA--  
 FY 92                      \$251  
                                  \$150  
                                  \$0  
                                  \$4,732  
                                  \$4,908

DOC - Indian Affairs Coord.

NON-ACTION ITEMS  
 A. Inflation  
 B. Audit  
 C. Network Fees

*Mrs. E. B. Brown*

BUDGET BASE DIFFERENCES

TOTAL CURRENT LEVEL

FTE 1992                      0.00  
 FTE 1993                      0.00

EXECUTIVE BUDGET MODIFICATIONS FOR PROGRAM EXPANSION:

EEO GRANT: INDIAN AFFAIRS (Federal) should be \$100,000.9 yr.  
*Budget for 100,000*

100,000  
 \$53,000

2-19-91  
 Exp - 3-#  
 Nov. Rev. Sub.

6501 70 00000

INDIAN AFFAIRS COORDINATOR

Budget Item	Actual Fiscal 1990	Appropriated Fiscal 1991	- - Current Fiscal 1992	Level - - Fiscal 1993	Change 1991-93 Biennium
FTE	2.00	2.00	2.00	2.00	.00
Personal Services	63,234	64,027	69,138	69,055	8.59%
Operating Expenses	27,345	31,544	29,171	29,256	-.79%
Total Program	\$90,579	\$95,571	\$98,309	\$98,311	5.62%
<u>Fund Sources</u>					
General Fund	90,579	95,571	98,309	98,311	5.62%
Total Funds	\$90,579	\$95,571	\$98,309	\$98,311	5.62%

Program Description

The Coordinator of Indian Affairs program, through the Indian Affairs Coordinator, serves as the Governor's liaison with the state's Indian tribes, provides information and policy support on issues confronting the Indians of Montana, and advises and makes recommendations to the legislative and executive branches on these issues. The coordinator also serves the Montana Congressional delegation as an advisor and intermediary in the field of Indian affairs, and acts as spokesman for representative Native American organizations and groups, both public and private, whenever that support is requested.

which were increased by approximately \$900 and indirect costs which are included at the agency's request level. No equipment was requested for the program.

Executive Budget Modifications

Equal Employment Opportunity Grant

The department requests \$106,000 in federal fund authority for the biennium to: 1) identify Native American firms involved in highway construction, or firms with the potential to participate in construction; 2) provide training and assistance to these firms in pre-qualification and certification procedures and refer names of certified firms to the Department of Highways (DOH); 3) provide on-going training and assistance to these firms in identifying and obtaining financial assistance which will enable them to compete in the highway construction industry; and 4) attempt to provide employment of Montana's Native American population. According to federal regulations, a percentage of all construction projects receiving federal assistance must be awarded to firms holding disadvantage business enterprise (DBE) status. The program received a \$60,000 federal grant for this purpose in fiscal 1990, with expenditure authorized through a budget amendment.

Current Level Budget

Personal services account for almost the entire 5.6 percent increase from the 1991 biennium to the 1993 biennium. The coordinator, who was being paid as a grade 18 step 4, resigned during fiscal 1990 and the replacement was hired as an exempt employee at an approximately \$4,000 higher salary. The current level budget includes a \$37,633 salary for this position. Recently, a new coordinator was hired for a slightly lower salary. Operating expenses are based on fiscal 1990 actual expenditures, except for printing costs



DATE 2-19-91  
H.M. P.V. S.K.

TRANSPORTATION DIVISION

	Fiscal 1990	Fiscal 1991	Fiscal 1992		Fiscal 1993	
	Actual	Appropriated	Base	Incr/Decr	Base	Incr/Decr
Full Time Equivalent Employees	13.50	13.50	.00	.00	.00	.00
Personal Services	405,221.31	510,187	0	0	0	0
Operating Expenses	247,047.91	624,470	0	0	0	0
Equipment	6,438.78	500	0	0	0	0
Grants	775,051.01	1,346,478	0	0	0	0
<b>Total Agency Costs</b>	<b>\$1,433,759.01</b>	<b>\$2,481,635</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
General Fund	466,013.21	562,780	0	0	0	0
State Special Revenue Fund	71,250.00	585,722	0	0	0	0
Federal Special Revenue Fund	896,495.80	1,333,133	0	0	0	0
<b>Total Funding Costs</b>	<b>\$1,433,759.01</b>	<b>\$2,481,635</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Overview

The Transportation Division consists of two bureaus, the Intermodal Commodities Bureau (ICB) and the Passenger Bureau (PB).

The Division is responsible for the recommendation of policies and for improvement of Montana's transportation system. The Division provides: 1) technical assistance to local communities and transit authorities for planning, organizing, operating and funding transportation systems; 2) administration of federal funds for capital, planning and operating transit subsidy; 3) a yearly update of the State Rail Plan, administration of federal and other funds for rail and related facility rehabilitation; 4) monetary assistance to communities through grants, loans and rail bonding authority; 5) representation of shippers and the State before the Interstate Commerce Commission and courts on rate issues, branchline abandonments and service.

The Transportation Division consists of 13 full-time employees: Administrator, Attorney, Administrative Officer, Program Assistant; four employees in the ICB; and five in the PB.

The Department of Transportation, as proposed by the Governor, includes the Transportation Division from the Department of Commerce.

Goals

To provide technical and financial assistance to local officials, communities, transit operators and users in the planning, development and financing of passenger transportation services;

To work with Montana's producers and shippers in preserving and maintaining a viable and competitive transportation system.

Authorization

- Title 60, Ch. 11, MCA Rail Transportation
- Title 60, Ch. 21, MCA Public Transportation
- Title 69-14-101, MCA Rail Planning

Title 7-14-102, MCA State funds for public transportation

### **Base Program**

#### Intermodal Commodities Bureau (ICB)

The ICB administers multiple phases of an integrated multimodal state transportation program.

The program elements include: planning, project development and implementation, construction, facility operation and management audit, right-of-way and property control, transportation industry promotion, public assistance and state public policy response. State issues relating to rails, waterways, recreation trails, energy transportation, power networks, multi-use transportation corridors and highways are addressed by the ICB.

#### **Rail Program**

ICB is the designated state rail planning agency. A state rail plan must be developed and kept current to remain eligible for US DOT funding.

Rail carriers operating in Montana under ICC jurisdiction are required to report their system activities to the ICB. The ICB functions as a clearinghouse to formulate statewide public response to these rail actions.

#### Examples

1. McCarty Farms, Section 229 Rates
2. Branchline abandonments e.g. Scobey-Opheim, highway impact studies
3. Mergers, divestitures, bankruptcies
4. Service Faults, e.g. COT program, car supply
5. National Legislation, e.g. labor relations, deregulation

The ICB is involved in grant programs involving multiple state and federal agencies. Project construction requires ICB technical evaluation and monitoring. This is handled at all phases: from design, to materials, to construction

practices in installation, to financial billing and accounting.

The state has acquired two rail properties which are administered by the ICB. The rights-of-way are a complex legal structure. Leases, easements and titles on hundreds of parcels are handled by the ICB staff. One example of a right-of-way problem includes major liability exposure as a named responsible party in the EPA Superfund Butte Priority Soils Project. These rail systems have problems with structures, hydrology, soils and materials which require ICB involvement. These railroad properties are covered under historic preservation statutes and the ICB is involved in that process.

The ten-year old McCarty Farms litigation involves market dominance of a single rail carrier and record evidence based on rate and costing specialties. This case has the potential of tens of millions of dollar impacts on Montana's grain industry.

Rail labor legislation impacting rail costs, land grant taxation, leveraged buyouts, revenue-to-variable cost standards, uniform rail costing models, quarterly cost index adjustments, contract rates, car supply and certificates of transportation are national rail related issues the ICB monitors and responds to on behalf of Montana.

#### **Waterways**

The ICB monitors activities on the Columbia-Snake River system and West Coast ports because it is an important waterway link for Montana agriculture commodities. User fees, fuel taxes, strikes, embargoes, equipment shortages, impact the transportation costs paid by Montana shippers.

The Missouri and Mississippi-Gulf system is also monitored because the lack of water in the Mississippi River can force traditional barge traffic to seek a railroad alternative. This in turn affects the rail car supply which Montana believes is contributing to the car shortage which is severely impacting the state this year.

#### **Recreation**

DATE 2-19-41  
Mr. Nat. Fin. Sub.

The Butte Historic Railroad, a unique recreational railroad, operates on rail properties leased from the Department of Commerce. The ICB provides technical railroad operations advice and assistance to the local community operators.

The ICB works with special interest groups such as Rails-to-Trails and local adjacent landowners on projects associated with rail properties. The Department of Agriculture - Forest Service and the Bureau of Land Management play major roles in passing the Rails-to-Trails program down to the states. The ICB coordinates with these federal agencies.

#### Intermodal Transfer

Intermodal transfer refers to the technologic advancement of the transportation industry to mechanize and coordinate between modes. The ICB was directly responsible for hub facility development at Silver Bow. The ICB secured funding and worked directly on design and construction of the facility. It now monitors the energy savings through special computer models.

A similar operation is under way at Shelby.

#### Passenger Bureau

The PB is the designated state transit planning agency. The Bureau is responsible for the planning of public transit and for administering various public and state programs of technical and financial transit assistance.

This program involves transit planning, program administration, project development, vehicle procurement, financial management, project monitoring, technical assistance and training.

#### Transit Planning

The PB receives grants from the Urban Mass Transportation Administration (UMTA) for conducting transit-related studies, providing transit planning assistance to nonurbanized localities, assisting in the administrative costs of the elderly and handicapped transportation

program, and aiding elderly and handicapped transit providers and urban transit operators in gaining exposure to in-depth technical aspects of transit through conference programs. Local planning is essential before project money for vehicles, facilities, or operating can be obtained.

The PB administers transit planning grants to the Billings, Great Falls and Missoula city-county planning offices. The PB reviews the planning process and certifies each planning process. The PB provides guidance on national emphasis areas such as elderly and handicapped service planning, clean air, alternative fuels planning, disadvantaged Business Enterprise planning, financial planning, competitive contract planning, suburban mobility planning, and safety/alcohol/drug control planning.

#### Vehicle Procurement

The PB administers two federal programs which provide matching funds for the procurement of vehicles and related transportation equipment like wheelchair lifts, emergency radios and computers. Non-profit organizations receive capital funds for the procurement of vans and small buses for the transportation of elderly and handicapped. The PB monitors the use of each vehicle until it has depleted its useful life.

It should be noted that tens of thousands of federal and state dollars fund the operations of these vehicles. These funds are administered by social service agencies within the Departments of Social and Rehabilitative Services, Family Services and the Governor's Aging Office.

The other program provides capital on a matching basis for the procurement of vehicles and equipment used to transport the general public in non-urbanized areas.

#### Financial Management

The PB provides operating grants to communities and rural areas of less than 50,000 population for the provision of public transit service. These programs must demonstrate a need for general public transportation.

The PB, under Section 7-14-2-2, MCA, is charged with the responsibility to allocate one-half of the gas tax revenues

appropriated for transit purposes among cities and urban transportation districts of the State. These funds are used for operating subsidy of general public transportation systems.

#### **Technical Assistance and Training**

The PB provides training, technical assistance, research and other support services for nonurbanized transit on the following topics: Substance Abuse, Awareness in Rural Transit; Understanding the Capabilities and Needs of Special Passengers; Emergency Procedures for Rural Transit Drivers; Public Private Partnerships in Rural Transit; Essentials in Dispatching; Board Training; Developing Drug Testing Programs.

#### **Program Administration**

The PB solicits preapplications for the federal grant programs, conducts application workshops, reviews, screens and ranks applications. Once applications are approved, contracts are drawn up. Quarterly reports are reviewed and requests for funds are disbursed.

#### **Project Monitoring**

All grants through the PB are monitored on a regular basis, depending on the specific grant requirement. All grantees are visited at least once a year and a review is done of the entire program. Vehicle usage is monitored quarterly throughout a vehicle's useful life. Grantees of operating and planning funds are reviewed each quarter. Vehicles are physically inspected every other year.

#### **AMTRAK Rail Passenger Statistics**

Aside from maintaining monthly ridership statistics for the AMTRAK Empire Builder for each of the eleven stations across northern Montana and conducting Empire Builder station inspections, the PB also explores the feasibility of requested rail passenger service concepts.

#### **Base Funding**

The Division is presently funded by Federal funds (Federal Rail Administration, Urban Mass Transportation Administration), state gas tax fund and general fund. There is currently a biennial appropriation for the McCarty Farms lawsuit from the general fund in addition to the regular general fund appropriation. Other funds are also received, such as Wheat Commission grants, Federal Highway grants, and special one-time federal grants. (Port of Montana hub facility, drug grants)

10001

DATE 2-19-91

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**Performance Indicators**

	<u>FY90 Actual</u>	<u>FY91 Enacted</u>	<u>FY92 Base</u>	<u>FY93 Base</u>
Transit vehicles purchased and inspected	10	8	9	9
Grant Applications Reviewed, Approved/Funded/Monitored	38	41	43	50
Vehicles Specifications Written	10	8	9	9
Program Management Reviews	6	6	6	6
On-Site Reviews	55	58	60	62
Vehicle Inspections	91	0	91	0
Workshops Conducted	8	13	17	16
Transit Development Plans Completed	2	1	1	2
Passenger Bureau Data Base Developed/Updated	1	1	1	1
Abandonment filings	2	1	1	1
Abandonment hearings	1	1	1	1
ICC Ex Parte Proceedings	6	6	8	8
Weeks of Shortline Assistance	12	12	12	12
Rights of Way Agreements, Leases monitored	20	20	20	20
Rail Construction Projects	1	2	1	1
Rail Salvage Projects	0	1	1	0

DATE 2-19-91  
 BY Par. Rev. Sub.

Exhibit 4  
DATE 2-19-91

AmTrak Rail Passenger Studies	4	4	4	4
Transportation Rate Studies	6	6	6	6
Special Transportation Studies	6	6	6	6

**Increase or Decrease from Base**

**Current Level Adjustments**

Personal Services reflects a reduction of 1.50 FTE. One position, vacant because of reorganization, was transferred to the Business Development Division. A .50 FTE was deleted due to decreased federal funding.  
FY92 - (\$51,117)    FY93 - (50,966)

The McCarty Farms appropriation has been established as continuing in the first year of the biennium.  
FY92 - \$90,000    FY93 - (90,000)

The Department is requesting spending authority for Local Rail Service Assistance (LRSA) funds. These funds are received from the Federal Railroad Administration of the U.S. Department of Transportation. Funds are used for various railroad construction and rehabilitation projects. Railroad construction projects are funded 70% with LRSA and 30% with local match. No state funds are required. The Department has requested that this appropriation be established as a biennial appropriation.

FY92 - \$500,000    FY93 - \$0

STATE OF MONTANA - FISCAL NOTE  
Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for SB0164, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

An act to create a Department of Transportation; to abolish the Department of Highways and transfer its functions and certain functions of the Department of Commerce and the Department of Revenue to the Department of Transportation; to generally revise the laws to conform to the abolishment of the Department of Highways and transfer of functions to the Department of Transportation; and providing an effective date.

ASSUMPTIONS:

Department of Commerce:

1. Administrative overhead expenses for the Aeronautics Division and the Transportation Division will be appropriated as recommended in the executive budget to defray the cost of computer systems transfer and moving expenses.
2. Administrative overhead expenses are discontinued in FY93 for an annual savings of approximately \$87,800.
3. The Aeronautics Division will reduce 1.00 FTE and the Transportation Division will reduce 1.50 FTE as a result of management efficiencies achieved through reorganization.

Department of Revenue:


4. The department would need 3.00 FTE auditors to comply with new federal requirements if it retained the Motor Fuel Tax Division (MFTD). As a result of the consolidation of this function in DOT, the workload will be shared in the new DOT and only 1.00 FTE auditor will be necessary.
5. The department will reduce 1.00 FTE for administrative functions which will not be necessary after reorganization.
6. The FY92 executive budget recommendation of \$11,452 for building rent will be used for moving costs of approximately \$6,600 and for a portion of the \$74,600 cost to transfer the computer system. The appropriation for building rent will be discontinued in FY93 for a savings of approximately \$11,452 per year.
7. The reorganization will result in a \$85,988 reduction in administrative overhead funds to the DOR Directors Office. The Director's Office provided approximately \$37,000 per year in services to MFTD. The executive budget recommends the difference of \$48,300 be funded with general fund and federal revenue.
8. The transfer of MFTD from the Department of Revenue to the Department of Transportation will result in net savings of \$105,087 in FY92 and \$116,508 in FY93 and future years.

Department of Highways:

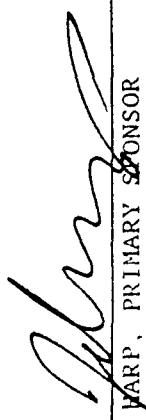
9. The Department of Highways budget modification for a 1.00 FTE computer programmer for the new department and \$75,000 for one-time FY92 reorganization expenses will be approved.
- Department of Transportation:
10. Net savings of \$71,459 in FY92 and \$233,609 in FY93 includes personnel reductions of 4.50 FTE each year of the 1993 biennium.
  11. Current law is represented by the executive budget recommendations for the affected programs in the Department of Revenue, Department of Commerce and Department of Highways.

FISCAL IMPACT:

see next page

  
ROD SUNDSTED, BUDGET DIRECTOR  
Office of Budget and Program Planning

1-28-91  
DATE

  
JOHN G. HARP, PRIMARY SPONSOR  
DATE

1/28/91

Fiscal Note for SB0164, as introduced.

SB 164

5  
2-19-91  
Yor. for sub.

# PROPOSED REORGANIZATION

## DEPARTMENT OF TRANSPORTATION

### FULL TIME EQUIVALENTS

	<u>Authorized</u> <u>1991</u>	<u>Executive</u> <u>Fiscal</u> <u>1992</u>	<u>Difference</u>
Transportation Division	14.50	13.00	-1.50
Aeronautics Division	11.99	10.99	-1.00
Montana Promotion	16.33	17.33	+1.00
Intl. Affairs Coord. Mod.	0	1.00	<u>+1.00</u>
FTE Eliminated			-0.50

### REORGANIZATION MOVING COSTS

<u>Agency</u>	<u>Moving Costs</u>
Department of Highway - Budget Modification	\$75,000
Department of Commerce	
Transportation Division	\$51,802
Aeronautics Division	<u>\$33,176</u>
<b>TOTAL</b>	<b>\$159,978</b>

NOTE: The Executive Budget contains the following fiscal 1993 administrative costs and rent for the two divisions which do not need to be appropriated if the proposed Department of Transportation is created:

1. Transportation - \$51,886
2. Aeronautics - \$33,226

*for more information see...*  
*for more information see...*



*2-17-91*  
*Ex. 6-17*

*6-17*  
*2-19-91*

**TRANSPORTATION DIVISION**

*Yok. Rev. Div.*

Budget Item	Actual Fiscal 1990	Appropriated Fiscal 1991	- - Current Fiscal 1992	Level - - Fiscal 1993	Change 1991-93 Biennium
FTE	14.50	14.50	13.50	13.50	-1.00
Personal Services	405,221	510,187	466,962	466,246	1.94%
Operating Expenses	247,046	205,135	349,294	169,327	14.69%
Equipment	6,439	500	354	500	-87.69%
Grants	<u>1,315,458</u>	<u>704,684</u>	<u>2,504,684</u>	<u>704,684</u>	<u>58.87%</u>
Total Program	\$1,974,164	\$1,420,506	\$3,321,294	\$1,340,757	37.33%
<b>Fund Sources</b>					
General Fund	466,013	443,445	549,752	371,268	1.27%
State Revenue Fund	611,656	71,250	1,871,250	71,250	184.45%
Federal Revenue Fund	<u>896,495</u>	<u>905,811</u>	<u>900,292</u>	<u>898,239</u>	<u>-0.21%</u>
Total Funds	\$1,974,164	\$1,420,506	\$3,321,294	\$1,340,757	37.33%

**Program Description**

The Transportation program provides: 1) technical assistance to local communities and transit authorities for planning, organizing, operating, and funding transportation systems; 2) administration of federal funds for capital, planning, and operating transit subsidies; 3) a yearly update of the State Rail Plan, and administration of federal and other funds for rail and related facility rehabilitation; 4) monetary assistance to communities through grants, loans, and rail bonding authority; and 5) representation of shippers and the state before the Interstate Commerce Commission and courts on rate issues, branchline abandonments, and service.

The Executive Budget transfers this program to the proposed Department of Transportation.

**Current Level Budget**

The Division's current level budget increases 37.3 percent between the two biennia. Personal services increase 1.9 percent even though a 1.0 FTE unit manager position was eliminated by the department for a budgeted cost reduction of approximately \$43,156. This FTE

reduction is offset by approximately \$89,000 vacancy savings achieved by the program in fiscal 1990 when a unit manager position was vacant the entire year and a transportation rate specialist position was vacant for ten months.

Operating expenses increase 14.7 percent, due almost entirely to the continuation of the McCarty Farms litigation. The current level budget contains a \$180,000 biennial appropriation in fiscal 1992 to fund the continued litigation. In fiscal 1990, \$61,403 was spent for this purpose. To date, approximately \$1 million in state funds has been spent on the litigation. The legislature has directed the department to seek reimbursement for all general fund expenditures for this purpose, plus interest at the rate of 10 percent.

Grants increase 58.9 percent. The fiscal 1992 grant budget includes the biennial amount for the Rail Construction Loan program. Other grants are federal urban mass transit grants.

The state special revenue funds are the Rail Construction Loan funds and \$71,250 each fiscal year from the highway gas tax account. The federal funds are urban mass transit funds.

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TRANSPORTATION DIVISION

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Executive Budget Modifications

Local Rail Service Assistance Grant

Increased federal fund authority of \$500,000 is requested as a biennial

appropriation to grant Local Rail Service Assistance funds received from the Federal Railroad Administration for use on various railroad construction and rehabilitation projects.

2-19-91  
 EXHIBIT 6  
 DATE 2-19-91  
 HB Pat. Rev. Div.

DEPARTMENT OF COMMERCE  
 TRANSPORTATION (Without Reorganization)

Account Item	Actual Fiscal 1990	Executive Fiscal 1992	LFA Fiscal 1992	Difference Fiscal 1992	Executive Fiscal 1993	LFA Fiscal 1993	Difference Fiscal 1993
TE	14.50	13.00	13.50	-0.50	13.00	13.50	-0.50
Personal Services	405,221	453,158	466,962	(13,804)	452,508	466,246	(13,738)
Operating Expenses	247,046	388,268	349,294	38,974	206,806	169,527	37,279
Equipment	6,439	354	354	0	500	500	0
Grants	1,315,458	2,504,684	2,504,684	0	704,684	704,684	0
Total Expend.	1,974,164	3,346,464	3,321,294	25,170	1,364,498	1,340,757	23,741
Fund Sources							
General Fund	466,013	589,706	549,752	39,954	409,762	371,268	38,494
State Revenue	611,656	1,871,250	1,871,250	0	71,250	71,250	0
Federal Revenue	896,495	885,508	900,292	(14,784)	883,486	898,239	(14,753)
Total Funds	1,974,164	3,346,464	3,321,294	25,170	1,364,498	1,340,757	23,741

EXHIBIT 6  
DATE 2-19-91

HB

--Executive Over (Under) LFA--  
FY 92

DOC - Transportation

Current Level Issues: The Executive Budget transfers this program to the proposed new Department of Transportation *without reorg.*

*Elects upon*

NON-ACTION ITEMS  
A. Inflation  
B. Audit  
C. Network Fees

(\$669)  
\$2,444  
\$1,813

PERSONAL SERVICES (General Fund)

(\$14,816)  
\$1,012

A. The Executive Budget deletes .5 FTE due to loss of federal funding.  
B. Reorganization costs due to higher benefits in the proposed Department of Transportation *opposite of the if reorg.*

EDUCATION AND TRAINING COSTS - LFA reflects a five year average (General Fund) *2500 Grant for the entire div.*

\$3,500

BUDGET BASE DIFFERENCES (General Fund)

\$31,886

TOTAL CURRENT LEVEL

\$25,170  
=====

EXECUTIVE BUDGET MODIFICATIONS FOR PROGRAM EXPANSION:

FTE 1992 1993

0.00 0.00  
=====

\$500,000  
=====

LOCAL RAIL SERVICE ASSISTANCE GRANT (Federal)

LANGUAGE: The 1989 included the following language in the general appropriations act, "The appropriation in item *190,000* for *for the* shall seek to recover the general fund expenditures plus interest at a rate of 10% from any settlement in this case." *Shu + Gen*

BIENNIAL APPROPRIATION:

The agency requests that the appropriation for the Local Rail Service *500,000* Assistance Grant budget modification be a biennial appropriation.

REORGANIZATION

A. FIE - The Transportation Division, as presented in the Executive Budget, is proposed to move from the Department of Commerce to the proposed new Department of Transportation. The fiscal note attached to Senate Bill 164 implementing the reorganization states that 1.5 FIE will be eliminated due to management efficiencies associated with reorganization. In fiscal 1990 and fiscal 1991 the department transferred 1.0 of these FIE to the Business Development Division (the International Affairs Coordinator's position which is contained in the Executive Budget as a modification and is not in current level). The elimination of the other .5 FIE (already reflected in the Executive Budget) is due to loss of federal funds and is not dependent on the reorganization.

B. REORGANIZATION COSTS - The fiscal note attached to Senate Bill 164 assumes that 1992 administrative overhead and rent costs in the Transportation Division would be appropriated to defray the cost of computer transfers and moving expenses. Administrative costs and rent in the Executive Budget are \$51,802 in fiscal 1992 and \$31,886 in fiscal 1993. Within the Executive Budget for the Department of Highways is a budget modification which contains \$75,000 in fiscal 1992 to pay for moving expenses, site renovation, and computer systems transfers associated with the reorganization.

AERONAUTICS DIVISION

65014000.000

	Fiscal 1990 Actual	Fiscal 1991 Appropriated	Fiscal 1992		Fiscal 1993	
			Base	Incr/Decr	Base	Incr/Decr
Full Time Equivalent Employees	11.99	11.28	.00	.00	.00	.00
Personal Services	320,860.47	372,046	0	0	0	0
Operating Expenses	270,561.72	350,326	0	0	0	0
Equipment	8,911.98	15,000	0	0	0	0
Local Assistance	234,527.74	0	0	0	0	0
Grants	8,000.00	15,000	0	0	0	0
Transfers	11,340.00	10,000	0	0	0	0
<b>Total Agency Costs</b>	<b>\$854,201.91</b>	<b>\$762,372</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
State Special Revenue Fund	802,574.39	633,613	0	0	0	0
Federal Special Revenue Fund	0.00	75,000	0	0	0	0
Proprietary Fund	51,627.52	53,759	0	0	0	0
<b>Total Funding Costs</b>	<b>\$854,201.91</b>	<b>\$762,372</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

OVERVIEW

The Aeronautics Division is responsible for providing for the protection and promotion of safety in aeronautics, cooperating in effecting a uniformity of the laws relating to the development and regulation of aeronautics in the several states and revising statutes relative to the development and regulation of aeronautics. The Division establishes uniform regulations relating to aeronautics and cooperates with the federal authorities in the development of a national system of civil aviation.

The Division is responsible for developing, operating, and maintaining a statewide system of electronic navigational aids, air-to-ground communications stations, and visual navigational aids. The program operates and maintains 13 state-owned airports. Also, the Division develops and improves a statewide system of airports; provides Montana communities with technical assistance in all facets of aviation planning and development; keeps Montana's State Aviation System Plan current; and publishes an airport directory and aeronautical chart.

The Division also operates the Yellowstone Airport located at West Yellowstone. The Yellowstone Airport was built entirely with federal funds to serve Yellowstone National Park primarily. It is one of only two airports designated by Congress to serve a national park - the other being the Grand Canyon Airport in Arizona. In both cases, the airports are being operated by their respective state's aeronautics divisions. This seasonal airport receives scheduled air service (presently by SkyWest Airlines) and numerous charter flights and general aviation aircraft. The Airport is also the base for the U.S. Forest Service Interagency Fire Control Center which provides smokejumpers and retardant aircraft for Yellowstone Park, the U.S. Forest Service, and Bureau of Land Management lands surrounding the Park and southwestern Montana.

The Department of Transportation, as proposed by the Governor, includes the Aeronautics Division from the Department of Commerce.

DATE 2-18-44  
HR

**GOALS**

To enhance Montana's economic development by fostering and promoting a safe and efficient aviation system for the movement of goods, services, and people within the state.

To foster and promote aviation and aviation safety.

To provide a safe, modern landing facility for all types of aircraft at Yellowstone Airport.

To establish a system of computerized pilot information centers which includes weather briefings, flight safety information, and flight plan filing for Montana pilots.

To plan and develop a regional fire training facility for airport aircraft fire fighters in order to meet Federal Regulations.

To actively promote the Yellowstone Airport in order to obtain additional airline service and increase tourism to Montana.

operations. Land airports serving certain air carriers.  
49 U.S.C. 1354, 1356 - 1358, 1421, 1655(c) (Federal) Airplane and airport operator security.

**BASE PROGRAM**

The Aeronautics Division is made up of five general administrative areas: the Aeronautics Board, Division Administration, Safety and Education Bureau, Airport/Airways Bureau, and Yellowstone Airport, West Yellowstone. A total of 10.99 FTEs are assigned to the various functions including 9.60 to the Division and 1.39 to Yellowstone Airport.

Aeronautics Board:

The Aeronautics Board is composed of nine members appointed by the Governor. The Board serves the Division in an advisory capacity. The nine members represent the various facets of the Montana aviation community plus one member at-large.

Administration:

With personnel made up of the administrator and administrative assistant, this area is responsible for the overall operation of the Division and all its programs, including operation of the air carrier airport at West Yellowstone. This includes the direct supervision of the two bureau chiefs, coordination of aviation matters with the director of the Department of Commerce, coordinating activities of the Aeronautics Board, representing the state in state and national aviation related matters, planning and directing sound fiscal activities for the Division as a whole, coordinating legislative activities for the Division both at the state and national levels, and representing aviation interests in Montana before state and national aviation organizations.

In recent years, administration has been largely responsible for overall coordination of the annual Montana Aviation Conference (1990 was the sixth such Conference) which brings together all facets of the Montana aviation community for the exchange of information, ideas, and

**AUTHORIZATION**

- Title 67-1-102, MCA Policy - Aeronautics
- Title 67-1-103, MCA Board of Aeronautics
- Title 67-1-104, MCA Governmental nature of aeronautical functions
- Title 67-1-201 - 211, MCA Uniform state law of Aeronautics
- Title 67-1-301 - 304, MCA Finance
- Title 67-2-101 - 105, MCA Aeronautical powers and duties
- Title 67-2-301 - 302, MCA State Airports
- Title 67-2-401 - 403, MCA Intergovernmental cooperation
- Title 67-3-301 - 429, MCA Regulation and licensing
- 49 U.S.C. 1354(a) and 1422 (Federal) Certification and

discussion of issues of concern.

The administration arm of the Division also provides administrative support for the Aeronautics Board, the Governor's Essential Air Service Task Force, and the Aviation Organizations of Montana.

Safety and Education Bureau:

This Bureau organizes and maintains a functional statewide air search and rescue organization. The Aeronautics Division is charged with this responsibility by agreement with the U.S. Air Force Rescue Coordination Center. The program is run through a network of volunteers. Civil Air Patrol resources are used where available. An Aeronautics Division employee is on call at all times, 24 hours per day, 365 days per year.

The bureau administers the aircraft and pilot registration - which is mandated by law. This involves processing registrations for approximately 2,700 aircraft and 2,300 pilots: collecting and recording registration fees, mailing licenses and decals to those registering, data entry and computer tracking of fees collected and reimbursement to counties of 90% of the aircraft fees collected.

The remainder of the Safety and Education Bureau programs fall under the mandate of the statutes to "provide for the protection and safety in aeronautics" (67-1-102, MCA.) The programs include:

1. Organizing and/or conducting various seminars and clinics for the purpose of educating pilots, flight instructors, search volunteers, and mechanics.
2. Producing a monthly aviation newsletter.
3. Organizing annual college accredited aviation/aerospace educator workshops. This program offers courses for Montana teachers for college credit.
4. Other projects that disseminate information about aviation and aviation safety include assisting teachers and schools in curriculum planning; conducting airport tours; participation in various career awareness projects which

include attendance at high school and college career fairs and the organization of an annual aviation awareness poster contest; Veterans Administration VA/State approval agent for flight schools, liaison between flight schools and the VA; and the operation of a film library for the loan of films and videos to schools, organizations, and pilot groups.

5. The Bureau is also actively involved in monitoring the construction of towers and other obstructions to air navigation, inspecting and identifying hazards, and recommending marking and lighting.

Airport/Airways Bureau:

Duties of the Airport/Airways Bureau generally fall under the charge to "encourage the establishment of airports and other air navigation facilities" and to "designate, design, and establish, expand, or modify a state airways system which will best serve the interests of the state" as required by 67-2-101, MCA. The Bureau performs the following major functions:

Provides technical support to communities for planning, construction, maintenance and other airport improvements. Includes review of construction plans, assisting communities in securing federal grant funds, providing training on airport lighting systems, beacons, and other navigational aids, and solving local airport problems.

Administers Preliminary Engineering Grant Program which provides engineering grants to airport owners planning construction and/or improvement projects.

Conducts annual airport safety inspections under contract with the National Association of State Aviation Officials/Federal Aviation Administration. Between 85 and 100 Montana airports are inspected annually. Provides information to all federal, state, and private publishers of aeronautical guides, charts, directories, and other publications. Safety discrepancies are relayed to airport owners for corrective action.

Publishes an annual Airport Directory containing detailed information and drawings on Montana Airports. Updates the Aeronautical Chart every four or five years which depicts

EXHIBIT 2-19-81  
DATE  
HMB

airways, navigational aids, hazards, and terrain of the state.

Operates the statewide system of navigational aids which includes:

- 1. Non-directional radio beacons which include fifteen (15) VFR stations for en route and homing guidance for pilots and ten (10) which additionally have public use standard instrument approach procedures. The NDBs are maintained by 14 technicians under contract with the Division and the local communities.
- 2. Sixty-six (66) unicomms (air-to-ground radios) statewide. These provide safety communications to pilots.
- 3. Operates and maintains system of eighteen (18) airway visual navigation beacons. These provide visual nighttime guidance through the mountains in western Montana. Four (4) airport beacons are also maintained.

Operates and maintains 13 state-owned airports. These airports were designed, built, and maintained by Division personnel. They provide emergency, recreational, or community airports. The Division also operates the air carrier airport at West Yellowstone.

Operates a program for resale of airport supplies. This includes an inventory of airport lighting equipment. Supplies are purchased in bulk quantities at substantial savings and then resold to Montana airports.

Maintains and updates the Montana Aviation System Plan. This provides a five-year airport improvement program for airports, reviews airport obstructions, and updates federal list of airports eligible for federal Aviation User Trust Fund money. The System Plan is updated periodically. Principal funding for these projects is provided by federal grants from the Federal Aviation Users Trust Fund.

Yellowstone Airport: (West Yellowstone)

The Division administrator and Airport/Airways Bureau provide the policy making, budgeting, administrative, personnel selection, airport tenant leases, airport safety and operation manuals, and major improvement and

construction projects coordination for the Yellowstone Airport.

A seasonal airport manager, firefighter supervisor, and part-time custodian provide the day-to-day operation of the Airport during the five-month summer season. The manager coordinates the efforts of the airport tenants, airlines, fixed base operator, three rental car agencies, and a cafe operator to ensure that they abide by the conditions of their leases and to assist them with any problems. The manager assures that the Federal Air Regulations relating to safety, security, and certification standards are being met. The manager and firefighter supervisor ensure that all airport firefighting facilities are at 100% readiness during airline service and large jet traffic.

The manager coordinates the efforts of the Interagency Fire Control Center Base located on the Airport with its aerial retardant aircraft, fire patrol flights, and smokejumpers.

**BASE FUNDING**

The Aeronautics Division is funded entirely from its earmarked revenue account. Funds deposited into this account include a 1 cent per gallon tax on aviation fuel, which amounts to the greatest share of Division income, 1/25 of 1 percent of the money collected on automobile gasoline (representing auto fuel used in aircraft), 10% of the total collected aircraft registration fees (the remaining 90% is returned to the counties), pilot registration fees, sale of miscellaneous publications, money collected through the resale program, and funds received under contract for the Airport Master Record inspections.

The portion of the aircraft registration fees (90%) that are returned to the counties are statutorily appropriated in Title 17-7-502, MCA.

The Yellowstone Airport is entirely self-sustaining and operates out of a proprietary account with the following revenue sources: 6% from landing fees which are based on gross plane weight; 7% from fuel flowage based on a percentage of the 5 cent per gallon charged by a fixed base operator; 25% from rent charged for floor space in the



terminal building; 32% from the percentage of gross sales receipts from lessees such as car rentals, the restaurant, and gift shop; and 9% from miscellaneous tie-down, taxi, and other fees, and 21% for airline property taxes collected by Gallatin County and transferred to the Yellowstone Airport for taxes on airline aircraft and other equipment serving the airport.

EXHIBIT

DATE 2-19-91

HB Don R. ...

PERFORMANCE INDICATORS

	FY 90 Actual	FY 91 Enact	FY 92 Base	FY 93 Base
Aircraft Registrations	2,700	2,700	2,700	2,700
Pilot Registrations	2,200	2,200	2,000	2,000
School Tours Organized	23	25	25	25
Safety Seminars Conducted	6	6	6	6
Teacher Workshops Conducted	15	15	15	15
Mountain Search Clinic	1	1	1	1
Engineering Grants Awarded	15	15	15	15
Airport Inspections Conducted	76	90	90	90
Yellowstone Airport: Airline, air taxi and charter passengers	6,078	6,100	6,100	6,100

Since a great deal of Division time in both Bureaus is spent in general support of and research for communities and individuals in the aviation community, this time is extremely difficult to quantify.

Increase or Decrease from Base

Current Level Adjustments

One vacant FTE was transferred from the Aeronautics Division to the Montana Promotion Division in order to better utilize department staff resources. This transfer has been implemented in FY91. Also, a .50 and a .10 FTE were consolidated within the program to provide temporary help for pilot and aircraft registration.

FY92 - (\$21,075)      FY93 - (\$20,493)

Equipment for the Aeronautics Division is increased over the base to purchase 3 satellite computerized weather briefing stations and 1 electronic computerized navigational system for aircraft.

FY92 - \$3,000      FY93 - \$ 0

The West Yellowstone Airport proprietary funding is increased by \$11,732 in FY92 and \$11,565 in FY93. Costs for supplies and maintenance have increased during the 90-91 Biennium. This increase is offset by a decrease in the earmarked account for the Division.

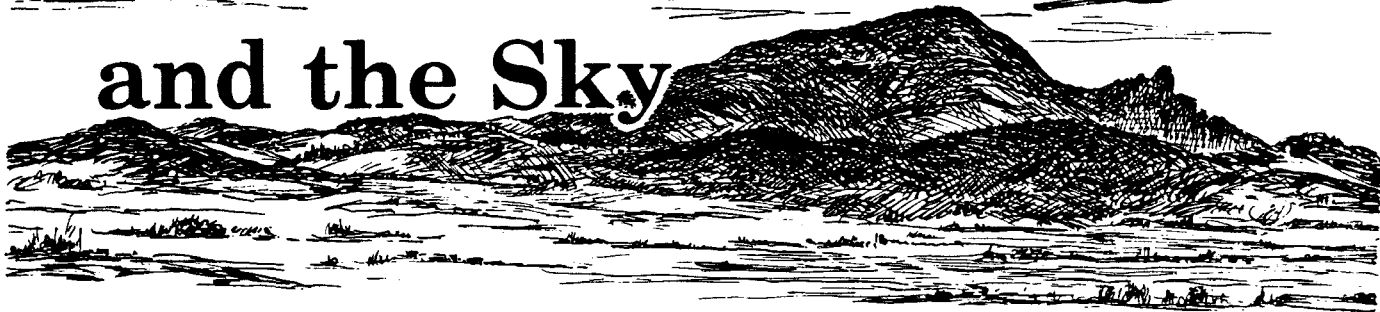
Program Enhancements

West Yellowstone Airport Maintenance

The West Yellowstone Airport is requesting proprietary authority in FY92 to meet requirements of the Federal Aviation Administration for airport runway restriping and establishment of a radio control lighting system.

FY92 - \$17,000      FY93 - \$ 0

# Montana and the Sky



Vol. 41, No. 1

MONTANA AERONAUTICS DIVISION

January 1991

## RALPH HOOD, THE FLYING HUMORIST TO KICK OFF THE 1991 AVIATION CONVERENCE

Ralph Hood, The Flying Humorist, has accepted an invitation to be the featured speaker at the kick-off luncheon on Thursday, February 28.

Hood currently clocks over 3,000 hours flying experience, single to propjet, California to Florida, Canada to Mexico and the Bahamas. He holds the following: commercial pilot, instrument rating and multiengine rating. He also holds the World Aviation Speed Record, Class C1C-Piston from Huntsville, AL to Kitty Hawk, NC.



The Flying Humorist

Born in Brunswick, Georgia, Hood took up sky diving while attending Clemson University in South Carolina and wrote for the college newspaper. Following graduation, he enjoyed a series of meteoric careers, collecting sales records along the way. In 1968, Hood co-founded an entertainment venture called "Children's Magic Circus." In

1969, he received his pilot's license and sold his interest in the show.

Ralph's love of aviation and speaking continued. In 1972, he became territorial representative for an aviation insurance company. His largest customer, Montgomery/Huntsville Aviation, hired him away, and he continues serving the company as a consultant to this day.

In 1982, Ralph began teaching an aviation management course for Southern Illinois University, Carbondale, an extension course he still teaches in California, Colorado, North Carolina and Florida.

Ralph currently is a full-time professional speaker, humorist, motivator and leader of sales seminars. His speaking engagements have included numerous aviation associations, airlines, state aviation conferences and many others.

In addition, he is an aviation consultant and writes a column for an international aviation magazine, FBO, and a column for a newspaper in Alabama. Hood is sponsored in part by FBO Magazine.

Fasten your seatbelts, settle back and enjoy the ride, as Ralph Hood takes you on a trip "on top" in his uniquely humorous style.

The Saturday luncheon is scheduled to begin at 11:30 a.m. at the Outlaw Inn. In order to have meal counts, tickets for the kick-off luncheon must be reserved prior to the Conference. Other meal tickets must be reserved at least 24 hours prior to the event. Reservations can be made by using the preregistration form printed elsewhere in this newsletter.

## SCOTT CROSSFIELD TO ADDRESS SATURDAY AWARDS LUNCHEON

A. Scott Crossfield will speak at the awards luncheon to be held on Saturday, March 2.

Crossfield is technical consultant to the United States House of Representatives Committee on Science and Technology, serving as an adviser on all aspects of civil aviation research and development for NASA and the FAA.

Prior to his present position, Scott was an independent corporate and government consultant from 1975-77. He was senior vice president, Hawker Siddeley Aviation, 1974-75; served in various executive capacities as an officer of Eastern Airlines, 1967-73; and was systems director, test and quality assurance, North American Aviation, 1961-66.

Scott has logged over 6,000 single engine flight hours in over 100 types of aircraft, military, research and civil. After serving as

*continued, page 6*



7-A  
DATE 2-19-91  
Nat. Res. Div.

## AERONAUTICS DIVISION

Budget Item	Actual Fiscal 1990	Appropriated Fiscal 1991	- - Current Fiscal 1992	Level - - Fiscal 1993	Change 1991-93 Biennium
FTE	11.99	11.99	11.99	11.99	.00
Personal Services	320,861	372,046	377,836	378,851	9.20%
Operating Expenses	265,476	350,326	326,387	325,504	5.86%
Equipment	8,912	15,000	18,000	18,000	50.55%
Grants	8,000	15,000	10,000	10,000	-13.04%
Transfers	<u>11,340</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>-6.28%</u>
Total Program	\$614,589	\$762,372	\$742,223	\$742,355	7.82%
<u>Fund Sources</u>					
State Revenue Fund	562,959	633,613	604,189	604,383	1.00%
Federal Revenue Fund	0	75,000	75,000	75,000	100.00%
Proprietary Fund	<u>51,630</u>	<u>53,759</u>	<u>63,034</u>	<u>62,972</u>	<u>19.56%</u>
Total Funds	\$614,589	\$762,372	\$742,223	\$742,355	7.82%

### Program Description

The Aeronautics program is responsible for providing protection and safety in aeronautics. The program consists of five general areas. The Aeronautics Board, allocated to the department for administrative purposes, advises on matters pertaining to aeronautics. The Division Administration is responsible for the overall operation of the program and its sub-programs, including the operation of the air carrier airport at West Yellowstone. The Airport/Airways Bureau provides technical assistance to communities for planning, construction, maintenance, and other airport development projects, and conducts annual airport safety inspections. It administers a grant program which provides engineering grants to airport owners planning construction and/or improvement projects; operates and maintains 13 state-owned airports; operates a program for resale of airport supplies; and maintains and up-dates the Montana Aviation System Plan. The Safety and Education Bureau organizes and maintains a statewide aerial search and rescue organization. It enforces state laws on pilot and aircraft registration. Staff plan and organize various educational seminars and clinics for pilots, flight instructors, search volunteers, and mechanics. The bureau also monitors construction of towers and

other obstructions to air navigation, inspects and identifies hazards, and makes marking and lighting recommendations. The Yellowstone Airport in West Yellowstone is one of two airports designated by Congress to serve a national park. The division administrator and Airport/Airways Bureau provide the policy, budgeting, administrative, and project coordination for the airport.

The Executive Budget transfers this program to the proposed Department of Transportation.

### Current Level Budget

The current level budget increases 7.8 percent in the 1993 biennium. The majority of this increase is in personal services, since the program experienced a 10 percent (\$37,000) vacancy savings during fiscal 1990 when five of the division's positions had turnover. Operating expenses increase 5.9 percent, mainly in contracted services which include \$75,000 of federal funds each year for emergency and construction needs for Montana's airports. While this amount was appropriated in each year of the 1991 biennium, no funds were received or expended in fiscal 1990. Equipment, which is budgeted at the agency's request, includes three satellite weather stations and an

7-17

2-19-91

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## AERONAUTICS DIVISION

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electronic computerized navigational system. The grants are for engineering studies for small airports in Montana. Transfer authority of \$10,000 is provided to transfer taxes collected by Gallatin County (which are deposited into the state special revenue fund) to the West Yellowstone Airport's proprietary account.

### Executive Budget Modification

#### West Yellowstone Airport Maintenance

The department requests \$17,000 for fiscal 1992 funded from the West Yellowstone Airport proprietary account to meet Federal Aviation Authority (FAA) requirements that the airport runway be restriped, a radio-controlled lighting system be established, and that the airport radio and monitoring equipment be updated. The FAA requires these repairs be made by the end of fiscal 1993.

EXHIBIT 8

DATE 2-19-91

HB No. 900 S.W.

PARTMENT OF COMMERCE  
RONAUTICS (Without Reorganization)

Budget Item	Actual Fiscal 1990	Executive Fiscal 1992	LFA Fiscal 1992	Difference Fiscal 1992	Executive Fiscal 1993	LFA Fiscal 1993	Difference Fiscal 1993
Personal Services	11,99	10,99	11,99	(-1,00)	10,99	11,99	(-1,00)
Operating Expenses	320,861	357,911	377,836	(19,925)	359,541	378,851	(19,310)
Equipment	265,476	337,179	326,387	30,792	354,576	325,504	29,072
Grants	8,912	18,000	18,000	0	18,000	18,000	0
Transfers	8,000	10,000	10,000	0	10,000	10,000	0
	11,340	10,000	10,000	0	10,000	10,000	0
<b>Total Expend.</b>	<b>614,589</b>	<b>733,090</b>	<b>742,223</b>	<b>10,867</b>	<b>752,117</b>	<b>742,355</b>	<b>9,762</b>
and Sources							
State Revenue	562,959	612,961	604,189	8,772	612,312	604,383	7,929
Federal Revenue	0	75,000	75,000	0	75,000	75,000	0
Proprietary Fund	51,630	65,129	63,034	2,095	64,805	62,972	1,833
<b>Total Funds</b>	<b>614,589</b>	<b>733,090</b>	<b>742,223</b>	<b>10,867</b>	<b>752,117</b>	<b>742,355</b>	<b>9,762</b>

DOC - Aeronautics

AERONAUTICS

The Executive Budget transfers this program to the proposed new Department of Transportation

NON-ACTION ITEMS

- A. Inflation
- B. Audit
- C. Network Fees

(\$1,140)  
\$500  
(\$420)

PERSONAL SERVICES

- A. The Executive Budget transfers out 1.0 FTE (#04,006 grade 14 step 7) to Montana Promotions (#5220 grade 14 step 2). *Accepted 0 more*
- B. Reorganization costs due to higher benefit rates in the proposed Department of Transportation *Proced. under Chief.*
- C. Per Diem *action 90*

(\$30,920)  
\$9,745  
\$1,250

BUDGET BASE DIFFERENCES

*diff @ base above + 3,045 carry-yr. 7/1,129*

*Fy 93 2,000*

-\$11,852

TOTAL CURRENT LEVEL

\$10,867  
=====

EXECUTIVE BUDGET MODIFICATIONS FOR PROGRAM EXPANSION:

- West Yellowstone Airport Maintenance (Proprietary)

FTE 1992 1993

0.00 0.00

====

\$17,000  
=====

ISSUE: REORGANIZATION

- A. FTE - The Aeronautics Division, as presented in the Executive Budget, is proposed to move from the Department of Commerce to the proposed new Department of Transportation. The fiscal note attached to Senate Bill 164 implementing the reorganization states that 1.0 FTE will be eliminated due to management efficiencies associated with reorganization. In the Executive Budget, this 1.0 FTE has already been transferred to the Montana Promotion Division and has not been eliminated.
- B. REORGANIZATION COSTS - The fiscal note attached to Senate Bill 164 assumes that fiscal 1992 administrative costs in the Aeronautics Division would be appropriated to defray the cost of computer transfers and moving expenses. Administrative costs in the Executive Budget are \$33,176 in fiscal 1992 and \$33,226 in fiscal 1993. Within the Executive Budget for the Department of Highways is a budget modification which contains \$75,000 in fiscal 1992 to pay for moving expenses, site renovation, and computer systems transfers associated with the reorganization.

HORSE RACING BUREAU

Ed 9  
EXHIBIT  
DATE 2-19-91  
HB Nav. Div. Sec.

The Horse Racing Bureau is responsible for the overall regulation of the parimutuel horse racing industry within the State of Montana. Through this regulation, the integrity of the industry which the industry itself requires and the wagering public demands is insured.

Of specific concern to the Bureau is the day to day regulation of 8 live race tracks totaling 90-100 racing days and 14 simulcast network sites located statewide offering approximately 150 days of simulcast wagering.

The Bureau is charged with the responsibility of licensing and determine licensure of 66 occupational categories which translates into 3000 licenses issued annually.

The Bureau employs the equivalent of 4.78 FTE's.

In 1990 the Bureau was responsible for insuring the correct distribution of \$6.5 million wagered live on track and \$3 million wagered through simulcast. The Bureau is responsible for adoption, administration, and enforcement of all racing rules including but not limited to licensing, permissible medication and drug testing, auditing, supervision and investigations pertaining to all parimutuel racing.

The Bureau is funded by a state special revenue fund tax ( 1% of parimutuel handle). Its other revenue sources include, medication fees, fines imposed and sale of annual licenses.

Since 1988, horse racing in Montana has experienced significant decreases in revenue based on dollars wagered. Horse racing revenues statewide have steadily decreased as the video gaming and lottery industries have expanded their operations.

Estimates of a 20% reduction in total race track handles due to other forms of legalized gambling are thought to be accurate. Since the major form of revenue (track handles) has decreased, numerous cost cutting measures must be employed by the Bureau to insure that bottom lines will balance at year end. There is however a limit to what may be eliminated and still continue to have a viable regulatory program.

When budgets for 90 and 91 were adopted there was optimism that simulcast wagering would supplement on track handles to the point that revenues would exceed expenses. However, what was not factored into this equation was the continued growth in gambling, which has further affected the direction which the gambling dollar has gone. Instead of holding at a 9-10 million on track handle (as was the case in 1987) and supplementing it with 3.0 million off track handle through simulcast, we have seen on track revenue drop to 6.5 million and the 3 million simulcast handle which was going to be used for upgrading the industry ( school for officials, improve drug testing, etc.) is now utilized for basic survival.





EXHIBIT 9.  
DATE 2-19-91  
HB \_\_\_\_\_

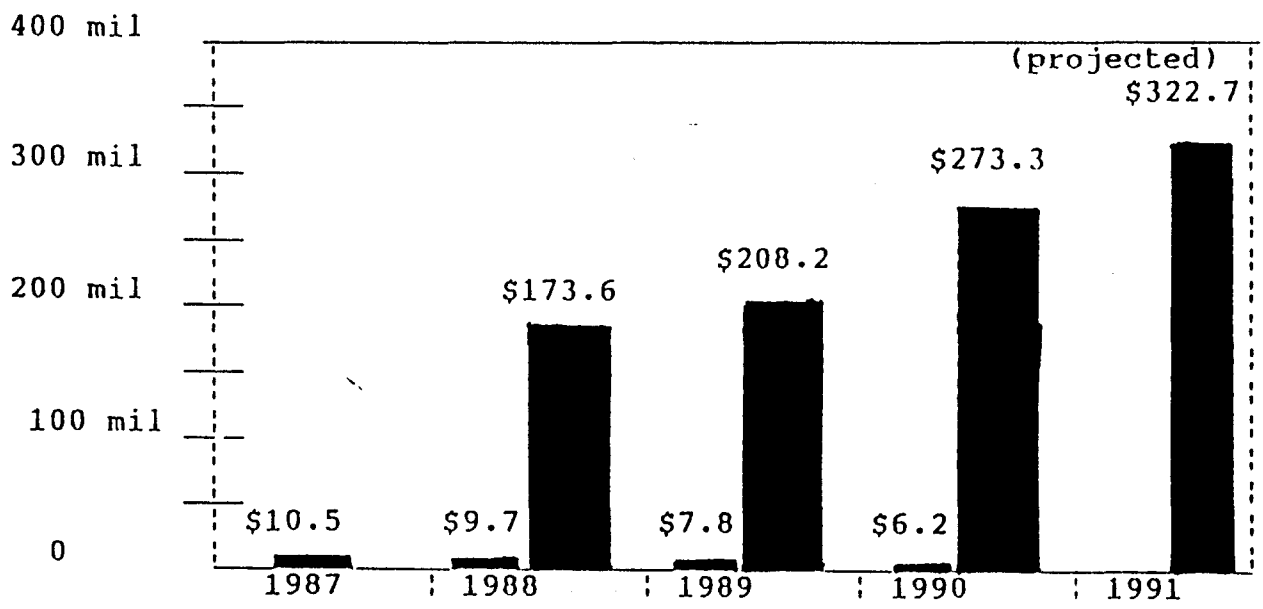
The horse racing industry itself (breeders, track management, owners and trainers) is well aware of the severity of the financial problems with which it is faced. Increased emphasis on creating a new fan base, increased family promotions, common pooling of simulcast wagering are just a few of the new concepts which the industry is sponsoring to help resurrect its lagging revenues.

Hopefully, with all of these measures being taken throughout the industry, the future holds promise for the survival of parimutuel horse racing in Montana.

EXHIBIT 9  
DATE 2-19-91  
HB Mar. 4<sup>th</sup> 1991 Pos. Div.

COMPARISON OF HORSE RACING AND VIDEO GAMING  
1987 - 1990

HORSE RACING (calendar years)   
GAMBLING (FISCAL YEARS) 



BOARD OF HORSE RACING

65017800.000

	Fiscal 1990 Actual	Fiscal 1991 Appropriated	Fiscal 1992 Base	Fiscal 1992 Incr/Decr	Recommended	Fiscal 1993 Base	Fiscal 1993 Incr/Decr	Recommended
Full Time Equivalent Employees	5.78	5.78	5.78	-1.00	4.78	5.78	-1.00	4.78
Personal Services	103,084.95	167,537	163,940	-53,759	110,181	164,146	-53,835	110,311
Operating Expenses	124,947.94	155,110	157,377	37,964	195,341	156,706	38,215	194,921
Equipment	410.01	2,000	2,000	0	2,000	2,000	0	2,000
Total Agency Costs	\$228,442.90	\$324,647	\$323,317	\$-15,795	\$307,522	\$322,852	\$-15,620	\$307,232
State Special Revenue Fund	228,442.90	324,647	323,317	-15,795	307,522	322,852	-15,620	307,232
Total Funding Costs	\$228,442.90	\$324,647	\$323,317	\$-15,795	\$307,522	\$322,852	\$-15,620	\$307,232

Overview

The Board of Horse Racing and its staff are responsible for regulating the horse racing industry, both live and simulcast. The bureau insures compliance of approximately 3,500 licensees to the laws and rules of the state of Montana and the Board of Horse Racing. The bureau is responsible for insuring that the racing industry is operated in such a matter as to insure public trust and complete integrity.

Goals

To allow the racing industry, both live and simulcast, to grow and perform at a level which would be beneficial to all racing interests in the state of Montana.

Authorization

- Title 2-15-1881, MCA Establishes the Board of Horse Racing.
- Title 2-15-121, MCA Allocation for administrative purposes only.
- Title 23-4-104, MCA Duties of the board.

Title 23-4-105, MCA Authority of board.

Title 23-4-202, MCA Penalty for violations of law - authority of board of judicial review.

Title 23-4-203, MCA Race meets- when lawful.

Title 23-4-204, MCA Race exclusively for Montana-bred horses -- bonus for winner.

Title 23-4-304, MCA Gross receipts - department's percentage - collection and allocation.

Base Program

The Bureau has 4.78 full time employees and approximately twenty seasonal employees. The seasonal contractors are regulatory people working at the tracks and simulcast facilities. The Montana Board of Horse Racing:

Approves all race dates, stakes races, race facilities and simulcast facilities.

Audits all parimutuel wagering and stakes race accounts.

Approves all racing officials.

Licenses approximately 3,500 individuals, eight race tracks and fifteen simulcast facilities.

Collects and distributes funds pursuant to Title 23, Section 4, MCA.

Base Funding

The Montana Board of Horse Racing is funded primarily from 1% of the parimutuel handle from both live and simulcast racing. Other revenues include 30% of the owners bonus, 10% of the breeders bonus, license fees, fines, and medication fees.

Performance Indicators

	FY90 Actual	FY91 Enacted	FY92 Base	FY93 Base
Number of Licensed Tracks	7	8	8	8
Number of Licensed Simulcast Facilities	10	15	20	20
Number of Race Days (calendar year)	123 (1988)	91 (1989)	100 (1990)	125 (1991)
Parimutuel Wagering (calendar year)	9,200,000 (1988)	7,885,812 (1989)	9,200,00 (1990)	9,200,000 (1991)
Number of Simulcast Race days (not including live race days)	30	60	100	125
School for Officials	1	1	1	1
Total Licenses Issued	3050	3100	3150	3200
Number of Board Meetings	12	12	12	12
Number of Simulcast Inspections	15	30	50	60
Medication	350	400	450	475

**Increase or Decrease from Base****Current Level Adjustments**

A vacant FTE has been transferred from the Board of Horse Racing to the Director's Office.

Net decrease    FY92 - (\$15,795)    FY93 - (\$15,620)

Because stewards and security personnel employed by the Board of Horse Racing are paid on a daily rather than hourly basis, the state PPP System cannot properly classify and pay these employees through the state system. The employees are currently being paid improperly in an exempt position. This situation has created a need to contract for the services provided by stewards and security personnel. Because the next race season starts in May of 1991, this change has been implemented in FY 91. FY 92 and FY 93 reflects the transfer of funds from personal services to contracted services to correct the improper placement of these employees and to provide the ability to contract for services.

FY92 - (\$37,964)    FY93 - (\$38,215)

DATE 2/14/90  
FILE 10

6501 78 00000

### BOARD OF HORSE RACING

Budget Item	Actual Fiscal 1990	Appropriated Fiscal 1991	- - Current Fiscal 1992	Level - - Fiscal 1993	Change 1991-93 Biennium
FTE	5.78	5.78	5.78	5.78	.00
Personal Services	103,085	167,537	156,004	156,230	15.38%
Operating Expenses	124,952	155,110	135,792	135,992	-2.96%
Equipment	410	2,000	2,000	2,000	65.98%
<b>Total Program</b>	<b>\$228,447</b>	<b>\$324,647</b>	<b>\$293,796</b>	<b>\$294,222</b>	<b>6.31%</b>
<b>Fund Sources</b>					
State Revenue Fund	228,447	324,647	293,796	294,222	6.31%
<b>Total Funds</b>	<b>\$228,447</b>	<b>\$324,647</b>	<b>\$293,796</b>	<b>\$294,222</b>	<b>6.31%</b>

#### Program Description

The Board of Horse Racing program is responsible for regulating the horse racing industry, both live and simulcast. The program ensures compliance by the approximately 3,500 licensees with state laws and board rules. The board is responsible for the licensing of all racing personnel, establishment of race dates for various communities, establishment of veterinary practices and standards in connection with horse racing meets, and the auditing, supervision, and investigations related to the parimutuel racing system in Montana. The 1989 legislature expanded the scope of the Board of Horse Racing to include the licensing and regulation of simulcast horse racing.

#### Current Level Budget

The current level budget increases 6.3 percent from the 1991 biennium level due primarily to increased personal services costs. This 15.4 percent increase results from fiscal 1990 vacancy savings (\$59,500 or approximately 36.6 percent). The majority of this vacancy savings occurred in two aggregate positions which are used for their seasonal employees. In addition, an administrative aid position was vacant for almost 11 months. Full funding for all authorized positions is included in the current level budget.

Operating expenses for the 1993 biennium are based on fiscal 1990 actual expenditures. Indirect costs are increased by \$5,400 per fiscal year to reflect the agency's request. The equipment, which reflects the agency's request, includes funds for office equipment. Funding for the program is from a tax on gross receipts for betting on horse races.

Budget Item	Actual Fiscal 1990	Executive Fiscal 1992	LFA Fiscal 1992	Difference Fiscal 1992	Executive Fiscal 1993	LFA Fiscal 1993	Difference Fiscal 1993
FTE	5.78	4.78	5.78	1.00	4.78	5.78	1.00
Personal Services	103,085	110,181	156,004	45,823	110,311	156,230	45,919
Operating Expenses	124,952	195,341	135,792	59,549	194,921	135,992	58,929
Equipment	410	2,000	2,000	0	2,000	2,000	0
Total Expend.	\$228,447	\$307,522	\$293,796	\$13,726	\$307,232	\$294,222	\$13,010
Fund Sources							
State Revenue Fund	228,447	307,522	293,796	13,726	307,232	294,222	13,010
Total Funds	\$228,447	\$307,522	\$293,796	\$13,726	\$307,232	\$294,222	\$13,010

CURRENT LEVEL ISSUES:

- NON-ACTION ITEMS
  - A. Inflation
  - B. Audit
  - C. Network Fees
- PERSONAL SERVICES (State Special)
  - A. Overtime - The LFA reflects actual fiscal 1990 expenditures
  - B. The Executive Budget transfers out 1.0 FTE (an exempt position) to the Director's/Management Services Division
  - C. The Executive Budget moves authority out of personal services to operations
- CONSULTING (State Special)
  - A. Personal services authority was moved to consulting to fund stewards' salary if legislation is enacted exempting 1.0 FTE
  - B. Other
- BUDGET BASE DIFFERENCES (State Special)

DOC - Horse Racing

Executive Over (Under) FY 92	LFA-- FY93
(\$215)	\$200
\$509	(\$13,133)
\$1,459	(\$32,586)
	\$32,586
	\$17,634
	\$7,327
	\$13,726

TOTAL CURRENT LEVEL

\$13,010

HOUSE OF REPRESENTATIVES

VISITOR'S REGISTER

Natural Resources COMMITTEE BILL NO. \_\_\_\_\_

DATE 2-20-91 SPONSOR(S) \_\_\_\_\_

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NAME AND ADDRESS	REPRESENTING	BILL	OPPOSE	SUPPORT
Bob FERRAIS	H.D. 9			✓
Patricia Saindon	Trans. Div. DOC			
Kathleen Fleury	Coordinator INDIAN AFFAIRS			
Cecelyn Haring	Mgt. Serv.			
Mark Bruno	MGSU			

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