

MINUTES

**MONTANA HOUSE OF REPRESENTATIVES
53rd LEGISLATURE - REGULAR SESSION**

JOINT SUBCOMMITTEE ON NATURAL RESOURCES

Call to Order: By **CHAIRMAN ROGER DEBRUYCKER**, on January 18, 1993, at 8:00 A.M.

ROLL CALL

Members Present:

Rep. Roger DeBruycker, Chairman (R)
Sen. Cecil Weeding, Vice Chairman (D)
Sen. Gerry Devlin (R)
Sen. Greg Jergeson (D)
Rep. John Johnson (D)
Rep. William Wiseman (R)

Members Excused: None

Members Absent: None

Staff Present: Roger Lloyd, Legislative Fiscal Analyst
Florine Smith, Office of Budget & Program
Planning
Theda Rossberg, Committee Secretary

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

Committee Business Summary:

Hearing: **DEPARTMENT OF AGRICULTURE**
Agriculture & Bio Sciences Division
Plant Division

Executive Action: **DEPARTMENT OF AGRICULTURE**
Agriculture & Bio Sciences Division

HEARING
DEPARTMENT OF AGRICULTURE
AGRICULTURE & BIO SCIENCES DIVISION

Mr. Lloyd, Legislative Fiscal Analyst reviewed the budget differences with the committee. **EXHIBIT 1** See Pages C-109-C-111. By funding this program at the LFA current level it reserves some fund balances in the state special revenue accounts which is \$50,000 each year to be used in the Central Management division to offset general funds.

Mr. Lloyd said in Personal Services he forgot to upgrade one position. Therefore, the committee can direct that the position be upgraded if is their desire. When overtime was funded an average of the last three years was used with 15% added for benefits.

Mr. Lloyd said that dependent on how the LFA current level is approved or disapproved will affect the number of grants that are available. If the Executive Budget is approved for the vehicle purchase, the grants available will be that much less.

Florine Smith, Office of Budget Program & Planning, said the Executive is recommending that the agency discuss the additional modification in this program and also in the Plant Industry Program. The Department was notified in December that federal funds were available. EXHIBIT 1a

Gary Gingery, Administrator, Agriculture and Biological Sciences Division, Department of Agriculture, stated this division administers the Pesticides Program, Noxious Weed Program, Vertebrate Pest Management, Groundwater Management and Analytical Laboratory Services. There are three bureaus: Field Services Bureau, Technical Services Bureau and the Laboratory Bureau.

Personal Services:

A. Technical Services Bureau - Special revenue funds would be used to pay for the upgrade of position No. 172.

B. Overtime - Due to the Federal Labor Standards Act many of the FTE who were exempt are now non-exempt, so time and one-half must be paid for any accumulated overtime. The overtime funds will be used mainly for pesticide and ground water emergencies. Therefore, the division is requesting the Executive Budget for overtime.

Vertebrate Pest:

The division is recommending termination of the 5% surcharge. Originally this program brought in about \$25,000 however, due to the EPA cancelling strychnine and 1080 for field rodent control, it currently only brings in about \$8,500.

When the surcharge terminates on June 30, 1993, there will still be about \$2,000 of the funds remaining. Spending authority is needed to expend those funds in FY 94.

The agency also receives grants for contracts from rodenticide companies to conduct studies on different field rodent which ranges from \$1,000 to \$5,000 per year. Spending authority is needed to spend up to \$5,000 each year.

SEN. DEVLIN asked if the division said the total would be \$7,000. Mr. Gingery replied it would be \$2,000 the first year and up to \$5,000 in contracted services the second year and thereafter.

Program Expansion:

Mr. Gingery said if the committee decides to approve the LFA budget it will have a significant impact on the department's budget for the pesticide, groundwater and noxious weed programs.

There is approximately \$2,600 for printing the groundwater general management plan which is to educate farmers, ranchers, etc. in the use of agricultural chemicals and the effect on groundwater. All persons in the areas of river basins must comply with the management plan and the division is obligated to distribute that plan to those individuals.

There is about \$2,600 for gasoline which impacts the groundwater program. Those funds are needed for travel around the state to monitor the sites.

Supplies needed for the groundwater program will cost about \$1,500; postage amounts to about \$1,600 to mail out the groundwater management plans; long distance calls run about \$1,700 a year and a significant increase is anticipated. Currently, there are seven groundwater plans.

Meals and in-state travel costs about \$25,000. Out-of-state travel costs about \$2,600 which is primarily for trips planned using EPA Grant funds. The division has specific courses in pesticides, groundwaters and endangered species.

Education and training costs \$5,500 the first year and \$300 in the second year. If employees are entering sites where there are hazardous substances they must be trained before entering those sites. The first course costs \$525 per person. Each year those FTE are required to go for updated training which costs \$125 per person. For a one week course at Purdue University, the fee is \$1,200.

This program is primarily funded with special revenue funds from registration fees from the groundwater program. There are some EPA funds and about \$4,900 of general funds.

SEN. DEVLIN asked how the program coordinated with the request in the "Farm*A*Syst" Program. Mr. Gingery replied the "Farm*A*Syst" Program is for specific one-on-one educational training in communities for prevention of contamination of groundwater. The "Farm*A*Syst" Program will assemble all materials needed for the training.

Mr. Gingery said the division will be working with the County

Extension Service, the Bureau of Mines and agricultural groups, providing training packages for them.

Contract & Professional Services:

Mr. Gingery stated this proposal is to update pesticide manuals. Applicators and dealers must have these updated manuals because of an examination which has to be taken in order to be licensed.

Due to the increased workload, the division contracted with MSU using EPA funds. The department would also like to contract with MSU to continue the activity of the retailer educational program.

The reason the FY 92 budget was only \$10,000, the special session required that the division give up \$80,000 of general fund monies. In order to do that, \$10,000 had to come out of special revenue and \$70,000 from the groundwater funds. In FY 93 there is \$20,000 for contracted services, using special revenue funds.

GIS:

This was a budget amendment using EPA funds. The division has a maintenance contract on the computer hardware and software. Without the maintenance contract, there will be a charge for air-fare, meals and lodging which would cost more to service the equipment.

Equipment:

A. Vehicle - Based on the number of wheat grants and the need to evaluate them, there are a lot of individual documents and files which have to be carried into the rural areas. The division is currently using the State Motor Pool vehicle and it would be an advantage not to have to load and unload all these boxes of files, etc.

B. Cellular Telephones - The cellular telephones are needed for use in the field. A lot of times in certain areas staff needs to contact the farmer, rancher, commercial applicator or the office, and has to drive back and forth in rural areas to find a telephone. There are two cellular phones in the field now and the request is for an additional three phones.

Tape 1, B.

Novell System:

The EPA has a lot of requirements of the agency for reports and tracking equipment in the technical bureaus. Therefore, the division is requesting a budget amendment to purchase the Novell

system and upgrade the software. Special revenue funds would be used.

The computers in the pesticide program are very old and need to be upgraded. The division is requesting computers be replaced in the field office.

SEN. DEVLIN asked it was all special revenue and EPA funds, including the vehicle. Mr. Gingery replied yes.

Barbra Mullin, Weed Coordinator, Department of Agriculture (DA), said she takes camera equipment, all the sampling equipment and files on all grants. She indicated that when a trip is made to Ekalaka it will probably be for a week, it is necessary to take five or six boxes of equipment plus her brief case. All of this is loaded in the car at the beginning of the week and unloaded at the end of the week, upstairs to the Laboratory.

SEN. DEVLIN asked where the vehicle was housed. Ms. Mullin said currently she uses a Motor Pool vehicle. The Agriculture vehicles are parked behind the DA building.

SEN. WEEDING asked if the information from the older computer could be transferred to the Novell system. Mr. Gingery said it was his understanding the old computers do not have enough memory and will not accept the new program. The information on the old computers, however, can be transferred to the Novell system.

SEN. JERGSON asked if there was some way the agency could utilize Motor Pool vehicles. Mr. Gingery said there aren't enough vehicles in the Motor Pool for the requests received. He said a request for a vehicle from the Motor Pool must be at least a week in advance and if there aren't any available the division has to authorize a personal vehicle.

Mr. Lloyd said for in-state travel for personal use of vehicles both the LFA and Executive budgets \$3,084 which was the amount spent in FY 92. For Motor Pool vehicles the LFA budgeted \$3,067 in FY 92 and the Executive budgeted \$5,000 in FY 92.

Mr. Gingery said the reason for that request was, in FY 94 and FY 95 a .50 FTE was added to the Weed Program.

Field Monitoring Equipment:

Mr. Gingery said this is for the groundwater program and the division is asking to purchase two multi-media probes. When work is being done in the field the FTE are working in different areas of the state. The division would like to purchase the probes over a period of two years. There is also a request for soil sampling equipment for the probes used in groundwater monitoring.

Grants:

Mr. Gingery stated the division would accept the Executive level for grants.

Funding:

A & B - Mr. Gingery stated in FY 90 the division had \$754,000 in general fund, in FY 92, \$727,000 and in FY 92, \$317,000. Funding in FY 92 was reduced to \$230,000 because of the special session. The reason for the differences between FY 90 to FY 92 is, in the last legislative session this committee approved the increase of the pesticide registration fees from \$90 to \$150, of which \$70 is for the pesticide program and \$80 for the groundwater program.

Mr. Gingery reviewed a history of the registration fees from 1971 through FY 91. EXHIBIT 2 These are pretty high registration fees compared to other states. Montana ranks about 8th to 10th in the nation for the cost of these fees. EXHIBIT 3

The department used FY 92 as a transition year for the pesticide and groundwater programs. In FY 92 the conversion was made from general fund to special revenue funds. Because registration fees are collected on a calendar basis, the division has to be very conservative the first six months of the fiscal year how the special revenue funds are spent. When the special session met, the division was again asked to be conservative. In February when the revenue would be more than anticipated for FY 92 and FY 93, the division began spending more of the registration fees. As a result the FY 92 base is low.

Mr. Lloyd said in the LFA budget analysis Page C-102, there is some discussion of the registration fees. Currently, those fees do not support the Central Management Division and no indirects are assessed on the fees. If the fees were raised to \$184 from \$150 it would generate enough revenue to allow the same percentage of indirects to be assessed to the accounts as other accounts.

Mr. Gingery said the division has 2.00 FTE that have been funded with general funds which were transferred from the Department of Livestock. Those FTE are involved with rodenticides and rodents. For the 2.00 FTE and the operational needs, the cost is about \$84,000 per year. The remaining general fund is about \$38,000 in FY 94 and \$39,000 in FY 95.

The registration fees increased from \$90 to \$150, and those involved in this program said a lot of benefits were received from the pesticide and groundwater programs. These people felt that even though it was agreeable to support these programs there should be some general fund support. Indirect support for Central Management should be considered using some general fund. Through the EPA grants based on total personal services paid by

EPA funds, almost \$40,000 a year in FY 94 and FY 95 will go to Central Management.

In the Weed Program, there was about \$44,000 the first year and \$45,000 the second year for Central Management from the grants. In addition, several years ago, this division, Central Management and the Auditor's Office worked together; and instead of the division handling all the work, the EPA grants were sent down to Central Management, to handle all of the accounting required under the grants. The division pays about \$108,000 per year to the Central Management division.

Tape 2, B.

Mr. Lloyd said the position Mr. Gingery was referring to in Central Management will be seen as a budget modification to be funded with federal funds. When the general fund is decreased in the program due to a funding switch from last session, the registration fees will be counted as state special revenue to be deposited to the general fund. The general fund is decreased by \$700,000, but there is a portion of general fund revenues that have decreased as well.

Grants: Mr. Gingery said if the committee would approve the vehicle at the Executive level, the division would also recommend acceptance of the grants as well.

Executive Budget Modifications

Special County Weed District Grants:

Mr. Gingery said that since the Noxious Weed Trust has reached the statutory amount of \$2.5 million, the interest is available for the Noxious Weed Program. In addition, the department will be collecting the herbicide surcharge for FY 92 in the next few months. Some of the surcharge that was collected in FY 91 is available that doesn't go into the trust. Off-road vehicle fees amounting to about \$9,100 per year are collected. By law these fees are supposed to go into the trust, however, since the trust has reached its \$2.5 million limit, the excess can be used in the programs.

Besides funding the Noxious Weed Program there is \$999,937 in FY 94 for special grants. Some of the counties have not been able to do some of the things necessary for noxious weed control. The proposal is for each county to receive an equal share of the \$999,937 which would amount to approximately \$17,856 for each county. The counties would need to submit a grant proposal to the division setting forth whatever projects were most appropriate. The county commissioners would be asked to sign an agreement so the county would not reduce its regular budget and only use these funds. It would be a one-time-only proposal to help counties control their weed programs. In FY 95 there will

be about \$18,500 available to each of seven counties. The division recommends the Executive Budget for the modification.

SEN. DEVLIN asked if there was a match from the counties for the weed program. **Mr. Gingery** said usually a 50% match would be requested from the county. However, due to the county's needs and funds available, the division is not requesting matching funds.

SEN JERGESON said grants will be reduced by \$22,829 because of operational costs, and asked if a portion of the grant money could be used. **Mr. Gingery** responded that there would be some reduction in the normal weed grant program.

Ms. Mullin said the way the law is written, 25% of weed vehicle revenues go to the non-chemical weed research at MSU. She also said the Noxious Weed Advisory Council has traditionally put in about 30% to 35% of the total revenue, including the herbicide surcharge revenue. This year about \$400,000 would go to the non-chemical portion of the program which traditionally is about \$600,000.

EPA Special Pesticide Projects:

Mr. Gingery stated that one of the three FTE would be a chemist located at MSU working on groundwater samples. The GIS technician would work with the computer system for inputting and retrieving data. The other FTE would be in the compliance bureau involved in helping to manage the new disposal and storage standards. The operations for this budget amounts to about \$24,700. There is no guarantee that these funds will be available.

SEN. WEEDING asked if a portion of the EPA funds could pay some of the Administrative costs if the funds are available. **Mr. Gingery** replied that when the division applies for the EPA grant there is always a request for indirects, which at this point is 21.56%. If grant funds are received, indirects will become available.

SEN. WEEDING said he assumed language would be developed to stipulate that, "special revenue and federal accounts will be used first." **Mr. Gingery** said state law requires that special revenue funds are used first and general funds last.

SEN. DEVLIN asked what would happen to those FTE if the federal grant money was no longer available. **Mr. Gingery** said he did not see this as a one-time-only project. If the EPA increases funding for FY 94 and FY 95 they will continue into FY 96 and FY 97 because of the amount of work the states have dealing with storage and groundwater issues. If EPA doesn't approve the funds in FY 96 and FY 97 then the FTE will have to be terminated. When

people are hired with grant funds they are advised that their employment lasts only as long as grant funds are available.

Mr. Lloyd said the last two modifications listed are one-time-only projects because there is zero funding in FY 95. The funds would appear in the base so perhaps language would be needed stating not to include them in the base next year. Mr. Lloyd noted that the uncertainty of receiving federal funds was a concern to the department if the committee budgets them in Central Management for indirects. He indicated that perhaps there could be language saying that if federal indirects are received federal authority be increased and the general fund decreased by a like amount.

Continue FY 92 Budget Amendment:

Mr. Gingery said this is a result of a budget amendment in which the division received federal funds. This project has been delayed so the 1.33 FTE needs to be carried over into FY 94. The EPA approval is needed to transfer the funds from FY 92 to FY 94, however, he didn't anticipate a problem getting the approval.

Additional Executive Budget Modification

Farm*A*Syst:

Mr. Gingery said the division should receive \$35,000 from EPA, and are serving as a pass-through agency to MSU.

Mr. Giacometto stated the \$18,000 which was going to go to the counties has not been voted on by the Weed Advisory Council. There will be a meeting of the Council in February to vote on this issue.

SEN. JERGSON asked what the Board would do if language was put in the bill directing that some of the money be spent elsewhere. Mr. Giacometto responded that the grant process is supposed to look at all weed districts across the state to allow people from those district to come before the Board and state their concerns.

SEN. WEEDING said he would think the local people would tell the Board what they were going to use the money for. Mr. Giacometto said the State Advisory Council has two days of hearings where recommendations are reviewed.

Tape 2, B.

EXECUTIVE ACTION
AGRICULTURE & BIO SCIENCE DIVISION

Motion/Vote: SEN. DEVLIN moved to approve the Executive Budget for Item A, of \$4,967 in FY 94 and \$4,990 in FY 95 and Item B, of

\$7,714 in FY 94 and \$7,717 in FY 95 for Personal Services which is state special revenue funds. Motion **CARRIED** unanimously.

Motion/Vote: SEN. DEVLIN moved to approve the Executive Budget for \$7,000 in FY 94 and \$5,000 in FY 95 for the Vertebrate Pest Program. Motion **CARRIED** unanimously.

SEN. DEVLIN asked if there was general fund in the Program Expansions. Mr. Gingery replied no, it is all state special revenue.

Mr. Gingery said FY 92 was the primary transition year and the division was very conservative about spending special revenue funds. Due to the special session, \$70,000 of special revenue funds were transferred to general fund for operations.

Motion/Vote: SEN. WEEDING moved to approve the Executive Budget of \$43,713 in FY 94 and \$42,332 in FY 95 for Program Expansion. Motion **CARRIED** unanimously.

Motion: SEN. WEEDING moved to approve the Executive Budget of \$22,700 in FY 94 and \$17,700 in FY 95 for Contracts and Professional Services.

Discussion:

SEN. DEVLIN asked if the Contracts and Professional Services were special revenue funds. Mr. Gingery replied it was special revenue and EPA funds.

Vote: Motion **CARRIED** unanimously.

G.I.S.

SEN. WEEDING asked if this program was started last session with a budget amendment. Mr. Gingery said it was started with a budget amendment to buy the hardware and software and these funds are for the maintenance on the hardware and software. Primarily it will be EPA funds and some special revenue funds.

Motion/Vote: SEN. JERGESON moved to approve the Executive Budget of \$4,740 in FY 94 and \$6,240 in FY 95 for G.I.S. Motion **CARRIED** unanimously.

Minor Differences:

SEN. JERGESON asked if the division paid any dues to any lobbying organizations. Mr. Gingery said dues are paid to the American Association of Pesticide Controls, National Association of Agriculture and Montana Weed Association. The division does not pay dues to any lobbying organizations.

Mr. Lloyd stated both the LFA and the Executive current level budgeted \$375 for dues.

Motion/Vote: SEN. JERGESON moved to approve the Executive Budget for \$569 in FY 94 and \$619 in FY 95 for Minor Differences. Motion CARRIED unanimously.

Equipment:

SEN. DEVLIN said he would like to see this vehicle show up in the Motor Pool somehow and wondered who handles the Motor Pool. Ms. Smith said that would be the Department of Transportation and General Government.

SEN. DEVLIN said the purchase of a vehicle should have some effect on the Motor Pool.

SEN. WISEMAN asked what the percent was of the \$3,000 per year rent for the Motor Pool. Mr. Gingery replied there is a 22.5 cent per mile charge.

Ms. Smith stated there are a variety of mileage rates based on the type of vehicle.

Mr. Lloyd said the personal mileage that is currently in the Executive level is \$3,084; and for in-state Motor Pool \$5,000.

SEN. DEVLIN asked what kind of mileage was accumulated in a year? Ms. Mullin replied she never totaled the mileage for a year, but travels about 50% of her time.

SEN. DEVLIN asked if the Motor Pool vehicles were bought out of general fund. Ms. Smith said she was not sure but could check into it.

SEN. WEEDING asked how the committee could convey this to the other committees. Mr. Lloyd said a statement from this committee explaining that they should expect less usage of the Motor Pool from the Department of Agriculture could be sent. Or, perhaps just not purchase a vehicle when it comes time to do so. He suggested he could explain to the other subcommittee that if the vehicle purchase was approved there would be less use of a Motor Pool vehicle.

Motion/Vote: SEN. JOHNSON moved to approve the Executive Budget for Item A, Vehicle for \$14,435 in FY 94 and zero in FY 95; Item B, Cellular Phones for \$435 in FY 94 and zero in FY 95; Item C, Novel System for \$21,526 in FY 94 and \$5,100 in FY 95; and Item D, Field Monitoring Equipment for \$1,000 in FY 94 and \$700 in FY 95. Motion CARRIED unanimously.

Mr. Lloyd said since this committee has approved the Executive Budget for equipment, in order to match the funds for the Weed

Program the Executive Budget for Grants should also be approved. The reason the LFA was over on Grants is because there was less in operations. That savings is no longer there due to the committee's action. The amounts are available for grants at the Executive level.

Motion/Vote: REP. WISEMAN moved to approve the Executive Budget for \$22,829 in FY 94 and \$7,169 in FY 95 for Grants. Motion CARRIED unanimously.

Funding:

Mr. Lloyd said in Item A, since this committee has already approved expenditures at the Executive level, consideration might be given to funding at the Executive level as well. The issue in Item A is that the LFA spent less of state special revenue and reduced general fund as a result. Item B is a moot point due to action the committee took at the Executive level so the \$50,000 is no longer available to offset general fund in Central Management.

SEN. JERGSON said the budget resolution that was passed by the House the other day calls for some dramatic decreases in general fund and anticipated that action will require general fund expenditures below LFA current Level which is already below the Executive Budget. He asked how that resolution would be implemented. Mr. Lloyd said he could not answer that question. On Item A, the LFA budgeted less state special revenue so there was a fund balance available which was used to reduce general fund. Now that the committee has set the expenditures at the Executive level, state special revenue is no longer available and general fund would be used to fund those two positions.

SEN. WEEDING asked if that necessarily meant there was no balance left in special revenue to fund Central Management. Mr. Lloyd replied that was correct, there is no balance left in the state special revenue account to offset the general fund for Central Management.

Mr. Gingery referred to the LFA budget book Page C-110 and said there is a balance in the Chemical Groundwater Account of \$80,372 and a balance of \$49,063 at the end of FY 95. On Page C-111 in the Pesticide Management Account shows a balance of \$161,112 in FY 94 and \$93,309 in FY 95. Some of these balances helps to get the division through the first three or four months because the fees aren't collected until January. While some of those funds have to be expended, the division must be careful that special revenue funds are not spent. He thought it was possible to take some of these balances to reduce the general fund.

Mr. Lloyd said in the Executive the balances in both of these accounts are dropping. If a funding switch is made to replace general fund it will mean there will be trouble in the next

biennium. Therefore, if the committee makes the funding switch it should be a one-time-only switch because these funds are decreasing.

Motion/Vote: SEN. JERGESON moved the LFA budget to fund the Bio Sciences Division for \$57,557 in FY 94 and \$64,840 in FY 95 with general funds and instruct Mr. Lloyd to recalculate state special revenue funds and other revenue funds. Motion CARRIED unanimously.

Executive Budget Modifications:

Special County Weed District Grants:

Mr. Lloyd said he has drafted some language for the bill which would read, "Items 3 and 3a contain state special revenue appropriations of \$1,285,168 in FY 94 and \$1,142,523 in FY 95 for grants of vehicle weed fees that must be used according to Section 80-7-810 ". This section directs 25% of the vehicle fees to be used for non-chemical research.

SEN DEVLIN said the State Weed Board takes care of these funds and hearings are held concerning the funds. The division should be able to justify what the counties will spend.

Tape 3, A.

Motion/Vote: SEN. JERGESON moved to approve the Special County Weed District Grants modification with the language as proposed by Mr. Lloyd above. Motion CARRIED 5 to 1 with SEN DEVLIN voting no.

EPA Special Pesticide Projects:

Motion: SEN. WEEDING moved to approve the Executive Budget for \$110,434 in FY 94 with language that this not be included in the base and to be a one-time-only appropriation.

Discussion:

Mr. Lloyd commented that it would be on-going if they get the funds.

Mr. Gingery said language could be used to say the three FTE would be contingent upon receiving EPA funding for the future.

Motion/Withdrawn: SEN. WEEDING withdrew the motion.

Motion: SEN. WEEDING moved to approve the Executive Budget of \$110,434 in FY 94 and \$110,422 in FY 95 for EPA Special Pesticide Projects with no language.

Discussion:

Discussion followed on use of federal indirects available in Central Management with the passage of federally funded budget modifications.

Mr. Lloyd suggested to put the language concerning federal indirects in the Centralized Services Division for all federal modifications rather than for each one.

Vote: Motion CARRIED unanimously.

Motion/Vote: SEN. JERGESON moved to approve the Executive Budget for \$39,999 in FY 94 and zero in FY 95 and to continue the FY 92 Budget Amendment. This is to be a one-time-only appropriation not to be included in the LFA and OBPP base for the FY 97 biennium. Motion CARRIED unanimously.

Motion/Vote: SEN. JERGESON moved to approve the Executive Budget of \$35,000 in FY 94 and zero in FY 95 for the Farm*A*Syst program. This is to be a one-time-only appropriation and is not to be included in the LFA and OBPP base for the FY 97 biennium. Motion CARRIED unanimously.

Motion/Vote: SEN. WEEDING moved to close the hearing on Agriculture Bio Sciences Division. Motion CARRIED unanimously.

HEARING
PLANT INDUSTRY DIVISION

Mr. Lloyd reviewed the budget differences of the Plant Industry Division with the subcommittee. EXHIBIT 4 He said on Page C-104 in the LFA budget analysis, Table D shows a list of the fees collected which are deposited to the general fund. Therefore, this division is funded by general fund.

Will Kissinger, Administrator, of the Plant Industry Division, gave an overview of this division with the subcommittee. EXHIBIT 5 He stated the primary function of the Plant Industry Division is to provide regulatory services. There are statutory requirements that must be meant for inspection of crops in Montana such as: Nursery Stock, Weed & Feed Fertilizer, etc.

In shipping products out of Montana, inspections are required to make certain the products are free of pests. The division works with many industry groups such the cherry growers, potato growers, honey bees, alfalfa leaf cutting, nursery, seed, feed, fertilizer and the anhydrous ammonia program, grain and the mint program.

The division enforces state quarantines for the spread of disease and pests of plants and regulatory pest surveys are conducted.

With the cherry crop, a fruit fly survey is conducted for shipment out-of-state and for wheat and barley a leaf beetle survey is conducted.

The division consists of two bureaus; 1) Specialized Services Bureau which performs licensing and registration forms, administers the grain auditing elevator program, the feed and fertilizer program and pest surveys. 2) The Commodity Survey Bureau is for field inspection which is the enforcement branch of the division.

The Plant Industry Division is funded 73% general fund and has run into financial difficulties the past few years. The services requested of the division by the industry have increased but the funding level with the general fund has been decreasing. Therefore, the division is having a difficult time performing the required services. There is legislation being proposed to make the program self-supporting through the special revenue account. The fees currently collected go into the general fund so that makes the program funded through general fund. EXHIBIT 6

Personal Services:

A feed and fertilizer specialist will be retiring August 3rd and this amount is to pay out his retirement account which is special revenue. The \$6,904 includes: Sick Leave-\$2,486; Annual Leave-\$3,376 and Comp-time-\$1,042.

Mr. Lloyd said the Legislature has already eliminated one FTE from this program because that position was vacant. This is separate from the retirement amount which is a different position.

SEN. DEVLIN asked if the division has the ability to raise fees without legislative approval. Mr. Kissinger replied that it depends on the individual statute. Some fees are set by law and some by rule. See Page C-104 of the LFA budget analysis.

SEN. DEVLIN asked if the division still inspected Christmas trees. Mr. Kissinger said he thought those fees had gone into a different category because Christmas trees are inspected every year.

SEN. DEVLIN asked if those fees could be raised without legislative approval. Mr. Kissinger replied yes.

Contracted and Professional Services:

A. Potato Inspection fees - Mr. Kissinger said the inspection agreement with the U.S.D.A. requires an inspection fee based upon 6% of the fees collected. It is anticipated that in FY 94 and FY 95 the inspection requirements would increase, requiring addi-

tional fee pay-out to U.S.D.A.

B. Mint Research - Mr. Kissinger stated that under this program, which is a special revenue program, a mint committee has been established. Under that program, all mint grown in Montana for production, a survey must be done for pests. Based on projections there will be 4,000 to 5,000 acres in FY 94 and 7,000 acres in FY 95. The inspection required by law is the reason for the increase in the Mint Program which is special revenue account.

Laboratory Testing:

Mr. Kissinger said the person the division contracted with for the Alfalfa leaf inspections asked for an increase of \$10 per sample.

Travel:

Mr. Kissinger stated this is both in-state and out-of-state travel which is general fund and some special revenue funds. In-state travel is \$1,691 in FY 94 and \$1,875 in FY 95. Out-of-state travel is \$3,650 for FY 94 and \$3,450 in FY 95.

Tape 3, B.

The division attends out-of-state regulatory meetings to exchange information which aids in the efficient marketing of Montana grown crops. There are times when only joint state efforts can resolve regional problems.

Minor Differences:

Mr. Kissinger said the division requested additional funds for educational training for the secretarial staff for the data base and technical manuals for identification purposes for the field offices.

SEN. JERGSON asked if the division paid any dues to lobbying organizations. Mr. Kissinger answered no.

Equipment:

A. Cellular Phones - The division currently has two cellular phones and have found them to be invaluable for inspectors to have with them. The potato inspectors are often out in the field or in potato warehouses where there are no phones. One inspector may have three or four warehouses assigned to him and this is where the inspector can coordinate with the farmer. The request is for each field office have a cellular phone.

B. Novell System - The division has requested one computer for

\$1,600 from the general fund. From an ear-marked account the division has requested \$1,200 for software. The old computer would be put into the field for inspectors use. The division is trying to upgrade the data base and have more than one person enter data at one time to increase efficiency.

C. Office Equipment - The division is requesting three office chairs, two in FY 94 and one in FY 95. The two in FY 94 are for the anhydrous ammonia program which is special revenue account. The one in FY 95 is for \$551 from the general fund.

Executive Budget Modifications:

Additional Potato Inspections:

Mr. Kissinger explained the division has looked into a program which California has whereby they contract with an organization called the National Association of Agriculture. That organization hires inspectors, the division supervises them, and there is no increase in FTE. If the division cannot contract for these inspectors, the division would ask that two FTE be added back in. The additional fees collected will amount to approximately \$28,000.

Liquidation Contingency Fund:

Mr. Kissinger said this provision is under the grain law. The grain law authorizes the department to collect a daily fee when supervising grain warehouse storage facilities. It also states that if there is a bankruptcy the department can liquidate the assets of the company to pay the farmer. Without the appropriation the department cannot spend these funds to offset expenses. The request is based upon historical liquidations.

Agricultural Inspectors Reclassification:

The grain inspectors are being reclassified and their positions upgraded.

Additional Executive Budget Modifications:

Insect Surveys:

For a number of years the division has been conducting cooperative programs with the U.S.D.A. surveying for gypsy moth, leaf beetle and other exotic pests. Early detection is the key to early eradication. Due to vacancies and decreasing funding the division could no longer afford to do that. The U.S.D.A. felt that it was to their benefit for the division to continue these

surveys so grants were offered to continue surveys for FY 93 and continue through FY 94 and FY 95.

Mr. Kissinger said under the **SWYSGOOD** amendment the Bureau Chief is eliminated. This position was the result of his being promoted into the Division Administrator position. This position was the result of vacancy savings. If this position's duties are delegated to other employees it could result in position upgrades which there is not adequate funding to cover.

Mr. Peck said **Mr. Kissinger** has been averaging approximately 12 hours a day and 5.5 days a week because of that vacancy. The department is concerned that he cannot continue to do this. It is a major problem because the division doesn't have funds to fill that position.

Mr. Peck said this is the division where those five pieces of legislation are pending. If the five pass we will ask for three options: 1) reducing services; 2) paying for the services received; and 3) eliminate the statute off the books. The five industries said they want the services currently received from the Department of Agriculture. They are willing to self-fund their programs using special revenue funds and removing the general fund. If the division can't provide U.S.D.A. inspections for the cherry crop they cannot be shipped out-of-state. If legislation passes, and the fees are raised, the money would go into the special revenue account. If it doesn't pass it will be general fund.

SEN. DEVLIN stated that the fees going into the general fund are \$371,000 and \$473,000 is coming out which is a difference of \$102,000. He asked if the fees will generate that much. **Mr. Peck** said if the legislation passes the proposals would generate approximately \$180,000.

SEN. DEVLIN commented that if the industry is demanding more services they had better start paying for them.

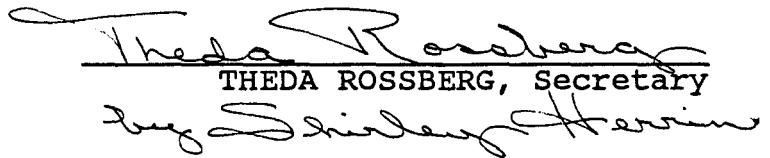
Mr. Christianson said the division has a breakdown of the effect of those five bills and the committee may want to draft language contingent upon the bills passing. **EXHIBIT 6**

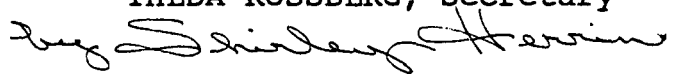
ADJOURNMENT

Adjournment: 12:10 P.M.



ROGER DEBRUYCKER, Chairman



THEDA ROSSBERG, Secretary


DB/tr

HOUSE OF REPRESENTATIVES

NATURAL RESOURCES

SUB-COMMITTEE

ROLL CALL

DATE

Jan-18-93

NAME	PRESENT	ABSENT	EXCUSED
REP. ROGER DEBRUYKER, CHAIRMAN	<i>✓</i>		
SEN. CECIL WEEDING, VICE CHAIRMAN	<i>✓</i>		
SEN. GERRY DEVLIN	<i>✓</i>		
REP. WILLIAM WISEMAN	<i>✓</i>		
REP. JOHN JOHNSON	<i>✓</i>		
SEN. GREG ORY JERGSON	<i>✓</i>		

6201 30 00000		DEPARTMENT OF AGRICULTURE							Ag & Bio Sciences Division	
Program Summary		1-18-93								
Budget Item	Current Level Fiscal 1992	Current Level Fiscal 1993	Executive Fiscal 1994	LFA Fiscal 1994	Difference Fiscal 1994	Executive Fiscal 1995	LFA Fiscal 1995	Difference Fiscal 1995		
FTE	33.54	33.92	33.67	33.67	0.00	33.67	33.67	0.00		
Personal Services	921,161	1,032,956	1,118,499	1,105,818	12,681	1,122,856	1,110,149	12,707		
Operating Expenses	260,835	438,581	413,743	335,519	78,224	403,574	331,452	72,122		
Equipment	162,301	95,028	153,295	115,927	37,368	152,894	147,131	5,763		
Grants	<u>1,267,424</u>	<u>1,245,576</u>	<u>1,229,870</u>	<u>1,252,699</u>	<u>(22,829)</u>	<u>1,246,676</u>	<u>1,253,845</u>	<u>(7,169)</u>		
Total Costs	\$2,611,722	\$2,812,141	\$2,915,407	\$2,809,963	\$105,444	\$2,926,000	\$2,842,577	\$83,423		
Fund Sources										
General Fund	232,667	128,023	121,747	57,556	64,191	123,065	64,840	58,225		
State Revenue Fund	2,070,167	2,339,819	2,461,448	2,421,907	39,541	2,470,723	2,447,237	23,486		
Federal Revenue Fund	<u>308,887</u>	<u>344,299</u>	<u>332,212</u>	<u>330,500</u>	<u>1,712</u>	<u>332,212</u>	<u>330,500</u>	<u>1,712</u>		
Total Funds	\$2,611,722	\$2,812,141	\$2,915,407	\$2,809,963	\$105,444	\$2,926,000	\$2,842,577	\$83,423		

Page References

LFA Budget Analysis, Vol. II pages C 109-111
 Executive Budget pages C 40-41

Current Level Differences

PERSONAL SERVICES

A. Due to an oversight, the upgrade for position number 172 in the Technical Services Bureau is not reflected in the LFA current level.

B. Overtime—The executive requests more than the LFA current level which reflects a 3-year average plus 15% for benefits.

VERTEBRATE PEST—Although the executive proposes to eliminate the 5% rodenticide surcharge (80-7-1106, MCA), it proposes to spend fund balance and revenue received in the 1995 biennium.

PROGRAM EXPANSIONS—The executive includes increased funding for the pesticide, groundwater, and noxious weed programs. The LFA current level reflects actual fiscal 1992 expenditures.

CONTRACTS & PROFESSIONAL SERVICES—The executive includes a \$10,000 increase to contract with MSU Extension to develop an educational and training program for pesticide retailers. The LFA reflects actual 1992 expenditures of \$10,000. The executive includes a \$12,700 increase in fiscal 1994 and a \$7,700 increase in fiscal 1995 to update educational materials on pesticide worker protection, certification standards, endangered species program, and pesticide disposal standards. No expenditures were made in fiscal 1992 for these items. These activities are related to a budget amendment. The department received 3.50 FTE and \$213,029 federal funds as a continuing appropriation for the 1993 biennium for pesticide enforcement, worker protection, certification projects and a pesticide disposal project. Since activity funded with budget amendment authority has not had legislative approval, the LFA does not include these increases. See LFA Budget Analysis page C-100 for a discussion of this issue. See funding issue below.

GIS—The LFA current level does not contain funding for GIS maintenance contracts or office remodeling for the GIS since the GIS was begun with budget amended funds.

MINOR DIFFERENCES

INFLATION (Non-voting item)

EQUIPMENT—The executive requests the following equipment over the LFA current level. Both the LFA and executive levels include \$90,000 for the biennium for two chromatographs. See LFA budget analysis page C-100 for a discussion of these items.

A. Vehicle—The LFA does not include a new vehicle for the noxious weed coordinator since the position never had one.

B. Three cellular telephones

C. Novell computers and software (Novell system was begun with budget amended authority)

D. Field monitoring equipment—LFA includes these items at the agency request.

Exec. Over(Under) LFA Fiscal 1994 Fiscal 1995

4,967	4,990
7,714	7,717
7,000	5,000
43,713	42,332
22,700	17,700
4,740	6,240
(569)	(619)
612	1,432
14,435	0
435	0
21,526	5,100
1,000	700

GRANTS - The executive higher level of noxious weed operating costs allows less funds for grants. *W.D. Martin passed the*

TOTAL CURRENT LEVEL DIFFERENCES

FUNDING

A. The LFA uses \$39,338 of state special revenue in the above item CONSULTANTS & PROFESSIONAL SERVICES and other items resulting from lower expenditures than the executive to partially fund 2.00 FTE (that had been entirely general fund) and reduce general fund. The committee may wish to decide if it is proper to fund all or a part of these positions with state special revenue. *Jergerson passed A. I.*

B. If increases are allowed above the LFA current level, an equal amount of state special revenue is not available to offset general fund in the Central Management Division. Under the LFA current level, \$50,000 per year is available to offset general fund in Central Management for the 1995 biennium only. See the LFA Budget Analysis pages C 102-103 and pages C 110-111.

Executive Budget Modifications

SPECIAL COUNTY WEED DISTRICT GRANTS - The executive requests spending of excess revenue now available since the noxious weed trust has reached the statutory amount of \$2.5 million. See LFA Budget Analysis page C-101. *Jergerson 25%*

EPA SPECIAL PESTICIDE PROJECTS - The executive recommends 3.00 FTE and funds to conduct activity associated with groundwater contamination, groundwater GIS, pesticide disposal, and pesticide certification updates. If this modification is approved, the committee may wish to consider the effect of available federal indirect funds in funding the Central Management Division. See LFA Budget Analysis page C 101-102. *Weeding passed*

CONTINUE FY92 BUDGET AMENDMENT - The executive includes 1.33 FTE to complete the pesticide disposal program and update of certification standards begun with budget amended authority. If this modification is approved, the committee may wish to consider the effect of available federal indirect funds in funding the Central Management Division. See LFA Budget Analysis page C-102. *Jergerson passed*

Additional Executive Budget Modification

FARM*A*SYST - The executive recommends an additional modification to contract with MSU to educate rural residents on pesticide contamination in groundwater. *Jergerson passed (one time)*

TOTAL MODIFIED LEVEL

Language

None

(22,829)	(7,169)
105,444	83,423
(57,556)	(67,870)
999,937	129,004
110,434	110,422
(one-time) 39,999	0
35,000	0
1,185,370	239,426



MARC RACICOT
GOVERNOR

STATE OF MONTANA
DEPARTMENT OF AGRICULTURE

OFFICE OF THE DIRECTOR
AGRICULTURE/LIVESTOCK BLDG.
PO BOX 200201
HELENA, MONTANA 59620-0201

EXHIBIT 1-A
DATE 1-18-93
~~58~~

LEO A. GIACOMETTO
DIRECTOR
(406) 444-3144

1-18-93

FAX (406) 444-5409

January 11, 1993

RECEIVED

JAN 11 1993

OBPP

TO: Dave Lewis, Director
Office of Budget & Program Planning
FR: Leo A. Giacometto *[Signature]*
Director
RE: FY '94 & '95 Budget Modifications

In December, 1992 the department became aware of two federal budget modifications for FY '94 & FY '95. Per instructions from our budget analyst, Flo Smith, listed below are the justifications for each modification to be presented to the Natural Resource Sub-Committee:

Program 30 - Agricultural and Biological Sciences Division

\$35,000 - FY '94/Federal

The department received special pesticide funding from the Environmental Protection Agency in FY '93 to support a program entitled "Farm*A*Syst". This program, through an inter-agency service agreement, will be conducted by Montana State University Extension Service.

The program will directly benefit the department's agricultural chemical ground water program by educating farmers and other rural residents on assessment of agricultural chemical problems and use of preventive measures to protect ground water.

Program 40 - Plant Industry Division

\$10,350 - FY '94/Federal \$10,350 - FY '95/Federal

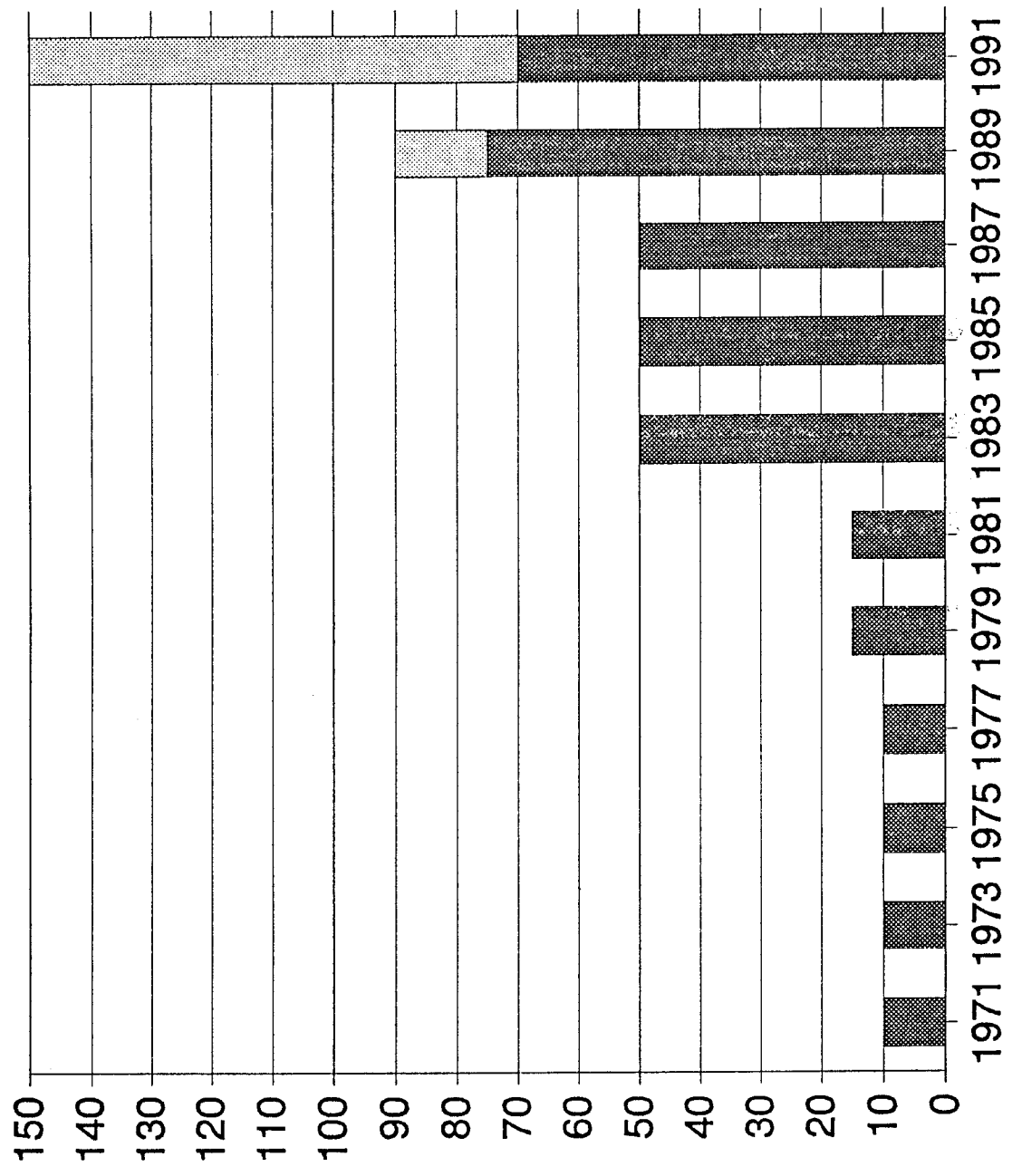
Conduct annual Gypsy moth, exotic pest, cereal leaf beetle and Pine Shoot beetle surveys as part of an ongoing federal/state cooperative program with the Animal and Plant Health Inspection Service (APHIS) of the U.S. Department of Agriculture (USDA). Funding has been provided through a Cooperative Agricultural Pest Survey program (CAPS) dispersed through MSU as the program coordinator and facilitator.

DATE 1-18-93

History of Pesticide Registration Fees

1-18-93

Dollars



Legend

Pesticide \$

Groundwater \$

Year

All Spec. Rec. funds

PESTICIDE PRODUCT REGISTRATION FEES BY STATE

EXHIBIT 3
 DATE 1-18-93
 SB 1-18-93

State	FeePro
=====	=====
Wisconsin	\$315
Louisiana	\$300
Iowa	\$250
Minnesota	\$250
Florida	\$225
California	\$200
New Jersey	\$200
MONTANA	\$150
New York	\$150
North Dakota	\$150
Kansas	\$130
Virginia	\$125
Washington	\$110
Alabama	\$100
Arizona	\$100
Idaho	\$100
Illinois	\$100
Massachusetts	\$100
Pennsylvania	\$100
South Carolina	\$100
South Dakota	\$100
Texas	\$100
Oregon	\$95
Maine	\$90
Indiana	\$75
Colorado	\$70
Rhode Island	\$65
Connecticut	\$60
Michigan	\$50
Mississippi	\$50
Ohio	\$50
Oklahoma	\$50
Nebraska	\$40
Vermont	\$40
Maryland	\$35
New Mexico	\$35
New Hampshire	\$33
North Carolina	\$30
Arkansas	\$25
Delaware	\$25
Nevada	\$25
West Virginia	\$25
Kentucky	\$20
Tennessee	\$20
Hawaii	\$15
Missouri	\$15
Utah	\$15
Georgia	\$10
Wyoming	\$5
Alaska	\$0

Median

6201 40 00000		DEPARTMENT OF AGRICULTURE					Plant Industry Division		
Program Summary							SB <u>1-18-93 4</u>		
Judget Item	Current Level Fiscal 1992	Current Level Fiscal 1993	Executive Fiscal 1994	LFA Fiscal 1994	Difference Fiscal 1994	Executive Fiscal 1995	LFA Fiscal 1995	Difference Fiscal 1995	
FTE	17.29	16.96	16.96	16.96	0.00	16.96	16.96	0.00	
Personal Services	498,561	502,390	532,046	525,145	6,901	526,772	526,779	(7)	
Operating Expenses	114,888	142,694	143,816	124,101	19,715	152,400	127,448	24,952	
Equipment	<u>5,467</u>	<u>14,255</u>	<u>19,935</u>	<u>17,425</u>	<u>2,510</u>	<u>18,435</u>	<u>17,786</u>	<u>649</u>	
Total Costs	\$618,917	\$659,339	\$695,797	\$666,671	\$29,126	\$697,607	\$672,013	\$25,594	
Fund Sources									
General Fund	473,442	482,895	514,548	504,934	9,614	501,539	494,505	7,034	
State Revenue Fund	135,897	156,004	167,342	148,688	18,654	181,901	163,916	17,985	
Federal Revenue Fund	3,719	9,189	5,491	5,239	252	5,606	5,355	251	
Proprietary Fund	<u>5,858</u>	<u>11,251</u>	<u>8,416</u>	<u>7,810</u>	<u>606</u>	<u>8,561</u>	<u>8,237</u>	<u>324</u>	
Total Funds	\$618,917	\$659,339	\$695,797	\$666,671	\$29,126	\$697,607	\$672,013	\$25,594	

Page References

LFA Budget Analysis, Vol. II page C-112
 Executive Budget page C-42

Current Level Differences

	Exec. Over Fiscal 1994	(Under) LFA Fiscal 1995
PERSONAL SERVICES--The executive includes an increase over the base for retirement payouts.	6,901	(7)
CONTRACTED AND PROFESSIONAL SERVICES		
A. The executive includes an increase over the base for potato inspections (general fund)	720	720
B. The executive includes an increase over the base for mint research	8,945	15,070
LABORATORY TESTING--The executive includes an increase over the base for testing of alfalfa leaf cutter oes.	275	275
TRAVEL--The executive includes an increase over the base for in-state and out-of state travel (general fund)	9,097	7,465
MINOR DIFFERENCES	335	860
INFLATION (Non-voting item)	343	562
EQUIPMENT--The executive includes the items A and B not in the LFA current level:		
A. 7 cellular telephones	800	600
B. Novell computers and software (Novell system began with budget amended authority)	3,100	600
C. Office equipment	(1,390)	(551)
TOTAL CURRENT LEVEL DIFFERENCES	29,126	25,594

Executive Budget Modifications

ADDITIONAL POTATO INSPECTIONS--The executive requests general fund to contract for additional potato inspections. Although additional inspection fee revenue would be deposited in the general fund, the revenue is not sufficient to offset the general fund cost. <i>Continued 3</i>	40,736	40,736
LIQUIDATION CONTINGENCY FUND--The executive requests state special revenue as a biennial appropriation to expend funds received for reimbursement of costs associated with bankruptcy liquidation or commodity deficiencies. If proposed legislation is enacted concerning this issue, the department states that this modification would not be needed.	20,000	0
AGRICULTURAL INSPECTORS RECLASSIFICATION--The executive requests general fund and state special revenue to fund anticipated upgrades for seven inspectors and one warehouse auditor.	23,906	23,906

Additional Executive Budget Modifications

INSECT SURVEYS--The executive request an additional modification to spend \$10,350 federal funds in fiscal	10,350	10,350
--	--------	--------

1994 and \$10,350 federal funds in fiscal 1995 to conduct annual Gypsy moth, exotic pest, cereal leaf beetle and Pine Shoot beetle surveys in cooperation with APHIS. Funding is dispersed through MSU. This activity was conducted in fiscal 1992 and any expenditures for this purpose are budgeted in the LFA current level.

Language and Other Issues

The agency has five bills which affect funding of this program. Depending on committee discussion, suggested language follows: "If proposed legislation increasing fees is enacted [bills No. ?, ?, ?, and ?], general fund in items [Plant Industry Division], [Additional Potato Inspections], and [Ag. Inspectors Reclassification] is eliminated and state special revenue increased by the same amounts."

Table D on page C-104 of the LFA Budget Analysis details fees and revenue currently generated by the Plant Industry Division and separates those deposited to the general fund.

DEPARTMENT OF AGRICULTURE
Plant Industry Division

EXHIBIT 4
DATE 1-18-93
~~88~~

Positions Removed by Joint Committee Action
House Appropriations & Senate Finance and Claims
January 6, 1993

Position #	Position Description	Total Personal Services		FTE		Total FTE Removed	Non-Approp. FTE
		Fiscal 1994	Fiscal 1995	Removed by 5% Reduction	Removed by Being Vacant		
<i>All or Partial General Fund Positions</i>							
1101	Regulatory Program Manager	44,298	44,374		1.00	1.00	
Sub-Total		44,298	44,374	0.00	1.00	1.00	0.00
<i>Non-General Fund Positions</i>							
	None					0.00	
Sub-Total		0	0	0.00	0.00	0.00	0.00
TOTAL		44,298	44,374	0.00	1.00	1.00	0.00

POSITION RE-INSTATEMENT JUSTIFICATION

POSITION NO. 01101 - REGULATORY PROGRAM MANAGER
PROGRAM 40, PLANT INDUSTRY DIVISION

This position is the Bureau Chief of the Plant Industry Division's Specialized Services Bureau. This Bureau is responsible for a diverse number of responsibilities. These includes the licensing of 650 nurseries, 78 produce dealers, 218 commodity dealers, 101 public warehousemen, 327 seed dealers, 25 alfalfa leafcutting bee beekeepers, 516 feed dealers, and 230 fertilizer dealers. This position is also responsible for registration of 5,000 honey bee apiaries, 5,200 feeds, and 1,300 fertilizers. In connection with these licensing and registration responsibilities, this position also manages the Division's data base management system.

This position also supervises the development and implementation of the Division's 10 weed, insect, and plant pest quarantines. Included with these highly technical duties is the supervision of annual regulatory field surveys for gypsy moth, cereal leaf beetle, cherry fruit fly, apple maggot, european pine shoot moth, as well as surveys for exotic plant pests which may yet not have entered Montana. This position also reviews applications for the importation of insects and pathogens used for the biological control of noxious weeds, and also the importation of genetically engineered plants.

Also part of the responsibilities is the supervision of the Division's Grain Auditor position (# 00613) and Feed and Fertilizer Specialist (# 00605).

The position became vacant effective December 1, 1992 as the result of the employee moving into the vacant Division Administrator's position. The reason the position has not been filled is due to vacancy savings, unfunded salary, and payout resulting from the resignation of the former Division Administrator.

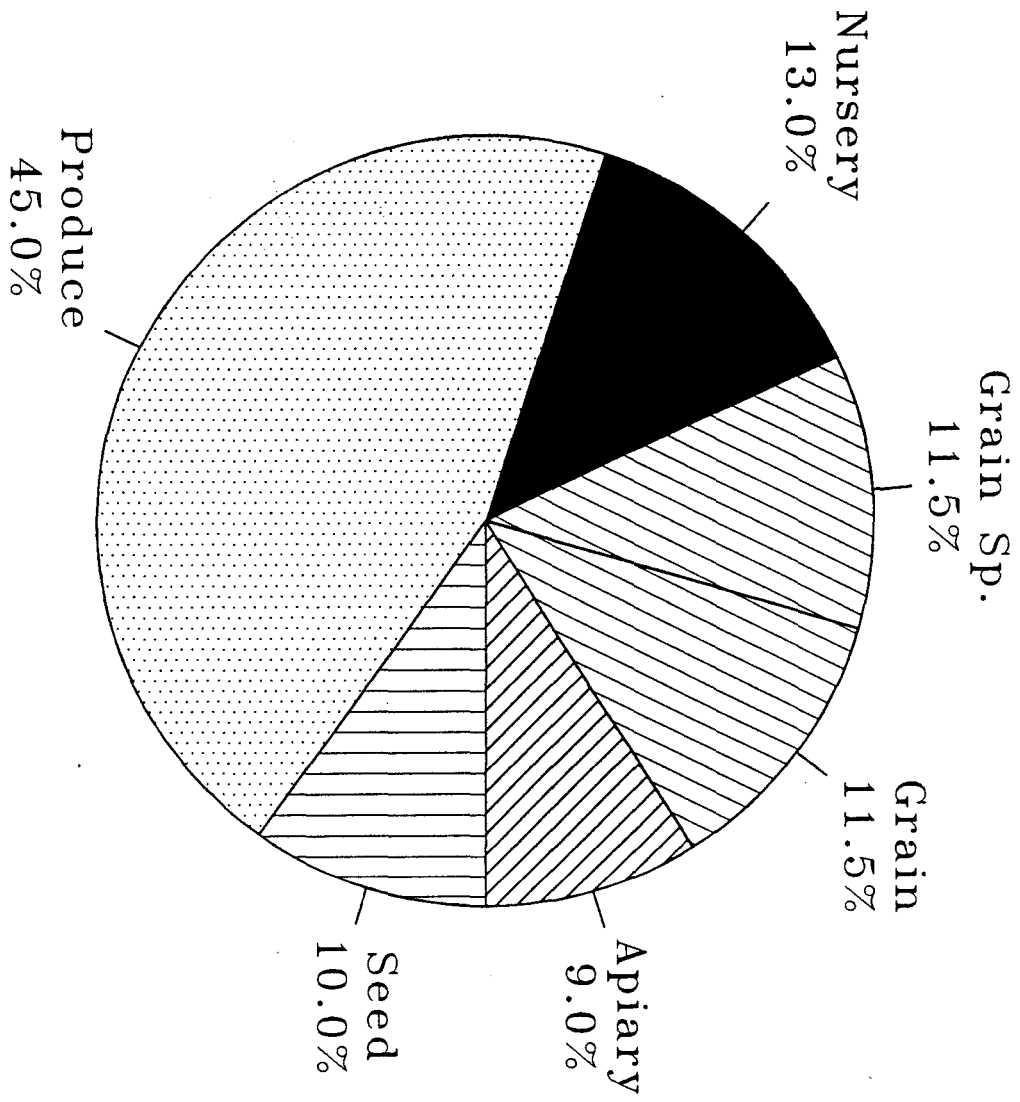
Vacancy Savings:	\$15,407
Unfunded Salary:	5,095
Payout:	<u>24,168</u>
	\$44,670
Pos. 1101 balance:	- <u>25,466</u>
	(\$19,204)

The projected personal services deficit will be made up by drastic cuts in Plant Industry Division operating expenses as well as program transfers from within the Department.

It has not been possible to assign these work responsibilities to other Division employees due to workload, lack of technical expertise, and the limitations of position classifications. The assignment of additional responsibilities to other positions could result in position upgrades for which there is inadequate funding.

PLANT INDUSTRY DIVISION

Effect of Proposed Bills - FY 94



GENERAL FUND 200%

Apiary	\$ 48,483
Grain	\$ 61,950

SPIC REVENUE 79.5%

Grain Sp	\$ 61,950
Nursery	\$ 70,031
Produce	\$283,149
Seed	\$ 54,870

INDIRECT COST

	\$ 64,517
--	-----------

General Fund to Special Revenue Accounts

HOUSE OF REPRESENTATIVES
VISITOR REGISTER

NATURAL RESOURCES SUBCOMMITTEE DATE 1-18-93
DEPARTMENT(S) _____ DIVISION _____

PLEASE PRINT

PLEASE PRINT

NAME	REPRESENTING	
Gary Gingeny	Mt. Dept. of Agric.	
Ralph Peck	Mt Dept of Agriculture	
DAVE TAYLOR	MT Dept of Agriculture	
WILL KISSINGER	MT Dept. of Agric.	
Sandra Kuchenbrod	" "	
Barbara Mullin	" "	
LEO Giacomietto	Agriculture	

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