

MINUTES

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

JOINT SUBCOMMITTEE ON NATURAL RESOURCES

Call to Order: By **CHAIRMAN ROGER DEBRUYCKER**, on January 22, 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 STATE LANDS
Reclamation Division
Land Administration Program

Executive Action:

HEARING

RECLAMATION PROGRAM (Continued)

Roger Lloyd, Legislative Fiscal Analyst, reviewed the budget differences with the subcommittee. **EXHIBIT 1**

He stated that the table in **EXHIBIT 1** shows the executive funding switch of \$375,000 each year of RIT funds replacing general fund. The LFA is over the executive in general fund because of the funding switch which makes the executive higher.

Position No. 85 was originally approved by the 1989 Legislature

as a Superfund hazardous waste liaison position. That position had never been filled. The Department of Health (DHES) is requesting a budget modification for \$40,000 each year of RIT funds to contract with DSL for the position. The justification for this modification is for reclamation of abandoned mine sites. They have not taken any action on this as yet.

Florine Smith, Office of Budget and Program Planning, said that DNRC is working on legislation for a funding switch (No. LC1404). When their budget is reviewed, further discussion will take place.

Under the proposal, about 40% allocation of the proceeds would be split 50-50 into two special revenue accounts. Each account would receive an additional \$1.95 million each year to offset \$750,000 of general fund in the Reclamation Division. There will be \$11,000 each year in the Hardrock Program. It would also offset administration funds to support the Natural Resource Grants.

If the committee approves the language on **Mr. Lloyd's** budget sheet, the amount would be \$379,136 in FY94 and \$370,864 in FY95 for a total of \$750,000.

Ms. Smith stated it was her understanding that the Institutions and Cultural Education Subcommittee approved the modification to transfer \$2,400 of RIT funds and \$7,903 of federal funds to the State Library account.

Ms. Smith said that in the Abandoned Mine Reclamation Program there is a difference of \$3 million each year for actual construction on those sites. In contracted services there is a difference of \$1.5 million. In environmental analysis there is a biennial appropriation of \$3 million in state special revenue. On bond forfeiture there is an appropriation authority of \$500,000.

Some of the modifications being supported are 1.00 FTE for the reclamation attorney supported by federal funds and 1.00 in the Environmental Compliance Program supported with state special revenue. The executive budget is recommending 2.75 FTE be restored.

Gary Amestoy reviewed the budget with the subcommittee. **EXHIBIT 2**

Personal Services:

He said Position #85 for the Hazardous Waste Liaison was originally approved by the legislature in 1989 and again in 1991. Prior to 1989 it was anticipated the state would be doing Abandoned Mine Reclamation projects which would involve statutes administered by the department and statutes administered by the DEHS. It was planned to fund that position with 100% federal funds, a combination of Abandoned Mine Bureau monies and federal

dollars available to DEHS the Environmental Protection Agency. The program wasn't started for a variety of reasons, so that position was not filled in either 1989 or 1990. In 1991 that position was requested again.

REP. WISEMAN said that DHES is going to get \$40,000 per year for half of this FTE and salaries will cost \$25,500 in operating money per year. He wondered why the department needs that amount.

Mr. Amestoy said he couldn't answer that because he doesn't know what the particulars are in their modification request. DHES plans to coordinate between the two agencies for travel, field investigations and whatever else is involved.

SEN. DEVLIN inquired as to exactly what the funds were used for.

Ms. Smith said she would get a copy of the DEHS modifications and justification for the \$40,000.

Mr. Amestoy said that some of these monies would be used for site testing of hazardous substances, heavy metals, etc.

Mr. Lloyd noted that the LFA budget analysis, Page B-8, Item 21 states, "DSL Abandoned Mine Liaison - This modification provides \$40,000 per year to contract with the Department of State Lands for an FTE to coordinate the investigation and cleanup of abandoned mine sites to comply with federal and state law. This modification will be funded with RIT funds."

See EXHIBIT 2 for a description of the other FTE in vacancy savings.

Tape 1, B.

Mr. Lloyd said it is important to understand about the administrative FTE because this will be discussed in the Forestry Department as well as FWP. An administrative FTE has never been authorized by the Legislature. The agency has no personal services authorized by the legislature. If the department could have some operating funds for contracted services, it could use those funds in personal services to create an FTE. Since that is not approved by the committee, it is not included in the base.

Ms. Smith said that going into FY94 there will be 3 FTE but only 2 positions left. The administrative position disappears. The agency is requesting that position back.

Mr. Amestoy stated that when the department got the administrative FTE, it didn't ask for salary and benefits because there was enough state special revenue (MEPA) money to cover that. If reinstatement of the EIS Coordinator positions is approved, there is enough money left from the \$3 million in the EIS program to cover those costs.

SEN. DEVLIN asked whether RIT funds are included in references to state special revenue funds.

Mr. Amestoy answered that no, those funds are from fees paid by the applicant.

Mr. Lloyd said that if an agency moves contract authority and spends it in personal services, that drops out of the budget. Therefore, that is a budgeting adjustment that should be made, giving them spending authority for contracted services.

REP. WISEMAN asked whether there is a special stream of fees coming in to keep the pot full.

Mr. Amestoy said currently, the department is working on 5 or 6 impact statements. It is estimated there will be \$3 million in the next biennium based on the estimated cost of each EIS costing from \$500,000 To \$600,000. If there were no applicants for an EIS, the dollars would dry up. They would have spending authority but no funds.

CHAIRMAN DEBRUYCKER asked when the department advertised for the vacancies and whether there were any applicants. He wanted to know when the interviews were held and when FTE were hired.

Mr. Amestoy replied that only one position was advertised for and that was the Hard Rock Administration position. It was advertised in October or November. Applicants were screened; but when the vacancy list came out, it was put on hold. The EIS position was not advertised.

CHAIRMAN DEBRUYCKER asked whether they had someone in mind when this amendment came out.

Mr. Amestoy said they had not selected anyone. If all 4.50 FTE were restored, it would cost general fund approximately \$19,000 for the biennium.

Abandoned Mine Reclamation Bureau:

Item A - Consulting & Professional Services - Mr Amestoy said this amount was for salary, benefits, operating expenses, etc. and some consultant services for engineering work.

Item B - Reclamation - for a reclamation construction grant. The department has asked for the actual dollar amount to be spent on the ground construction. These are 100% federal funds derived from the tax on coal produced in Montana; 50% of these funds are available to the state.

CHAIRMAN DEBRUYCKER said that he has seen programs that exist because of federal funds but eventually the state ends up footing the bill. He wondered about the chances of the federal funds being eliminated.

Mr. Amestoy replied that originally when the Reclamation Act was enacted in 1977, it had a 15-year life. The life of the program has been extended twice, the first to 1995 and the last time to 2005. Because of the pressure on the federal government, Mr. Amestoy believes lobbying organizations and congressional delegates will continue the collections of fees forever.

SEN. DEVLIN asked whether the department is asking for spending authority only, and Mr. Amestoy replied in the affirmative.

Consulting and Professional Services:

Item A - Open Cut Bureau - DSL is requesting \$15,500 for open cut; \$5,000 for an intern program; and \$1,000 for consultants. Most of the money is spent on research and reclamation. The funds are state special revenue funds. The \$5,000 will hire interns such as graduate students to work in the summer to evaluate sites for bond release. The \$1,000 for consultants is for the information beyond the expertise of staff.

Item B - Coal & Uranium Bureau - The LFA recommends \$5,000 to be spent on interns similar to the Open Cut Bureau.

Item C - Hard Rock Bureau - The highest visible bureau containing the most general fund dollars. The budget request in the Hard Rock Reclamation account is \$150,000 biennial appropriation.

Tape 2, A.

The source of the fees are fines, fees and penalties which are used as an emergency account when there is imminent threat to public health and safety. All projects are bonded with a variety of bonds such as cash, certificates of deposit, securities, etc.

Item D - Bond Forfeitures - The bond forfeiture can only be spent on the site for which the bond was required. DSL is asking for spending authority for existing and anticipated bond forfeiture funds.

Item E - Environmental Analysis - This is state special revenue and MEPA fees which can only be spent for Environmental Impact Statements. DSL is asking for spending authority only.

CHAIRMAN DEBRUYCKER asked how it is determined that a bond is adequate.

Mr. Amestoy said that DSL tries to calculate the cost for site reclamation. If the owners stay within their plan, there should be plenty of money for reclamation. A contractor is hired to regrade and restore the area, replace the top soil and re-seed the site. When the bonds aren't sufficient, the bond is forfeited and the additional cost is paid out of the \$15,000 from the Open Cut Program.

Laboratory Testing: Funds for Laboratory Testing are for sampling water quality and soil samples and to respond to public

complaints. The funds are R&D and general fund. Anything that is general fund in Open Cut and Hard Rock has been replaced by the executive with state special revenue funds.

Legal Fees:

Mr. Amestoy said that the legal fees and court costs are reflected in the Open Cut Bureau for \$1,000 each year; the Hard Rock Bureau for \$21,500 each year; and the Coal Bureau for \$3,402 each year. Legal fees are for permit appeals, case hearings, contracted attorney fees, court reporters, and travel. The Reclamation Division spent \$376 in FY90, \$1,400 in FY91, and \$1,789 in FY92 for legal fees. The \$1,789 was carried forward for the biennium by the LFA.

Printing:

Printing of rules, manuals and guidance documents, etc. \$1,061 was spent in the Coal Bureau (federal and R&D) funds and \$2,615 was spent in the Hard Rock Bureau.

Department Aircraft Rental:

Aircraft rental comes out of two programs: 1) Reclamation Administration for \$1,000 each year and 2) Hard Rock Bureau for \$2,448 each year. The money is used for air travel to meetings of special interest groups, environmental groups and consultants. In the Hard Rock Bureau it is used for aerial inspections and travel to public meetings. The source of the funds is a combination of Reclamation & Development funds and a small portion of general fund from the Hard Rock Bureau.

Minor Differences:

This is for travel expenses, postage charges, telephone charges, advertising, photographic services, etc.

REP. JOHNSON asked whether there are any dues in the Minor Differences to which Mr. Amestoy answered there was not; that the Reclamation Department does not pay any dues.

Equipment:

The majority of equipment budget is for the purchase of computers for technical assistance. EXHIBIT 2, Page 21

Ray Hoffman, Administrator Assistant of Centralized Services, DEHS, said there seems to be some concern about the \$40,000 modification request for a liaison/coordinator person. EXHIBIT 3

This position will allow the agencies to coordinate efforts to investigate and clean up abandoned mining sites for compliance with DSL and DHES laws and regulations.

Tape 2, B.

Mr. Hoffman said each one of these tests could cost between \$1,000 to \$1,500 and there are between 25-30 mines to test. DHES will contract with the Department of State Lands for up to \$40,000. See Pages B-6, B-8 Item 21 of the LFA narrative

REP. JOHNSON asked whether the \$40,000 is just for DEHS or for both departments. Mr. Amestoy responded it is \$40,000 for the DEHS and \$40,000 for the DSL.

Mr. Hoffman said the DSL must have \$80,000 spending authority in its budget. That would be \$40,000 per year.

Ms. Smith stated that DSL has the spending authority in current level if the executive is approved. What they are concerned about is that they don't have the FTE at this time.

Mr. Hoffman said that DHES has the same arrangement with FWP and DNRC. The coordination requires the sharing of information.

SEN. DEVLIN asked Mr. Hoffman whether DHES had contracted for this before. Mr. Hoffman replied that this has not been done before, but it is extremely important to have coordination because of past experiences.

Transfers:

Mr. Amestoy noted that the department has not needed the transfers as discussed earlier.

Budget Modifications:

Reclamation Attorney AMRB:

This attorney is for the Abandoned Mine Reclamation Program which is 100% federally funded.

Environmental Compliance:

This position had been discussed previously.

Restore 5% Reductions:

Based upon RIT and federal funds and about \$20,000 of general fund for the biennium, the 5% reduction could be restored.

REP. WISEMAN asked Mr. Amestoy what would happen to the budget if the committee took \$22,000 of general fund and approved the rest of the budget at the executive level. Mr. Amestoy replied that it would tighten things up a bit, but the department could probably live with that.

Mr. Lloyd noted that in Agriculture there was language stating that if bills passed, general fund would be reduced and state special revenue increased.

Ms. Smith asked whether the committee would like to have John Tubbs from DNRC explain the impact to the RIT funds.

Mr. Lloyd said that Page F-11 contains a table of RIT accounts. About halfway down is DSL Reclamation Division and DSL Central Management. These are the biennial amounts that the LFA has appropriated. EXHIBIT 4

Mr. Lloyd read three sections of the Constitution on the RIT funds. The constitution only speaks to the principal of the trust; 46% of the interest can be spent for reclamation and development.

Mr. Amestoy said that when this account was set up, the cap was \$100 million. Because of a lawsuit in Butte, it was determined that some of the interest from the RIT fund could be spent to support agencies. Because of a bill being proposed, there will be additional support to some agencies.

CHAIRMAN DEBRUYCKER asked Ms. Smith to gather what information she can concerning the RIT funds.

HEARING
LAND ADMINISTRATION DIVISION

Jeff Hagener, Administrator of the Land Administration Division, gave testimony on this division. He reviewed an administration chart with the subcommittee. EXHIBIT 5

The Royalty Audits Program is the same one that Bob Kuchenbrod, Administrator, Centralized Services, talked about. The budget is in the Centralized Service Division, and the actual program coordinator is in the Land Administration Division.

An additional program that overlaps Surface Management and Minerals Management is the administration of Beds of Navigable Water Ways. DSL is responsible by statute to administer those beds because the State of Montana is the owner.

In an area near Sidney, both the Missouri River and Yellowstone River flow over the Williston Basin Oil Fields. Substantial revenues have been collected as a result of the state's ownership of those river beds and the oil under them.

DSL administers three types of leases: 1) agricultural Leases; 2) grazing leases; and 3) special leases. DSL is required by law to review those approximately 10,000 leases and appraise and evaluate them at least once during the term of the lease. About one-tenth of those are renewed each year. There are about 150 lease transfers each year where a lessee will transfer a lease to another lessee. By statute, DSL must administer subleases as well and mortgages allowed by statute.

DSL has 2,950 lease agreements which encompass about 560,000 acres and receives 25% of the crop share and \$15 per acre of all the agriculture crop land. It has 4.1 million acres of grazing leases and 8,300 agreements. The rental of grazing leases is set by statute. In 1992 it was \$4.17 per acre and it will go down to \$4.03 per acre because of the drop in the livestock market.

There are 11,000 acres that are special leases involving 952

agreements that include cabin sites, home sites, communication sites, anything not covered under grazing leases. See EXHIBIT 5 for additional testimony on the Land Administration Division.

Mr. Hagener said that the total revenue earned in the Land Administration Program for FY92 was \$20,677,346; expenditures were approximately \$1 million.

Tape 3, A.

Mr. Lloyd reviewed the budget differences on the Land Administration Program with the subcommittee.

Ms. Smith said that the Federal Farm Program modification originally was supported with state special revenue funds. That modification has been pulled.

The executive was originally supporting the restoration of 1.6 FTE, but now supports .10 which is part of the secretarial position funded with state special revenue funds.

Mr. Hagener reviewed the budget items with the subcommittee.
EXHIBIT 6

Personal Services:

The 1.60 FTE that the Executive eliminated comes out of current level. One of those positions is the position that Ms. Smith referred to which is a part-time secretary. That position is currently filled. All of these positions are very valuable and are hard to lose.

REP. WISEMAN asked about the Fiscal Specialist position No. 83. Mr. Hagener explained that position is a specialist in the Minerals Management Bureau and was hired on January 4th. SEN. DEVLIN asked how long had that position been vacant. Mr. Hagener answered about 6 months.

Cabin/Homesite Sales:

This is for spending authority only. DSL asked for \$70,000 in the last biennium and that money would be generated from fees paid by the applicant from the sales of homesites.

Rent:

This is for the office established in Havre. With a great deal of state lands in the area, for years the nearest office was in Lewistown. One person was moved from Lewistown to Havre.

Current Level Adjustment:

The electric bill previously prorated in Centralized Services is now prorated between all divisions. \$1,800 is the share for the Helena office.

Capital Outlay:

That is to sell lots in a subdivision in Billings. DSL is asking for \$5,000 for assessments for water and sewer. The department

cannot use a realtor because of the laws so it has to handle the sales. The cost for advertisement of the lots would be out of Resource Development funds.

Minor Differences:

These are various operating expenses such as travel, gasoline, etc.

REP. JOHNSON asked whether there are any lobbying dues in that account. Mr. Hagener replied no.

Mr. Kuchenbrod said they are compiling a list of dues paid to organizations in FY92 and what is being requested for FY94 and FY95. It will list all dues paid by all DSL programs.

Equipment:

The division is currently using hand-me-downs from other divisions and needs some new equipment such as a facsimile machine and some office equipment.

Executive Budget Modifications:

Federal Farm Program: EXHIBIT 7

Ms. Smith said that, while the agency would like to defend this modification, there are no funds to support it. If the committee approves this modification, it would have to be supported with general fund.

Mr. Hagener said that amount taken in from the Farm Programs was \$3,172,830 in FY91. DSL has no idea if that amount is the actual amount owed; it is in the process of appealing the federal government's job disaster ruling that made the department ineligible for those kinds of payments. The result of that case is about \$2.5 million not received. If that judgement is positive, DSL will be required to justify all the payments that they would be entitled to. At present, that is estimated to be around \$7 million.

SEN. DEVLIN asked about the job descriptions of field men. Mr. Hagener replied that the largest extent of their work is evaluations on an annual basis. They do all the reviews for easements, land use licenses, check the crop share payments and production reports.

CHAIRMAN DEBRUYCKER asked about the number of field people currently employed. Mr. Hagener replied there are 12.37 FTE in the field offices.

Restore 5% Reductions:

These FTE are responsible for bringing in part of the money, about \$600,000 per FTE. The Resource Development fund is 2.5% of the distributable income. If this committee would consider raising that to 3%, it would amount to about \$77,000 going into the Resource Development account. The net result of that \$77,000

would be a reduction in the School Equalization payment which can be recovered very easily by reinstating the FTE.

SEN. DEVLIN asked what the division is doing in lieu of taxes in those counties. He also wondered what percentage of state land do they have within their borders to be eligible for any payment?

Mr. Hagener said that basically there must be greater than 6% of the total county land base to be eligible for equalization payments. There are about 18 counties above 6% that receive the money. There was \$265,000 appropriated which is pro-rated based on the value of the land in the county.

SEN. DEVLIN asked what counties do with those monies. Mr. Hagener said that a portion of it must go to the local school fund and the other portion goes to the general fund.

Mr. Kuchenbrod said that on December 1st DSL disbursed about 63% of the request from the 18 counties.

Mr. Lloyd noted that the statute includes a formula for determining the amount DSL owes the counties. Since 1985 this committee has approved \$265,000 which the department pays out on a pro-rated basis.

ADJOURNMENT

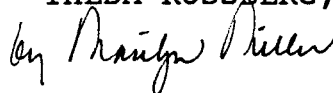
Adjournment: 11:30 A.M.



ROGER DEBRUYCKER, Chairman



THEDA ROSSBERG, Secretary



RD/tr

HOUSE OF REPRESENTATIVES

NATURAL RESOURCES SUB-COMMITTEE

ROLL CALL

DATE

1-22-93

NAME	PRESENT	ABSENT	EXCUSED
REP. ROGER DEBRUYCKER, CHAIRMAN	✓		
SEN. CECIL WEEDING, VICE CHAIRMAN	✓		
SEN. GERRY DEVLIN	✓		
REP. WILLIAM WISEMAN	✓		
REP. JOHN JOHNSON	✓		
SEN. GREG JERGESON	✓		

5501 03 00000 DEPARTMENT OF STATE LANDS Program Summary			Reclamation Program					
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	51.62	54.00	50.93	54.00	(3.07)	50.93	54.00	(3.07)
Personal Services	1,531,305	1,712,021	1,814,994	1,905,245	(90,251)	1,819,195	1,909,542	(90,347)
Operating Expenses	2,915,123	3,360,114	8,986,800	3,308,049	5,678,751	5,346,442	2,604,842	2,741,600
Equipment	142,492	83,857	84,511	77,627	6,884	68,576	64,295	4,281
Capital Outlay	0	5,000,000	0	0	0	0	0	0
Transfers	0	0	10,000	0	10,000	10,000	0	10,000
Total Costs	\$4,588,921	\$10,155,992	\$10,896,305	\$5,290,921	\$5,605,384	\$7,244,213	\$4,578,679	\$2,665,534
Fund Sources								
General Fund	279,571	246,492	11,081	313,440	(302,359)	11,081	307,387	(296,306)
State Revenue Fund	1,258,847	1,104,350	5,135,276	1,794,583	3,340,693	1,464,799	1,069,702	395,097
Federal Revenue Fund	3,050,502	8,805,150	5,749,948	3,182,898	2,567,050	5,768,333	3,201,590	2,566,743
Total Funds	\$4,588,921	\$10,155,992	\$10,896,305	\$5,290,921	\$5,605,384	\$7,244,213	\$4,578,679	\$2,665,534

LFA Budget Analysis, Vol. II pages C 50-51
Executive Budget page C-18

Current Level Differences

PERSONAL SERVICES—The executive eliminates 3.07 FTE in response to the 5% personal services reduction. Position number 85 is a superfund/hazardous waste liaison position that has never been filled since approved in a budget modification by the 1989 Legislature. The Department of Health and Environmental Sciences is requesting a budget modification for \$40,000 each year funded with RIT to contract with DSL for an abandoned mine liaison FTE to coordinate the investigation and cleanup of abandoned mine sites to comply with federal and state law. See page B-8 (#21) in the LFA Budget Analysis under DHES.

ABANDONED MINE RECLAMATION BUREAU (Federal Funding)

- A. Consulting & Professional Services—The LFA current level reflects fiscal 1992 actual expenditures.
- B. Reclamation—The LFA current level reflects fiscal 1992 actual expenditures.

CONSULTING & PROFESSIONAL SERVICES

- A. Open Cut Bureau—The LFA current level reflects fiscal 1992 actual expenditures.
- B. Coal & Uranium Bureau—The LFA current level reflects the agency request. The executive lowers the agency request.
- C. Hard Rock Bureau—The executive requests a \$150,000 biennial appropriation for fiscal 1994 not included in the LFA current level. Contained in the LFA and executive base is \$25,000 each year to contract with DHES to fund one-half of a 1.00 FTE grade 15 water quality specialist.
- D. Bond Forfeitures—The executive requests a biennial appropriation for \$500,000. The LFA current level reflects double fiscal 1992 actual expenditures. See LFA Budget Analysis page C-46.
- E. Environmental Analysis—The executive requests a biennial appropriation for \$3,000,000. The LFA current level reflects double fiscal 1992 actual expenditures.

LABORATORY TESTING—The executive includes an increase over the base in the Hard Rock Bureau. The LFA current level reflects fiscal 1992 actual expenditures.

LEGAL FEES & COURT COSTS—The LFA current level reflects fiscal 1992 actual expenditures.

PRINTING—The LFA current level reflects fiscal 1992 actual expenditures.

DEPARTMENT AIRCRAFT RENTAL—The LFA current level reflects fiscal 1992 actual expenditures.

MINOR DIFFERENCES

INFLATION (Non-voting item)

EQUIPMENT—The LFA current level is less than average expenditures for the last three years.

Exec. Over(Under) LFA Fiscal 1994	Fiscal 1995
(90,251)	(90,347)
380,193	380,193
2,239,193	2,239,193
21,431	21,431
(5,000)	(5,000)
209,000	59,000
459,194	0
2,328,110	0
8,154	8,154
25,902	25,902
4,844	4,844
3,448	3,448
3,460	3,547
822	888
6,884	4,281

DEPARTMENT OF STATE LANDS
Reclamation Division

EXHIBIT 1
DATE 1-22-93
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Positions Removed by Joint Committee Action
House Appropriations & Senate Finance and Claims
January 6, 1993

		Total Personal Services		FTE		Total FTE Removed	Non-Approp. FTE
Position #	Position Description	Fiscal 1994	Fiscal 1995	Removed by 5% Reduction	Removed by Being Vacant		
<i>All or Partial General Fund Positions</i>							
146	Reclamation Specialist	16,586	16,601	0.57		0.57	
163	Administrative Assistant	11,450	11,461		0.50	0.50	
						0.00	
Sub-Total		28,036	28,062	0.57	0.50	1.07	0.00
<i>Non-General Fund Positions</i>							
170	Environmental Specialist	34,426	34,462		1.00	1.00	
85	Not Yet Classified	28,901	28,943	1.00		1.00	
153	Reclamation Specialist	31,367	31,396	1.00		1.00	
131	Not Yet Classified	11,276	11,288	0.50		0.50	
						0.00	
Sub-Total		105,970	106,089	2.50	1.00	3.50	0.00
TOTAL		134,006	134,151	3.07	1.50	4.57	0.00

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EXHIBIT 2
DATE 1-22-93
~~22~~

DEPARTMENT OF STATE LANDS
RECLAMATION DIVISION

BUDGET TESTIMONY - JANUARY 22, 1993

GARY AMESTOY, ADMINISTRATOR TESTIFYING

ISSUES

ISSUE 1: PERSONAL SERVICES

- I. 5% Reductions (Target amount resulted in 3.07 FTE); \$ 99,251 in FY94 and \$ 90,347 in FY95)
- A. Position # 85 - 1.00 FTE AMRB Superfund Hazardous Waste Liaison
- 1989 Approval / Purpose
 - Transition
 - DHES Request
 - **NO GENERAL FUND DOLLARS NEEDED** (Federal and RIT)
- B. Position # 131 - 0.50 FTE CUB Office Systems Tech
- **NO GENERAL FUND DOLLARS NEEDED** (Federal and R&D)
- C. Position # 153 - 1.00 FTE CUB Reclamation Specialist
- Currently filled - Vegetation Specialist
 - **NO GENERAL FUND DOLLARS NEEDED** (Federal and R&D)
- D. Position # 146 - 0.57 FTE HRB Reclamation Specialist
- Currently filled - SMES; Current funding is GF and R&D *
 - FY94 General Fund Dollars - \$ 5,639 *
 - FY95 General Fund Dollars - \$ 5,644 *
 - General Fund Biennial Total - \$ 11,283 *
- * NOTE: HRB Program currently funded by a 34% / 66% split

II. Swysgood List (1.50 FTE)

A. Position # 163 - 0.50 FTE HRB Administrative Assistant

- Sandi's Memo
- Current funding is GF and R&D *
- FY94 General Fund Dollars - \$ 3,893 *
- FY95 General Fund Dollars - \$ 3,897 *
- Biennial Total - \$ 7,790 *

* NOTE: HRB Program currently funded by a 34% / 66% split

B. Position # 170 - 1.00 FTE MEPA Coordinator

- **NO GENERAL FUND DOLLARS NEEDED** (SSR / MEPA Fees)

III. All Reclamation Division FTE (4.57) Could be restored by an addition of only \$ 19,073 of General Fund dollars for the biennium under the current budget structure (no transfer of R&D money).

IV. The Executive Budget proposal includes a transfer of an additional \$ 750,000 of R&D funds to Reclamation to reduce a like amount of General Fund.

- The Reclamation Division supports this idea
- Representative Bergsagel

ISSUE 2: ABANDONED MINE RECLAMATION BUREAU - FEDERAL FUNDS

I. Consulting & Professional Services (Administrative Grant)

DIFFERENCE:	<u>FY94</u>	<u>FY95</u>
Executive	\$ 1,500,000	\$ 1,500,000
LFA	<u>1,119,807</u>	<u>1,119,807</u>
Difference	\$ 380,193	\$ 380,193

II. Reclamation (Construction Grant)

DIFFERENCE:	<u>FY94</u>	<u>FY95</u>
Executive	\$ 3,000,000	\$ 3,000,000
LFA	<u>760,807</u>	<u>760,807</u>
Difference	\$ 2,239,193	\$ 2,239,193

- ° 100% federal funds generated from coal production in Montana
- ° FY92 actual expenditures are not indicative of the funding needed. FY92 was a slow year because of a transition from coal to non-coal and a lengthy personnel issue.
- ° Requests are based on anticipated expenditures for FY94 and FY95 for Administrative Grant and Construction Grant.
- ° Consistent with Hard Rock priority list
- ° Spend in Montana or in another state

I REQUEST THE COMMITTEE APPROVE THE EXECUTIVE BUDGET

ISSUE 3: CONSULTING & PROFESSIONAL SERVICES

I. Opencut Mining Bureau

A.	DIFFERENCE:	<u>FY94</u>	<u>FY95</u>
	Executive	\$ 21,500	\$ 21,500
	LFA	<u>69</u>	<u>69</u>
	Difference	\$ 21,431	\$ 21,431
B.	EXECUTIVE BUDGET:	<u>FY94</u>	<u>FY95</u>
	Opencut Reclamation Acct.	\$ 15,500	\$ 15,500
	Interns	5,000	5,000
	Consultants	<u>1,000</u>	<u>1,000</u>
	Total	\$ 21,500	\$ 21,500

C. Opencut Reclamation Account (State Special Revenue) - Fines, Fees and Penalties

- Authorized by 1991 legislature by §82-4-424 - "Research, reclamation and revegetation"
- Typically used for reclamation and weed control on sites with inadequate or no bond
- \$ 15,500 annual appropriation

D. Interns - Graduate level University Interns from Montana system

- Primarily used for field work (3 months)
- Frees up full-time staff

E. Consultants

- ° Utilized to provide technical analysis of specific problems that are beyond the expertise of the staff.
- ° Independent, unbiased analysis

I REQUEST THE COMMITTEE APPROVE THE EXECUTIVE BUDGET

II. Coal & Uranium Bureau

- ° DIFFERENCE: The LFA recommends that Consulting and Professional Services be increased by \$ 5,000.
- ° This \$ 5,000 would increase the amount approved for interns to \$ 15,000

III. Hard Rock Mining Bureau

A.	DIFFERENCE:	<u>FY94</u>	<u>FY95</u>
	Executive	\$ 234,000	\$ 84,000
	LFA	<u>25,000</u>	<u>25,000</u>
	Difference	\$ 209,000	\$ 59,000
B.	EXECUTIVE BUDGET:	<u>FY94</u>	<u>FY95</u>
	Hardrock Reclamation Acct.	\$ 150,000	\$ 0 (biennial)
	Interns	50,000	50,000
	Consultants	<u>9,000</u>	<u>9,000</u>
	Total	\$ 209,000	\$ 59,000

C. Hard Rock Reclamation Account (State Special Revenue) - Fines, Fees and Penalties

- Authorized by §82-4-311 - "Research, reclamation and revegetation"
- Typically used as an emergency fund to prevent imminent hazards to public health and safety
- Bond forfeiture, Surety failure
- \$ 150,000 biennial appropriation
- Can only be spent as required by law

D. Consultants

- Hiring third party consultants for expertise beyond the ability and knowledge of our staff
- Independent, unbiased analysis
- Slope, stability, cyanide neutralization, acid mine drainage, expert testimony

E. Interns

- Summer field work (3 months)
- Exploration and Small Miners
- Frees up full-time staff
- Expertise and manpower

I REQUEST THE COMMITTEE APPROVE THE EXECUTIVE BUDGET

IV. Bond Forfeitures

DIFFERENCE:	<u>FY94</u>	<u>FY95</u>
Executive	\$ 500,000	\$ 0 (biennial)
LFA	<u>40,806</u>	<u>0</u> (biennial)
Difference	\$ 459,194	\$ 0

- Continuing Appropriation
- State Special Revenue - can only be spent for site specific reclamation
- Requesting a combination of spending authority for existing and anticipated bond forfeiture funds.
- This is our best guess, \$ 500,000 should be adequate for the biennium or spent all at one time.
- Largely a result of a \$ 464,000 budget amendment that included actual and anticipated bond forfeitures and a contingency amount.
- Only spending authority until a bond is forfeited
- Existing emergency vs. an anticipated emergency
- Budget amendment emergency requirement

I REQUEST THE COMMITTEE APPROVE THE EXECUTIVE BUDGET

V. Environmental Analysis

EXHIBIT 2
DATE 1-22-93
SS 7

DIFFERENCE:	<u>FY94</u>	<u>FY95</u>
Executive	\$ 3,125,910	\$ 126,674 (biennial)
LFA	<u>797,800</u>	<u>126,674</u> (biennial)
Difference	\$ 2,328,110	\$ 0

- Continuing Appropriation
- State Special Revenue
- MEPA Fees
- Can only spend on an EIS
- Based on our best guess of 5 to 6 EIS's at \$ 500,000 to \$ 600,000 each
- Spending authority only; no EIS, no funds

I REQUEST THE COMMITTEE APPROVE THE EXECUTIVE BUDGET

ISSUE 4: LABORATORY TESTING

DIFFERENCE:	<u>FY94</u>	<u>FY95</u>
Executive	\$ 20,000	\$ 20,000
LFA	<u>11,846</u>	<u>11,846</u>
Difference	\$ 8,154	\$ 8,154

- ° Hard Rock Bureau
- ° R&D and General Fund
- ° Anticipated cost for sampling water quality and soil samples for enforcement purposes.
- ° Cyanide leaks, acid mine drainage
- ° Follow-up on citizens' complaints

I REQUEST THE COMMITTEE APPROVE THE EXECUTIVE BUDGET

ISSUE 5: LEGAL FEES & COURT COSTS

TOTAL DIFFERENCE:	<u>FY94</u>	<u>FY95</u>
Executive	\$ 27,500	\$ 27,500
LFA	<u>1,598</u>	<u>1,598</u>
Difference	\$ 25,902	\$ 25,902
OPENCUT DIFFERENCE:	<u>FY94</u>	<u>FY95</u>
Executive	\$ 1,000	\$ 1,000
LFA	<u>0</u>	<u>0</u>
Difference	\$ 1,000	\$ 1,000
COAL DIFFERENCE:	<u>FY94</u>	<u>FY95</u>
Executive	\$ 5,000	\$ 5,000
LFA	<u>1,598</u>	<u>1,598</u>
Difference	\$ 3,402	\$ 3,402
HARDROCK DIFFERENCE:	<u>FY94</u>	<u>FY95</u>
Executive	\$ 21,500	\$ 21,500
LFA	<u>0</u>	<u>0</u>
Difference	\$ 21,500	\$ 21,500

- ° Cost of resolving anticipated litigation
- ° Permit appeals; contested case hearings; contracted attorney fees; court reporters; exhibits; briefs; travel
- ° Most major decisions are challenged

I REQUEST THE COMMITTEE APPROVE THE EXECUTIVE BUDGET

ISSUE 6: PRINTING - PUBLICATION & GRAPHICS AND OTHER PROVIDER

TOTAL DIFFERENCE:	<u>FY94</u>	<u>FY95</u>
Executive	\$ 9,000	\$ 9,000
LFA	<u>4,156</u>	<u>4,156</u>
Difference	\$ 4,844	\$ 4,844
COAL DIFFERENCE:	<u>FY94</u>	<u>FY95</u>
Executive	\$ 2,500	\$ 2,500
LFA	<u>1,439</u>	<u>1,439</u>
Difference	\$ 1,061	\$ 1,061
HARDROCK DIFF. (P&G):	<u>FY94</u>	<u>FY95</u>
Executive	\$ 5,000	\$ 5,000
LFA	<u>2,375</u>	<u>2,375</u>
Difference	\$ 2,625	\$ 2,625
HARDROCK DIFF. (Other):	<u>FY94</u>	<u>FY95</u>
Executive	\$ 1,500	\$ 1,500
LFA	<u>342</u>	<u>342</u>
Difference	\$ 1,158	\$ 1,158

- ° Printing of rules, manuals and guidance documents
- ° Printing of EA's
- ° Printing that cannot be handled by Publication & Graphics due to short turnaround time.

I REQUEST THE COMMITTEE APPROVE THE EXECUTIVE BUDGET

ISSUE 7: DEPARTMENT AIRCRAFT RENTAL

<u>TOTAL DIFFERENCE:</u>	<u>FY94</u>	<u>FY95</u>
Executive	\$ 6,000	\$ 6,000
LFA	<u>2,552</u>	<u>2,552</u>
Difference	\$ 3,448	\$ 3,448

ADMIN. DIFFERENCE:	<u>FY94</u>	<u>FY95</u>
Executive	\$ 1,000	\$ 1,000
LFA	<u>0</u>	<u>0</u>
Difference	\$ 1,000	\$ 1,000

HARD ROCK DIFFERENCE:	<u>FY94</u>	<u>FY95</u>
Executive	\$ 5,000	\$ 5,000
LFA	<u>2,552</u>	<u>2,552</u>
Difference	\$ 2,448	\$ 2,448

- Travel for meetings with the public, special interest groups, environmental groups, consultants
- Hard Rock aerial inspections and travel to public meetings

I REQUEST THE COMMITTEE APPROVE THE EXECUTIVE BUDGET

ISSUE 8: MINOR DIFFERENCES

DIFFERENCES:	<u>FY94</u>	<u>FY95</u>
	\$ 3,460	\$ 3,547
° Includes:		
Meeting Rooms	766	766
Minor Tools	125	125
Postage & Mailing	250	250
Gasoline	285	285
Long Distance Charges	322	322
Grease & Lube	76	76
Maintenance Contracts	254	254
Advertising	1,624	1,624
Photographic Services	1,630	1,630
Photographic Equipment	142	142

I REQUEST THE COMMITTEE APPROVE THE EXECUTIVE BUDGET

ISSUE 9: INFLATION

Non-Voting Item

EXHIBIT 2
DATE 1-22-93
4

ISSUE 10: EQUIPMENT

DIFFERENCE:	<u>FY94</u>	<u>FY95</u>
	\$ 6,884	\$ 4,281

- ° The majority of the difference in the Executive and LFA equipment budgets has to do with the purchase of computers.
- ° The Reclamation Division has and Information Processing Plan that includes networking and full utilization of computer capabilities.
- ° Our major uses are:
 - ° Word Processing & Spreadsheets
 - ° Technical data manipulation which require high power machines
- ° IBM Hardware
 - ° Good Product
 - ° Compatibility
 - ° Maintenance / Service & Parts
 - ° Availability (local)

I REQUEST THE COMMITTEE APPROVE THE EXECUTIVE BUDGET

ISSUE 11: TRANSFERS

- \$ 10,000 of spending authority is being transferred from the Coal Program to the Montana State Library. Funding is retained by DSL
- The Coal Bureau has a contract with the State Library for the expenditure of these monies.
- A transfer will eliminate the need for the state library to obtain a budget amendment to spend the money.
- A transfer will eliminate the potential for including the same \$ 10,000 in both budgets.
- Reporting to the federal funding authority remains with DSL

I AGREE WITH THE TRANSFER CONCEPT

ISSUE 12: FUNDING

The Executive Budget proposal includes a transfer of an additional \$ 750,000 of R&D funds to Reclamation to reduce a like amount of General Fund.

- The Reclamation Division supports this idea
- Representative Bergsagel

ISSUE 13: BUDGET MODIFICATIONS

- A. Reclamation Attorney AMRB - NO GENERAL FUND DOLLARS NEEDED
- B. Environmental Compliance - NO GENERAL FUND DOLLARS NEEDED
- C. Restore 5% Reductions - Already discussed
- D. Other - Reinstate 1.50 FTE Swysgood Vacant List

I REQUEST THE BUDGET MODIFICATIONS AS RECOMMENDED IN THE EXEC-
UTIVE BUDGET BE APPROVED, THAT THE FULL 5% PERSONAL SERVICES
REDUCTION BE RESTORED AND THE VACANT POSITIONS BE REINSTATED

EXHIBIT 2
DATE 1-22-93
~~21~~

ISSUE 14: LANGUAGE

I CONCUR WITH THE LFA'S SUGGESTED LANGUAGE

DATE 1-22-93

Agency Number 5301Program Number 04

C.V. Number	92999
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[illegible]

Resource Indemnity Trust Interest Accounts

Resource Indemnity Trust Interest

Table 1 Resource Indemnity Trust Interest Accounts 1995 Biennium						
	Water Development	Renewable Resources	Reclamation & Development	Hazardous Waste/ CERCLA	Environmental Quality Protection	Total*
Percent of RIT Interest	30%	8%	46%	12%	4%	100%
Beginning Balance	\$890,367	\$0	\$0	\$1,169,906	\$915,135	\$2,975,408
Revenues						
RIT Interest	\$5,254,545	\$1,401,212	\$8,056,969	\$2,101,818	\$700,606	\$17,515,151
Coal Tax	391,053	391,053				\$782,106
Loan Repayments	1,186,651	152,180				\$1,338,831
NR Damage Repayment Interest (STIP)				100,000	110,000	\$210,000
Administrative Fees	10,000					\$10,000
State Owned Proj. Rev.	538,604					\$538,604
Total Funds Available	\$8,271,220	\$1,944,445	\$8,056,969	\$3,371,724	\$1,725,741	\$23,370,100
Appropriation						
Bond Debt Service	\$1,400,373	\$433,900	\$0	\$0	\$0	\$1,834,273
DNRC Cent Serv Div	285,101	26,854	256,654			568,609
DNRC Water Res Div	2,268,545		1,604,942			3,873,487
DNRC CARD	515,045	447,558	928,663			1,891,266
DNRC State Water Proj	1,785,000					1,785,000
State Project Ownership Transfer	125,041					125,041
Missouri Water Reservations	328,099					328,099
DSL Reclamation Div			1,945,111			1,945,111
DSL Central Mgmt			63,592			63,592
DH&ES Envir Div				2,207,080	972,849	3,179,929
Reserved Water Rights Compact Comm			674,564			674,564
Weatherization Modification Review	20,000					20,000
Water Courts	1,046,712					1,046,712
State Library		200,000	177,000			377,000
Environmental Quality Council			27,256			27,256
Pay Plan	0	0	0	0	0	0
Total Appropriations	\$7,773,916	\$1,108,312	\$5,677,782	\$2,207,080	\$972,849	\$17,739,939
Projected Available for Grants	\$372,978	\$627,100	\$2,379,187			\$3,379,265
Projected Available for Water Storage	\$124,326	\$209,033				\$333,359
Projected Biennium Ending Balance	\$0	\$0	\$0	\$1,164,644	\$752,892	\$1,917,536

*After allocations to environmental contingency and oil and gas mitigation accounts.

As Table 1 shows, \$124,326 from the water development account and \$209,033 from the renewable resources account are allocated for water storage projects. The water storage account receives 25 percent of funds available for grants in the two accounts. This money is set aside for statewide water storage projects, established by Senate Bill 1000 enacted during the 1991 session. The bill prohibited the use of the funds during the 1993 biennium. In the 1995 biennium, the Executive Budget includes a budget modification to spend these funds as part of the funding for the Tongue River Dam project.

The remainder of the funds shown at the bottom of Table 1 are available for grants: \$372,978 in the water development account and \$627,100 in the renewable resources account. Table 2 lists the grant and loan applications reviewed by DNRC and its recommendations for funding in priority order. The right-hand column of the table shows the cumulative total of the grants. The total available funds from the two accounts (\$1,000,078) will allow funding through priority 15 (Town of Winnet).

DATE 1-22-93

LAND ADMINISTRATION DIVISION 33.37 FTE

LAND ADMINISTRATION
1.0 FTE
FUNDING: 100% STATE
- GENERAL FUND
- RESOURCE DEVELOPMENT

MINERALS MANAGEMENT
10.0 FTE

SURFACE MANAGEMENT
22.37 FTE

- ENABLING ACT OF 1889
- MONTANA CONSTITUTION; ARTICLES I & X
- MONTANA ENVIRONMENTAL POLICY ACT
- MULTIPLE USE MANAGEMENT
- POWERS AND DUTIES OF THE DEPARTMENT TITLE 77-1-301 MCA

- METALLIC MINE LEASES
- NONMETALLIC MINERAL LEASES
- COAL LEASES
- OIL & GAS LEASES
- UNDERGROUND STORAGE LEASES
- GEOTHERMAL LEASES
- ROYALTY AUDITS

to Mr. Bert Magrath

- ENABLING ACT OF 1889
- MONTANA CONSTITUTION; ARTICLES I & X
- MONTANA ENVIRONMENTAL POLICY ACT
- MULTIPLE USE MANAGEMENT
- POWERS AND DUTIES OF THE DEPARTMENT TITLE 77-1-301 MCA

- AGRICULTURAL LEASES
- GRAZING LEASES
- SPECIAL LEASES
- SECONDARY LICENSES
- EASEMENTS
- SALES
- EXCHANGES
- RESOURCE DEVELOPMENT
- RECREATIONAL USE

- FUNDING: 100% STATE
- GENERAL FUND

- FUNDING: 100% STATE
- GENERAL FUND
- RESOURCE DEVELOPMENT
- RECREATIONAL USE

- * **Surface Management** - 4.7 million surface acres

- * **Minerals Management** - 6.2 million mineral acres

1. Metalliferous leases
2. Non-metalliferous leases
3. Coal leases
4. Oil and Gas leases
5. Underground Storage leases
6. Exploration licenses - 1 mining ✓
7. Seismograph permits
8. Royalty Audits - auditing oil & gas & coal

EXHIBIT 5
DATE 1-22-93
~~SP~~

LAND ADMINISTRATION PROGRAM

FY 92 REVENUES EARNED

Grazing rentals	4,570,022
Agricultural rentals (inc. Fed. Farm Prog.)	9,161,895
Oil and Gas Lease rentals	1,025,674
Oil and Gas penalties	410,852
Oil and Gas Bonus Payments	60,545
Other annual revenues (special lease, fines)	289,473
Transaction fees (application fees)	126,316
Rights-of-way	100,704
Oil Royalties	2,556,997
Gas Royalties	832,843
Coal Royalties	1,243,920
Sand and Gravel	175,146
Miscellaneous Royalties	122,959

TOTAL INCOME **20,677,346**

*1. M
Expenditures*

5501 04 00000

DEPARTMENT OF STATE LANDS

Program Summary

Land Administration Pgm

DATE 1-22-93

SD

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	30.87	33.37	31.77	33.37	(1.60)	31.77	33.37	(1.60)
Personal Services	806,560	913,407	991,462	1,040,826	(49,364)	994,396	1,043,815	(49,419)
Operating Expenses	168,338	176,443	277,393	241,910	35,483	280,331	245,269	35,062
Equipment	47,598	20,600	48,400	49,182	(782)	41,791	44,391	(2,600)
Capital Outlay	2,891	5,000	5,000	2,891	2,109	5,000	2,891	2,109
Total Costs	\$1,025,388	\$1,115,450	\$1,322,255	\$1,334,809	(\$12,554)	\$1,321,518	\$1,336,366	(\$14,848)
Fund Sources								
General Fund	783,171	835,884	1,047,255	1,073,358	(26,103)	1,046,518	1,074,357	(27,839)
State Revenue Fund	242,216	279,566	275,000	261,451	13,549	275,000	262,009	12,991
Total Funds	\$1,025,388	\$1,115,450	\$1,322,255	\$1,334,809	(\$12,554)	\$1,321,518	\$1,336,366	(\$14,848)

Page References

LFA Budget Analysis, Vol. II pages C 51-52
Executive Budget pages C 19-20

Current Level Differences

PERSONAL SERVICES—The executive eliminates 1.60 FTE in response to the 5% personal services reduction.

(49,364) (49,419)

CABIN/HOMESITE SALES—The executive includes contracted services authority to spend fees collected from the sale of cabin and homesites. The 1991 Legislature recommended the Board of Land Commissioners amend its cabinsite rules to require lessees who apply for sale of their cabin sites to reimburse the department for all expenses it incurs in processing the sale applications. The rules have not yet been amended. The 1991 Legislature authorized \$70,000 as a biennial appropriation for this purpose. Nothing was spent in fiscal 1992. See related language below.

25,000 25,000

RENT—The executive includes rent for a new office in Havre.

1,800 1,800

CURRENT LEVEL ADJUSTMENT—The executive accurately reflects the correct prorating of electricity.

6,150 6,150

CAPITAL OUTLAY—The executive includes funds to sell lots in the Continental Subdivision in Billings. LFA current level reflects actual fiscal 1992 expenditures.

2,109 2,109

MINOR DIFFERENCES

1,826 761

EQUIPMENT—LFA current level reflects agency request.

- A. Facsimile machine
- B. Office equipment

0 (600)
(782) (2,000)

INFLATION (Non-voting item)

707 1,351

TOTAL CURRENT LEVEL DIFFERENCES

(12,554) (14,848)

Executive Budget Modifications

FEDERAL FARM PROGRAM—The executive recommends 1.00 FTE to monitor the conservation reserve and the price support and production adjustment programs. The executive budget states this modification is contingent on passage of legislation diverting school trust revenue for use in administration of trust lands. See page C-45 of the LFA Budget Analysis.

30,672 26,824

RESTORE 5% REDUCTIONS—The executive recommends restoration of 0.10 FTE eliminated in response to the 5% personal services reduction.

1,870 1,875

TOTAL MODIFIED LEVEL

32,542 28,699

Language and Other Issues

A. The 1991 Legislature approved the following language in the general appropriations act: "The legislature recommends that the Board of Land Commissioners amend its cabinsite rules to require lessees who apply for sale of their cabin sites to reimburse the department for all expenses it incurs in processing the sale applications."

B. The executive proposes a change in preparation of this budget. Budgeting for expenditures associated with resource development funds would be co-mingled with other expenditures. By statute, these funds can only be used for improvements on lands acquired through grant or foreclosure. See issue on page C-47 of the LFA Budget Analysis.

EXHIBIT 6

DATE 1-22-93

~~SP~~

DEPARTMENT OF STATE LANDS
Land Administration Division

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

EXHIBIT 6

DATE 1-22-93

~~SB~~

		Total Personal Services		FTE		Total FTE Removed	Non-Approp. FTE
Position #	Position Description	Fiscal 1994	Fiscal 1995	Removed by 5% Reduction	Removed by Being Vacant		
All or Partial General Fund Positions							
87	Secretary	6,922	6,931	0.10	0.27	0.37	
129	Land Use Specialist	15,265	15,281	0.50		0.50	
42	Land Mgn. Program Specialist	30,543	30,577	1.00	0.00	1.00	
83	Fiscal Specialist	26,181	26,210		1.00	1.00	
Sub-Total		78,911	78,999	1.60	1.27	2.87	0.00
Non- General Fund Positions							
	None					0.00	
Sub-Total		0	0	0.00	0.00	0.00	0.00
TOTAL		78,911	78,999	1.60	1.27	2.87	0.00

EXHIBIT 7
DATE 1-22-93

1991 DSL Farm Program Payments (91CCCPAY.WK1)

COUNTY	State Lands	Deficiency Payments	C R P Payments	County Totals
BEAVERHEAD	332,357	\$0.00	\$0.00	\$0.00
BIG HORN	87,794	\$5,553.00	\$0.00	\$5,553.00
BLAINE	181,370	\$33,754.00	\$36,776.00	\$70,530.00
BROADWATER	23,805	\$978.00	\$7,307.00	\$8,285.00
CARBON	41,220	\$1,555.00	\$2,088.00	\$3,643.00
CARTER	142,719	\$1,189.00	\$4,317.00	\$5,506.00
CASCADE	77,242	\$52,940.00	\$25,051.00	\$77,991.00
CHOUTEAU	267,224	\$164,375.00	\$103,001.00	\$267,376.00
CUSTER	140,821	\$1,069.00	\$8,571.00	\$9,640.00
DANIELS	220,716	\$202,930.00	\$379,863.00	\$582,793.00
DAWSON	87,470	\$38,211.00	\$37,052.00	\$75,263.00
DEER LODGE	7,881	\$0.00	\$0.00	\$0.00
FALLON	67,416	\$16,855.00	\$27,052.00	\$43,907.00
FERGUS	155,421	\$22,413.00	\$33,890.00	\$56,303.00
FLATHEAD	130,144	\$3,841.00	\$0.00	\$3,841.00
GALLATIN	51,516	\$8,737.00	\$15,507.00	\$24,244.00
GARFIELD	166,472	\$1,947.00	\$14,367.00	\$16,314.00
GLACIER	8,339	\$1,859.00	\$0.00	\$1,859.00
GOLDEN VALLEY	48,602	\$909.00	\$5,465.00	\$6,374.00
GRANITE	21,063	\$235.00	\$0.00	\$235.00
HILL	155,864	\$235,253.00	\$250,193.00	\$485,446.00
JEFFERSON	32,150	\$0.00	\$312.00	\$312.00
JUDITH BASIN	98,472	\$67,824.00	\$14,476.00	\$82,300.00
LAKE	55,154	\$0.00	\$0.00	\$0.00
LEWIS & CLARK	133,878	\$30,618.00	\$2,957.00	\$33,575.00
LIBERTY	86,578	\$85,749.00	\$66,239.00	\$151,988.00
LINCOLN	65,316	\$0.00	\$0.00	\$0.00
MADISON	126,647	\$6,493.00	\$4,300.00	\$10,793.00
McCONE	94,559	\$42,874.00	\$20,619.00	\$63,493.00
MEAGHER	90,077	\$681.00	\$1,633.00	\$2,314.00
MINERAL	21,960	\$0.00	\$0.00	\$0.00
MISSOULA	73,942	\$0.00	\$0.00	\$0.00
MUSSELSHELL	76,324	\$1,850.00	\$10,565.00	\$12,415.00
PARK	33,405	\$5,672.00	\$6,956.00	\$12,628.00
PETROLEUM	64,110	\$0.00	\$8,779.00	\$8,779.00
PHILLIPS	189,426	\$40,463.00	\$18,626.00	\$59,089.00
PONDERA	57,423	\$168,703.00	\$11,864.00	\$180,567.00
POWDER RIVER	140,813	\$2,080.00	\$6,682.00	\$8,762.00
POWELL	56,792	\$0.00	\$0.00	\$0.00
PRAIRIE	76,699	\$16,302.00	\$12,455.00	\$28,757.00
RAVALLI	29,464	\$216.00	\$77.00	\$293.00
RICHLAND	81,678	\$54,586.00	\$24,391.00	\$78,977.00
ROOSEVELT	20,233	\$12,967.00	\$16,608.00	\$29,575.00
ROSEBUD	178,032	\$7,980.00	\$11,766.00	\$19,746.00
SANDERS	62,985	\$0.00	\$0.00	\$0.00
SHERIDAN	45,147	\$53,340.00	\$49,903.00	\$103,243.00
SILVER BOW	13,234	\$0.00	\$0.00	\$0.00
STILLWATER	46,522	\$13,923.00	\$12,108.00	\$26,031.00
SWEET GRASS	47,091	\$0.00	\$0.00	\$0.00
TETON	103,903	\$54,260.00	\$42,709.00	\$96,969.00
TOOLE	100,070	\$91,915.00	\$56,768.00	\$148,683.00
TREASURE	37,394	\$714.00	\$5,512.00	\$6,226.00
VALLEY	214,682	\$58,429.00	\$103,503.00	\$161,932.00
WHEATLAND	73,434	\$7,329.00	\$4,468.00	\$11,797.00
WIBAUX	33,159	\$18,605.00	\$11,682.00	\$30,287.00
YELLOWSTONE	79,038	\$33,149.00	\$26,047.00	\$59,196.00
TOTALS	5,155,247	\$1,671,325.00	\$1,502,505.00	\$3,173,830.00
AVERAGE	92,058	\$29,845.09	\$26,830.45	\$56,675.54

**HOUSE OF REPRESENTATIVES
VISITOR'S REGISTER**

SUB COMMITTEE

~~BILLINGS.~~

DATE 1-22-93 SPONSOR(S)

PLEASE PRINT

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[illegible]

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