

MINUTES

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

JOINT SUBCOMMITTEE ON NATURAL RESOURCES

Call to Order: By **CHAIRMAN ROGER DEBRUYCKER**, on January 26, 1993, at 7:30 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
Land Administration
Forestry Division

Executive Action: DEPARTMENT OF STATE LANDS
Land Administration
Forestry Division

Roger Lloyd, Legislative Fiscal Analyst, reviewed the state lands trust with the subcommittee.

SEN. WEEDING asked what the amount of the trust is. **Don Artley, Administrator of the Forestry Division**, said there is \$260 million in the trust.

EXECUTIVE ACTION
DEPARTMENT OF STATE LANDS

Land Administration Program:

Personal Services:

Mr. Lloyd said it would take a motion by the committee to reinstate any of the positions eliminated by the SWYSGOOD AND COBB vacancy reductions in FTE.

Rent:

Motion: SEN. JERGESON moved to approve the Executive for \$1,800 each year of the biennium for rent.

Discussion:

SEN. DEVLIN said that the move to Havre was made to serve a larger area but it wasn't mandated by the legislature. He assumed if the committee doesn't approve the budget for the rent, DSL will close that satellite office.

REP. WISEMAN asked if the \$1,800 rent is all general fund. Jeff Hagener, Administrator of the Land Administration Division, replied that is 100% general fund.

Vote: Motion FAILED 3-3.

Current Level Adjustment:

Motion: SEN. JERGESON moved to approve the Executive for \$6,150 each year of the biennium for Current Level Adjustment.

Mr. Lloyd said that when he was doing this budget, the Executive requested \$6,150 to prorate the electricity for the office in Helena based on square footage. He agrees with the Executive's budget for prorating electricity.

Vote: Motion CARRIED unanimously.

Capital Outlay:

SEN. WEEDING asked what lots in Billings are selling for. Mr. Hagener said there are 32 lots about 100 ft. by 250 ft. The estimated value is between \$13,000 to \$14,000 per lot; approximately \$9,000 has already been spent for sewer, water, curbs, etc.

Mr. Lloyd said there is approximately \$250,000 in state special revenue budgeted.

SEN. DEVLIN asked what happened to the funds that must have been appropriated since 1985 to accomplish this operation.

Mr. Hagener said that money went back into the Resource and Development account. The first time they tried to sell those lots, they were sued by the realtors in Billings because they

didn't want the department competing with the market.

Motion/Vote: REP. JOHNSON moved to approve the Executive for \$2,109 each year of the biennium for Capital Outlay. Motion CARRIED 5-1 with SEN. DEVLIN voting no.

Minor Differences:

No action taken. (Remains at LFA level)

Equipment:

Motion/Vote: SEN. DEVLIN moved to approve the Executive for a facsimile machine for \$600 in FY95 and office equipment for \$782 in FY94 and \$2,000 in FY95. Motion CARRIED 5-1 with SEN. JERGESON voting no.

Executive Budget Modification:

Federal Farm Program:

No action taken. (Remains at LFA Level)

Restore 5% Reductions:

No action taken. (Remains at LFA Level)

Language and Other Issues:

SEN. JERGESON asked whether this language is needed since the committee took no action on cabin homesite sales. Mr. Lloyd explained that HB 2 was amended to add this language when a budget modification was approved in the last session for \$70,000 as a biennial appropriation of state special revenue. That amendment was to use fees after they were collected when applicants applied for the sale of cabin homesites.

The agency is requesting spending authority of \$25,000 each year from the fees. The legislative concern was that fees may not cover all department expenses. If they didn't cover all the expenses, general fund would make up the difference. The language was put in in hopes that the Board of Land Commissioners would change their fees to reflect the full costs of cabin homesites.

SEN. JOHNSON said that if the committee approves the language and doesn't approve the cabin homesite item, it hasn't done anything.

Mr. Lloyd said that the language would still express legislative intent to the Board of Land Commissioners. Without the authority to spend the state special revenues, it would remain in the account and the department would have to spend general fund.

SEN. DEVLIN suggested that perhaps there could be language to the effect that the Board of Land Commissioners should amend its rules and fees.

SEN. JERGESON asked if the \$25,000 for cabin homesite sales is general fund. Mr. Lloyd answered, no, that it is state special

revenue from the fees collected by the department.

Cabin Homesite Sales:

Motion: REP. JOHNSON moved to approve the Executive for \$25,000 each year of the biennium for Cabin Homesite Sales.

Discussion:

Mr. Hagener explained the three-stage process to purchase a cabin homesite. The first time there is no cost to the applicant. After approval by the Board of Land Commissioners, the applicant is required to pay a \$150 fee. After the survey of the property it is recommended to the Board of Land Commissioners to go ahead with the sale. If the Board approves the sale, the applicant is notified and must pay an additional \$850 for a total of \$1,000 which is required for the full appraisal.

If DSL does not receive the full amount, they are required to reimburse the applicant for the amount paid. The House Appropriations Committee made a motion that DSL should be allowed the full cost of the sale, not just \$1,000. If costs go over \$1,000, DSL makes up the difference. The \$1,000 goes into a special account per cabin site administered by the Centralized Services Division. The actual sale amount would go into the corpus of the trust. If the department does not have the \$25,000 spending authority for cabin site sales, it would have to request a supplemental.

SEN. DEVLIN noted that the narrative says the Legislature authorized \$70,000. Nothing was spent in FY92. He asked whether DSL spent anything in FY93 or whether it intended to.

Mr. Hagener said that four cabin sites have been approved through the first stage, and were each charged \$150. There are still some problems with selling them. They have been waiting through five or six Board meetings for a decision whether or not to go ahead with a sale for one applicant. The \$70,000 is spending authority based upon the applicant's wanting to purchase the property.

SEN. DEVLIN asked whether DSL is asking for spending authority for the fees they may collect from the sale of cabin sites. Mr. Hagener said that spending authority expires in July of 1993 so spending authority is needed for FY94 and FY95. About \$450 is currently in the fund.

Vote: Motion CARRIED unanimously.

Motion/Vote: REP. JOHNSON moved to approve the language in Item A: "The Legislature recommends that the Board of Land Commissioners amend its cabin site rules and fee structures 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." Motion CARRIED unanimously.

REP. JOHNSON asked why Resource Development funds would be commingled with other expenditures as stated in Item B of the Language Issues. Mr. Hagener said that 24 FTE in the Land Administration Division work a portion of their time on Resource and Development functions. EXHIBIT 1

SEN. DEVLIN asked whether the committee needs to approve language on this. Mr. Lloyd said the use of Resource and Development funds has statutory restrictions to it.

SEN. WEEDING asked whether there would be some accounting change for reimbursement for the use of FTE to which Mr. Hagener replied yes.

Mr. Lloyd outlined two parts to developing the budget: 1) the Resource and Development money and 2) the general fund as well as the \$25,000 of state special revenue from cabin sites. Mr. Hagener said there are two separate responsibilities and two separate funds.

Tape 1, B.

Mr. Lloyd said there used to be two separate programs: Land Administration Program and the Resource and Development Program. During the FY89 session the Resource and Development Program was combined with the Land Administration Program. However, the budget was kept separately. This language would be for the money to go into one account which would be more efficient.

Motion/Vote: SEN. DEVLIN moved to approve the language in Item B: "The executive proposes a change in preparation of this budget. Budgeting for expenditures associated with Resource and Development funds would be commingled with other expenditures. By statute, these funds can only be used for improvements on lands acquired through grant of foreclosure." Motion CARRIED unanimously.

Mr. Hagener reviewed the FTE removed by Joint Committee action. EXHIBITS 2 and 3

SEN. WEEDING asked what positions are the top priorities. Mr. Hagener replied position No. 83, Fiscal Specialist and No. 42, Land Management Program Specialist.

Motion/Vote: SEN. WEEDING moved to reinstate position No. 42 Land Management Program Specialist. Motion FAILED 3-3.

Motion/Vote: SEN. DEVLIN moved to close the hearing on the Land Administration Division. Motion CARRIED unanimously.

Mr. Lloyd noted that the committee had directed him to examine areas where it had increased general fund above the LFA level and where legislation is being proposed to replace general fund with state special revenue through increased fees. EXHIBIT 4

HEARING ON
FORESTRY DIVISION

Don Artley, Administrator of the Forestry Division, reviewed that division with the subcommittee. The Forestry Program is administered by the Forestry Division in Missoula and includes programs in Fire Management, Forest Management, Brush Disposal, Timber Stand Improvement, Tree Nursery, Timber Slash, Forestry Service and Institutional Forestry Work Program. EXHIBIT 5

Fire Management:

The Fire Program is funded with general fund, federal funds and landowner assessments. EXHIBIT 6 and 6A Fifty-two counties are involved in cooperative fire protection. The remaining four counties - Missoula, Powell, Mineral and Granite - have requested entry into the county program. Providing wildland fire training and providing equipment allows counties to raise their level of protection. Over \$62,000 of Rural Community Fire Protection grant money was distributed to local fire departments. One million dollars has been distributed since 1975.

Tape 2, A.

SEN. JERGESON said that one of his concerns is homes being built in forest areas.

SEN. DEVLIN asked whether \$20 is the fire assessment on each homeowner in the forest. Mr. Artley said the \$20 is for the first 20 acres; anything over 20 acres is assessed at .17 cents per acre.

SEN. DEVLIN noted that some homes are built in forested areas where fire protection cannot be provided and asked if the department had any solutions for this. Mr. Artley said HJR 36 was passed by the last legislature requesting the department to meet with the State Fire Marshal to address the issue.

Mr. Murphy further explained the last legislature directed the department to meet with the State Fire Marshal, Department of State Lands, Department of Justice and the Fire Service of Montana to address the issue.

He said they formed a disciplinary committee with the builders, realtors, surveyors, the Montana Association of Planners and the Montana Association of Counties to express their concerns. A three-step approach has been developed: 1) public information package, 2) risk rating for the fire protection agency and 3) a set of subdivision guidelines. He noted that Oregon and Washington are looking into this and possibly charging a fee for the land.

Mr. Artley explained that DSL does not put out fires in homes. They try to protect the home by keeping the fire away; but once the home catches fire, they do not try to put the fire out.

SEN. DEVLIN added that anyone who builds in a high risk area

should have to pay something for the added responsibility of trying to keep the fire away from their house.

Forest Management Program:

Mr. Artley reviewed this program with the committee. EXHIBIT 7

He said that this is a revenue producing agency and a profit making agency. The Audit Report, pages S-2 and S-3, says "From FY86 to FY87 through FY91 to FY92 sales from forest products contributed an average of \$1.98 to the trust for every dollar in expenditures. The general fund rate was \$3.22 for every dollar spent." EXHIBIT 8

By increasing its staff by 7 FTE, DSL estimates it could sell 30 to 35 million board feet per year in the next biennium. That would create \$3.6 million to \$6.1 million for the trust fund. The return would be \$1.88 to \$3.19 for every general fund dollar spent. The current budget is \$1,994,229 which is 100% general fund and a total of 52.03 FTE.

Tape 2, B.

SEN. TOM BECK, SD 24, Deer Lodge, discussed Powell County fire problems with the committee and DSL staff members.

Brush Program: EXHIBIT 9

Mr. Artley said that funding for the Brush Program is from fees charged to purchasers of state timber, and \$11 per thousand board feet of timber is withheld. Sites for the next rotation of trees are prepared. Of 9.29 FTE, 5.60 are seasonal employees, which were caught in the vacancy savings. This program is 100% state special revenue; DSL is asking for spending authority only.

Timber Stand Improvement: EXHIBIT 10

Mr. Artley stated that a better return of timber is produced by planting from nursery stock rather than waiting for natural seedlings to occur. Actual planting is done by local contractors. The fee for Timber Stand Improvements was recently increased from \$11 per thousand board feet to \$22 per thousand board feet. The account is 100% state special revenue.

Service Forestry: EXHIBIT 11

The Service Forestry Program administers for streamside management on federal, state and private lands. This program provides information on forestry best management practices, technical advice for private forest management and control of forest insects and diseases; enforces laws pertaining to activities within 50 feet of a stream; and does on-site consultations to about 10% of the applicants for Best Management Practices. Anyone harvesting timber must notify the department for two reasons: 1) the slash agreement, and 2) notification required by law.

Funding for this program is \$287,400 of general fund and \$494,252 of federal funds.

Janet Ellis, with the Montana Audubon Legislative Fund, expressed her support of the Best Management Practices Audit Program.

CHAIRMAN DEBRUYCKER asked what happens when federal funds are taken away. Mr. Artley answered this issue will come up in the next two or three years, when the value of the service will have to be evaluated.

Slash Program: EXHIBIT 12

Tape 3, A.

To cut timber, an agreement has to be signed with the Department of State Lands. The department charges \$6.00 for the bond and .60 cents per thousand board feet to cover administrative costs. The .60 cents is limited to the first 500,000 board feet of timber. Big companies are bonded through bonding companies and reimburse the department for the complete cost of the program. Part of this program is supported by general fund. The fees are set by statute. The \$6.00 is returned after the DSL has inspected the slash pile and is satisfied with the disposal of the slash.

Fifty-six slash projects were not completed, so DSL cashed the bond and did the work or contracted for the work.

Nursery Program: EXHIBIT 13

The Nursery Program is located in Missoula and serves two purposes: 1) to encourage the planting of trees and shrubs for conservation to prevent erosion, and 2) reforestation of state owned land. A landowner must have a minimum of 10 acres before trees can be purchased from the department. The budget is \$61,519 of general fund and \$221,616 of state special revenue.

Other Services: EXHIBIT 14

These services include providing liability insurance on all types of vehicles; janitorial services, security protection, office supplies, utilities, maintenance, telephone, postage, rentals of office equipment and photocopiers; and a work program for the Swan River Forest Camp inmates.

Mr. Artley said that many of the expenses and one-third of insurance costs are charged to fire assessment funds.

Mr. Lloyd reviewed the LFA and Executive budget differences for the Forestry Division. **EXHIBIT 15**

The current level differences have changed considerably since the LFA budget was produced. The second page of the budget shows the positions that resulted from the SWYSGOOD and COBB motion on vacancy reductions. **EXHIBIT 15, Page 2.**

Tape 3, B.

Mr. Artley reviewed the budget items for the Forestry Division with the committee.

Fire Program:

Item A. The LFA and the OBPP arrived at different figures for

the cost of vehicle and radio maintenance. The LFA gave the department \$18,727 in the first year and the Executive gave the department \$11,273 in the second year. The Executive budget is adequate for department needs, according to Mr. Artley.

Item B. This was an error in budgeting; the department requests the Executive budget for the current level adjustment.

Item C. Private Air Craft Rental. The Executive removed the funds from the forestry budget to help fund the helicopter modification. The correct budget is the Executive.

Item D. Equipment. The LFA budget is higher in equipment because it is related to another modification approved in the 1991 session. In that session DSL was given an additional \$142,542 for the purchase of replacement vehicles in the fire program. The LFA has correctly annualized the \$142,542 into the three-year average, which increases the three-year average to \$661,200 per year.

Forest Management Program:

Item A. Maintenance Contracts. The additional money approved by the Executive is for maintenance and software upgrades for the geographical information system. DSL has requested a one-time-only maintenance contract for the software.

Item B. Equipment. This is the same as the annualizing of the three-year average as discussed above.

Mr. Artley said that the difference between the Executive and the LFA budget is related to the true three-year average. The Executive has eliminated a large part of the equipment budget to a lower level because they were approving the modification for additional vehicles.

Timber Stand Improvement Program:

Item A. Had been reviewed previously. The expenditures do not reflect the fee increase from \$11 to \$22. Because of that increase DSL needs spending authority for \$222,014 in FY94 and \$221,164 in FY95.

Slash Program:

Item A. Equipment. This item has been discussed previously.

Item B. Funding. DSL accumulated a cash balance when it increased the fee structure and has been trying to spend that down. The LFA has elected for that to be spent totally over the next biennium. However, in two years DSL will be asking for more general fund for the Slash Program.

Other Services:

Item A, Transfers. When DSL sends some of its people out to fight federal fires, they are not always firefighting people. Therefore, their normal workload is not getting done. Because of

that, the 1988 Legislature let the department keep some of the money so they could catch up the work that was not getting done. The federal government will be reimbursing the state \$484,824 for assisting on fires. DSL is allowed \$100,000 reimbursement, and the balance is deposited into the general fund.

Item B, Base Increase. As the LFA pointed out, that was an electronic error in the FY 92 base.

Item C, Equipment. The LFA figures are correct because of the annualizing of the equipment over a two year period.

Service Forestry Program:

Item A. This was due to an LFA error in the budget.

Item B. The executive budget is higher by \$6,553 each year due to the way the LFA and the Executive calculated the budget.

Item C, Equipment. This is another item where the difference was due to how the LFA and Executive calculated the budget.

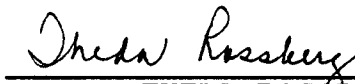
Item D, Funding. Only \$494,252 is available in federal funds. When planning how DSL would take the 5% FTE reductions, personal services were prorated across all funding sources. DSL would like to keep the 3 FTE foresters as long as the money lasts.


ADJOURNMENT

Adjournment: 12:00 P.M.



ROGER DEBRUYCKER, Chairman



THEDA ROSSBERG, Secretary


HOUSE OF REPRESENTATIVES

NATURAL RESOURCES SUB-COMMITTEE

ROLL CALL

DATE

1-26-93

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	✓		

EXHIBIT 1
DATE 1-26-93

LAND ADMINISTRATION DIVISION

Resource Development Funds

MCA 77-1-604. Resource development account. A resource development account in the state special revenue fund in the state treasury is created to be used solely for the purpose of investing in the improvement and development of state lands acquired by grant or foreclosure in order to increase the revenue to be derived therefrom for common school support and support of the other entities, institutions, and objects for which the lands are held in trust. Appropriations from the account shall be expended for not other purposes.

The DSL is in compliance with the statutory language regarding use of resource development funds to support the overall Land Administration program. Approximately 99% of the lands administered by DSL were acquired by grant or foreclosure. The only lands not meeting this criteria are small tracts of fee lands administered for the Department of Family Services, Department of Corrections, Department of Military Affairs, and Department of Natural Resources and Conservation. The total acreage of these fee lands administered is less than 2500 acres.

24 positions within the Land Administration Division work a portion of their time on "resource development" functions. The current legislative appropriation of resource development funds includes 7 FTE. This funding for these 7 FTEs is spread out over the 24 positions. No position is solely allocated to resource development functions. In addition to use in the Land Administration Division, resource development funds are utilized in the Central Management Division for royalty audit and data processing functions.

LAND ADMINISTRATION DIVISION

Positions Removed by Joint Committee Action

Position no. 87 is a Secretary located in the Conrad Unit Office. The position is a part-time position split between the Land Administration Division and the Forestry Division. The position is currently occupied and has been charging time to the Forestry FTE to date in FY 93.

Position no. 129 is a part-time Land Use Specialist in the Northeastern Land Office. This position is currently occupied.

Position no. 42 is a Land Management Program Specialist on the Surface Management Bureau Staff. This position has been held vacant to date in FY 93 to achieve vacancy savings to meet the July Special Session cuts to the FY 93 budget.

Position no. 83 is a Fiscal Specialist on the Minerals Management Bureau Staff. This position was held vacant through last fall to achieve vacancy savings to meet the July Special Session cuts to the FY 93 budget. Recruiting for the position began in late October, 1992; interviews were conducted in mid-December, 1992; the position was offered and accepted in mid-December, 1992; and the new employee came on board on January 4, 1993.

The proposed Federal Farm Program Auditor would be to audit annual payments received by the Department for participation in the annual Price Support and Production Adjustment Programs and the Conservation Reserve Program. During calendar year 1991 the DSL received over 2500 separate checks from the Commodity Credit Corporation amounting to over \$3 million. The DSL did not review these payments to see if they were in fact the correct payments owed the state. The DSL knows there were some errors in payment because of notification by a few County ASCS Offices. How many other errors occurred is unknown due to lack of DSL personnel to review the payments. There is currently no system in place to follow the DSL payment share from the initial enrollment through lessee certification to final payment calculation.

Additionally, the DSL is now in the process of appeal to the ASCS regarding the school trust ineligibility for Drought/Disaster benefits. The DSL believes it has a strong case to prove that the educational trust land beneficiaries should be eligible for Drought/Disaster payments. Assuming the DSL eligibility appeal is successful and the eligibility can go back six years, the trusts may be able to recover over \$5 million. In order to insure proper recovery of these payments, the DSL will need an auditor to review Drought/Disaster contracts including state lands over the past six years.

DEPARTMENT OF STATE LANDS
Program Summary

Land Administration Pgm

DATE 1-26-93

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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 ReferencesLFA Budget Analysis, Vol. II pages C 51-52
Executive Budget pages C 19-20Current 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. *No action Johnson passes*

(25,000) (25,000)

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

1,800 1,800

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

(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. *Jergeson passes*

(2,109) (2,109)

MINOR DIFFERENCES *No action*

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 ModificationsFEDERAL 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. *No action taken*

30,672 26,824

RESTORE 5% REDUCTIONS—The executive recommends restoration of 0.10 FTE eliminated in response to the 5% personal services reduction. *No action*

1,870 1,875

TOTAL MODIFIED LEVEL

32,542 28,699

Exec. Over(Under) LFA
Fiscal 1994 Fiscal 1995

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 G-47 of the LFA Budget Analysis. *Devlin passed*

Johnson passed

and fee structures

EXHIBIT 3
DATE 1-26-93
~~SR~~

DEPARTMENT OF STATE LANDS
Land Administration Division

EXHIBIT 3
DATE 1-26-93
80

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		
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

Natural Resources Subcommittee

Areas Subcommittee Increased General Fund and Where Proposed Legislation was Considered

EXHIBIT 4

DATE 1-26-93

January 25, 1993

Department of Livestock

Diagnostic Laboratory

- ◆ With the exception of \$2,705 in 1994 and \$2,701 in 1995, the committee has approved the executive current level of expenditures.
- ◆ The Charm 11 milk antibiotic test system equipment was approved for \$9,000 (41% general fund) in 1995 with language specifying that if proposed legislation is enacted establishing fees on the milk industry, general fund support is eliminated and state special revenue increase by a like amount.
- ◆ The committee approved the executive level of funding for this program at 41%. This is approximately \$245,765 general fund over the LFA in fiscal 1994 and \$259,834 over in 1995.
- ◆ Language was added to decrease the general fund by up to \$85,000 each year and increase state special revenue a like amount if proposed legislation is enacted establishing fees on the milk industry.

Milk and Egg

- ◆ The committee did not approve the elimination of this program and provided funding at the LFA current level of expenditures and 4.0 FTE. General fund increases over the executive by \$161,803 in 1994 and \$164,193 in 1995.
- ◆ Language was approved stating that the general fund would be eliminated and state special increase by a like amount if proposed legislation is enacted establishing fees on the milk industry.

Department of Agriculture

Plant Industry Division

- ◆ The committee approved the following general fund increases over the LFA current level:

1. Travel -	\$9,097	\$7,465
2. Cellular phones	\$ 800	\$ 600
3. Computer	\$1,600	\$ 0
4. Minor Differences	<u>\$ 335</u>	<u>\$ 860</u>
	\$11,832	\$8,925

- ◆ The committee approved the following general fund budget modifications:

1. Additional potato inspections	\$40,736	\$40,736
2. Agricultural Inspector Upgrades	<u>\$19,931</u>	<u>\$19,931</u>
	\$60,667	\$60,667

- ◆ The committee approved language stating that if proposed legislation increasing agricultural fees is enacted, general fund is eliminated and state special revenue increased by a like amount. *2 c 1, minor*

Department of State Lands

Reclamation Division

- ◆ The committee approved increase above the LFA to be funded with non-general fund money.
- ◆ The committee removed 1.07 FTE from the LFA current level which are partially general fund.
Language was approved stating that if proposed legislation diverting RIT proceeds is enacted, general fund is reduced up to \$,136 in 1994 and \$370,864 in 1995.

January 20, 1993

WRITTEN TESTIMONY
DEPARTMENT OF STATE LANDS
DIVISION OF FORESTRY

DON ARLEY

EXHIBIT 5
DATE 1-26-93
89

Overview

The Forestry Program is administered by the Forestry Division in Missoula. The major purposes of the program are to manage State-owned forest lands held in trust for the support of education, to protect the State's forest and non-forest watershed lands from wildfire, and to provide technical forestry assistance to private landowners, businesses and communities. Program services include:

Fire Management--Provide economically efficient wildfire protection to 50 million acres of State and privately-owned forest and watershed lands through aggressive prevention, presuppression, suppression and county assistance programs.

Forest Management--Manage State Forest Land to:

(1) provide income to the various school trusts through the sale of forest products and the licensing of various special uses; (2) enhance long term productivity; and (3) provide for other resource values, such as soil, water and wildlife.

Brush Disposal--Provide for fire hazard reduction and associated site preparation on State Forest Land following Forest Management program activities.

Timber Stand Improvement (TSI)--Conduct activities such as planting, seeding, thinning, tree improvement, seed collection, and seedling production that improve the composition, condition or growth of trees on State Forest Lands.

Tree Nursery--Grow, sell and distribute tree seedlings and shrubs for conservation plantings on State and private lands, such as for shelterbelts, windbreaks, wildlife habitat improvement, reclamation and reforestation.

Administration of the Timber Slash Law--Assure that the fire hazard created by logging and other forest management operations on private forest land is adequately reduced, or that additional protection is provided until the fire hazard is reduced to an acceptable level.

Service Forestry--Provide the following professional and technical services to Montana residents, businesses and communities.

- Advise and assist private forest landowners and operators in improving forest productivity, preventing erosion and improving the utilization of forest resources; and assist rural and urban communities with their community forestry problems.
- In cooperation with the federal government and private landowners, conduct studies and adopt measures necessary to prevent and suppress outbreaks of forest insect pests and tree diseases.

Institutional Forestry Work Program (IFW)--In cooperation with the Department of Corrections and Human Services, assist in the development of the work skills of residents of the Swan River Forest Camp by providing training in forestry work, carpentry, and automotive mechanics, while at the same time accomplishing needed forestry work.

EXHIBIT 6
DATE 1-26-93
82

FIRE MANAGEMENT

PURPOSE:

The Department of State Lands protects the natural resources of the State from destruction by fire.

BUDGET, FUNDING & FTE:

General Fund:	\$2,736,309	<i>42% of entire S.L.</i>
Assessments: <i>73</i>	1,598,556	
Federal:	<u>362,771</u>	
Total:	\$4,697,636	

FTE:	Permanent	65.00	
	Seasonal	<u>53.05</u>	(177 positions)
	Total	118.15	

State Direct Protection:

State and Private Lands	3,344,257
BLM Lands	694,665
USFS Lands	949,877
BIA Lands	<u>- 0 -</u>
Total	4,988,799 acres

Federal Direct Protection of State and Privately-Owned Lands (Subcontract):

BIA	153,836
BLM	84,025
USFS	<u>1,591,136</u>
Total	1,828,997 acres

State/County Cooperative Fire Protection:

<i>Missile, Rural, Mines + Grants</i>	
52 Counties (State and private lands)	45,354,643 acres

<u>Grand Total State and Private Lands Protected:</u>	50,527,897 acres
--	-------------------------

OBJECTIVES:

Prevention (HJR36--1991 Legislature)

- Reduce the number and severity of wildfires occurring each year.
- Increase Montanans' awareness of the risks associated with building residences in wildlands where fire is a constant danger by developing fire prevention and life safety literature and targeting prevention messages and actions to these "residential/wildland interface areas."
- Complete Fire Risk Rating of DSL's direct protection.

County Fire Protection

- Assist the 52 counties participating in our State/County Cooperative Fire Protection Program, by providing training, organizational assistance, fire equipment and suppression support. For example, in FY92 we:
 - Completed 37 trips to federal facilities and acquired \$2,660,203 worth of Federal Excess Property.
 - Developed 22 fire vehicles for use in the Direct and County Co-op. Programs.
 - Performed 762 fire readiness inspections on fire apparatus.
 - Distributed \$62,400 of Rural Community Fire Protection grant money to local fire departments (> \$1,000,000 since 1975).

Prescribed Fire

- Coordinate the fall prescribed burning program on all federal, State and large private forest industry lands, through the Montana/Idaho Cooperative Smoke Management Program.

1992 PROGRAM	
<u>Planned</u>	
# of Acres	200,296
# of Burns	4,920

- Review and provide input to federal agencies regarding management fires (Let Burn) and corresponding plans. (Two plans and three burns were reviewed in 1992.)

Training

- Conduct wildland fire training courses for local government fire fighters. (FY92: 38 courses/1,050 fire fighters.)
- Conduct courses for seasonal fire fighters. (13 courses/335 seasonal fire fighters.)

Suppression

- Control 95% of all direct protection fires at 10 acres or less. (FY92: 96.3%/10 year average 95%)

WILDFIRE SUMMARY						
NUMBER OF FIRES			YEAR	NUMBER OF ACRES		
Person	Natural	Total		Person	Natural	Total
242	171	413	*Average	22,473	14,787	37,260
259	182	441	1991	18,590	193,743	212,333
258	159	417	1992	6,478	1,291	7,769
*Based on a 7-year average (1986-1992, removing high and low years).						

- Support other State and federal agencies. (FY92 supported on 145 incidents.)
- Maintain the private forest fire landowner assessment rolls. (1/3: 2/3 statute.)

Current Rates: Minimum--\$20 per owner per protection district. Maximum--\$0.17 per acre for every acre over 20.

Total # of owners assessed: 47,018

Total # of acres on rolls: 5,173,254

Total assessments collected in FY92: \$1,562,941

Office of the Legislative Auditor

State of Montana



Report to the Legislature

December 1992

Performance Audit Report

Fire Management Program

Department of State Lands

This report contains information indicating the state's Fire Management Program is operating as intended. We found:

- ▶ The department follows national standards for training and using fire fighting personnel.
- ▶ DSL, local government, and federal agencies coordinate efforts when suppressing wildland fires in Montana.
- ▶ DSL is meeting its goal of suppressing 95 percent of wildland fires at 10 acres or less.

The program could improve its operations in the areas of:

- ▶ Determining who should receive fire fighting training.
- ▶ Documentation of fire fighting training qualifications.
- ▶ Access controls to the Fire Assessments mainframe computer program.

The original is stored at the Historical Society at 225 North Roberts Street, Helena, MT 59620-1201. The phone number is 444-2694.

Direct comments/inquiries to:
Office of the Legislative Auditor
Room 135, State Capitol
Helena, Montana 59620

91P-34

FOREST MANAGEMENT

PURPOSE

- Manage classified forest lands to provide income to the various School Trusts through the sale of forest products and leasing and licensing for other uses.
- Manage the timber resource to produce sustainable income over the long run, and to improve their productivity and health.
- Provide income by leasing and licensing State Forest lands for uses other than forest product sales.
- Protect and conserve soil and watershed values, wildlife and fisheries habitat, and cultural and recreational resources, as required by law.
- Provide forest inventory information on forest resources in the State of Montana.
- Improve manageability of State lands through land exchange and by acquiring temporary and permanent access.

BUDGET, FUNDING & FTE:

Total Budget: \$1,994,229 (100% General Fund)

Total FTE: 52.03

ACCOMPLISHMENTS (FY92)

Forest Product Sales

Timber Volume Sold (Board Feet)	33.628 Million
Number of Sales	15
Income Earned	\$6,347,461
Acres of Forestland Inventoried	19,300

State Land Administration

Leases and Licenses Billed	1,100
Renewal Inspections	132
Access Acquired	12
Access Issued	38
Appraisals Completed	12

about 500,000 rev.

Office of the Legislative Auditor

State of Montana



Report to the Legislature

November 1992

Performance Audit Report

Management of Forested Trust Land

Department of State Lands

This report contains information concerning issues pertaining to management of forested trust land. The report addresses:

- ▶ Revenue generated by sales of forest products.
- ▶ Need for and funding of the Private Forestry Assistance Program.
- ▶ Need for and funding of the Conservation Planting Program.

The original is stored at the Historical Society at 225 North Roberts Street, Helena, MT 59620-1201. The phone number is 444-2694.

Direct comments/inquiries to:
Office of the Legislative Auditor
Room 135, State Capitol
Helena, Montana 59620

91P-36

BRUSH

PURPOSE:

- Brush Disposal program accomplishes reduction of fire hazard from logging slash on State forest lands, and associated site preparation for reforestation.
- Program activities ensure that slash is treated to comply with State laws and hazard reduction standards.
- Funding is from brush disposal fees charged to purchasers of State timber, as provided in 77-5-204 MCA. (Current fee: \$11 per MBF)
- Brush activity levels vary somewhat from year to year due to fluctuations in rate of timber harvest. This requires that annual spending authorizations be somewhat greater than average annual revenue from brush fees, to ensure that DSL can meet its hazard reduction obligations in a timely manner.
- Actual expenditures limited by number of sites ready for hazard reduction work and by available funds.

BUDGET, FUNDING & FTE:

Total Budget: \$482,667 (100% State Special Revenue)

Total FTE: 9.29 *Spend. auth*

ACCOMPLISHMENTS (FY92):

Mechanical Piling and Scarification	3,834 acres
Prescribed (Broadcast) Burning	16 acres
Hand Brush Work	759 acres
Slashing Cull and Nonmerchantable Trees	246 acres
Burning of Piled Slash	3,552 acres

EXHIBIT 10
DATE 1-26-93

TIMBER STAND IMPROVEMENT (TSI)

PURPOSE:

- Stand improvement activities including reforestation, tree improvement, seed collection, and thinning.
- Done in order to improve the condition of forest lands, and thereby produce greater long-term Trust revenue from these lands.
- Funding is from timber stand improvement fees charged to purchasers of State timber, as provided in 77-5-204 MCA.
- TSI activity levels vary considerably from year to year, depending on available funding and treatment needs associated with recent timber sales. This requires that annual spending authorizations be somewhat greater than average annual revenue from TSI fees, to ensure that DSL can meet its reforestation needs in a timely manner.
- Maximum TSI fee was recently raised from \$11.00 to \$22.00 per thousand board feet, providing increased revenue beyond that available in FY92.
- FY92 accomplishments and expenditures do not adequately reflect the level of activities necessary to reforest timber sale areas or maintain the long-term productivity of forest lands.

BUDGET, FUNDING & FTE:

Auth. To Spend / add \$11

Total Budget: \$651,975 (100% State Special Revenue)

Total FTE: 9.07

PROJECTED ACCOMPLISHMENTS (FY94):

Tree Planting	500,000 Seedlings
	1,300 Acres
Precommercial Thinning	1,000 Acres
Seed Collection	350 Bushels Cones
Tree Improvement Areas Managed	39 Acres
	2,400 Seed Orchard Trees

SERVICE FORESTRY

EXHIBIT 11
DATE 1-26-93
82

PURPOSE:

- Administering State laws for control of forest practices within the Streamside Management Zone on federal, State and private lands.
- Providing information on Forestry Best Management Practices.
- Giving technical advice for private forest management, urban tree management, and control of forest insects and diseases.

BUDGET, FUNDING & FTE:

General Fund	\$287,400
Federal Revenue	<u>494,252</u>
Total	\$781,652

FTE: 15.81

OBJECTIVES:

Forest Practices:

- Provide BMP/SMZ information in response to all forest practices notifications, and provide on-site consultations for the highest priority operations (about 10%).
- Implement corrective actions for all SMZ rule violations detected.
- Monitor the application and effectiveness of BMPs on a sample of completed harvest areas as FTE and budget appropriations allow.

FY92 Accomplishments:

Notifications serviced	1055
On-site consultations	139
Post-harvest evaluations	24

Stewardship and Forestry Assistance:

- Implement the Forest Stewardship and Stewardship Incentive programs in cooperation with other agencies and organizations.
- Provide forestry technical information and advice to landowners upon request.

FY92 Accomplishments:

Total Landowners Served	829
Pre-harvest Assists	67
Landowner Stewardship Workshops	8
Landowner Stewardship Plans	170

Community Forestry:

- Service all requests from communities for urban forestry planning and project assistance.
- Coordinate community forestry volunteer groups upon request.
- Award subgrants for community forestry projects.

FY92 Accomplishments:

Community Forestry Assists	90
Project grants	17

- Awarded U.S. Small Business Administration (SBA) Tree Planting subgrants to Billings, Bozeman, Great Falls, Polson, Saco and Wolf Point.
- Helped four communities--Drummond, Townsend, Ennis, and Virginia City--plan projects under the DNRC's RRD urban forestry grant to DSL for the Headwaters RC&D Area.
- Formed the Montana Community Forestry Council to advise us about program direction, grant allocation, projects and legislation.
- Hired regional community forestry specialists for Miles City, Lewistown and Missoula.

Forest Pest Management:

- Perform surveys of forest insects on State and private land.
- Provide training and technical advice to DSL foresters and other agency personnel.
- Evaluate DSL timber sale plans for pest management implications.

FY92 Accomplishments:

FPM Training Sessions	2
Aerial Survey Completed	1
State Timber Sales Evaluated	2
Pest Samples Evaluated	51
Traps Placed/Retrieved	215

John Federal

DATE 1-26-93

SLASH**PURPOSE:**

Implements State laws pertaining to control of timber slash and debris. DSL carries out its responsibilities by entering into bonded contracts called Fire Hazard Reduction Agreements (HRAs) with the private party in charge of the cutting.

BUDGET, FUNDING & FTE:

General Fund	\$ 80,322
State Special Revenue	<u>295,000</u>
Total	\$375,322

FTE:	Permanent	9.52
	Seasonal	<u>1.39</u>
	Total	10.91

OBJECTIVES:

- Make agreements for fire hazard reduction of timber slash on all private land logging operations in Montana.
- Make inspections and certify compliance with slash standards.
- Enforce the State slash law in cases of non-compliance.

FY92 Accomplishments:

New HRAs	1055
HRAs Certified and Closed	879
MHRA Units Certified	930
Slash Project Takeovers	56

NURSERY

EXHIBIT 13

DATE 1-26-93

PURPOSE:

To encourage the planting of trees and shrubs for conservation purposes, the Forestry Nursery provides high quality, site-adapted hardwood and conifer seedlings for sale to private landowners. Also, we grown conifer seedlings for reforestation of State owned land.

BUDGET, FUNDING & FTE:

General Fund	\$ 61,519
State Special Revenue	<u>221,616</u>
	\$283,135

FTE:	Permanent	2.08
	Seasonal	<u>6.36</u>
	Total	8.44

OBJECTIVES:

Conservation Stock:

- Produce approximately 900,000 seedlings for sale to private landowners for windbreaks and shelterbelts, erosion control, wildlife habitat improvement, mined land reclamation, reforestation and other conservation uses.

Reforestation Stock:

- Produce approximately 500,000 conifer seedlings for reforestation plantings on State Lands.

EXHIBIT 14
DATE 1-26-93
20

OTHER SERVICES

PURPOSE:

- Provide liability insurance for 841 forestry and fire related vehicles including trucks, buses, trailers, and passenger for the Forestry Division, Field Division, and county COOP fire program.
- Provide Janitorial services, security protection for field offices, and forestry division complex.
- Provide office supplies, operating materials, utilities, building and grounds maintenance and supplies for 167 buildings owned and leased.
- Provide lease payments for sixteen office, storage and shop facilities at DSL locations around Montana.
- Provide telephone service, and postage for field offices and forestry division.
- Provide for rental, and maintenance of office equipment to include computer system networks, and photocopiers.
- Provide a forestry work program for the inmates of the Swan River Forest Camp, in cooperation with the Department of Corrections and Human Services.

BUDGET, FUNDING & FTE:

General Fund	1,143,216
Federal Revenue	100,000
Total	1,243,216
 Total FTE	 15.87

5501 25 00000

DEPARTMENT OF STATE LANDS

Program Summary

Forestry

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	246.22	243.78	239.57	248.00	(8.43)	239.57	248.00	(8.43)
Personal Services	2,436,428	6,607,679	7,056,855	7,312,819	(255,964)	7,090,207	7,345,619	(255,412)
Operating Expenses	6,662,280	3,613,595	2,770,167	2,574,594	195,573	2,849,044	2,614,748	234,296
Equipment	620,904	636,680	582,810	656,160	(73,350)	571,710	658,100	(86,390)
Transfers	0	44,000	100,000	0	100,000	100,000	0	100,000
Total Costs	\$9,719,613	\$10,901,954	\$10,509,832	\$10,543,573	(\$33,741)	\$10,610,961	\$10,618,467	(\$7,506)
Fund Sources								
General Fund	5,890,916	6,515,446	6,411,674	6,516,476	(104,802)	6,503,323	6,579,392	(76,069)
State Revenue Fund	2,872,977	3,468,866	3,141,135	3,083,693	57,442	3,150,615	3,095,545	55,070
Federal Revenue Fund	955,719	917,642	957,023	943,404	13,619	957,023	943,530	13,493
Total Funds	\$9,719,613	\$10,901,954	\$10,509,832	\$10,543,573	(\$33,741)	\$10,610,961	\$10,618,467	(\$7,506)

Page References

LFA Budget Analysis, Vol. II pages C-54-56
Executive Budget page C-21

Current Level Differences

PERSONAL SERVICES—The executive eliminates 8.43 FTE in response to the 5% personal services reduction.

(255,964) (255,412)

FIRE PROGRAM

A. The LFA phases in 1991 legislative modifications based on the full appropriated increase between fiscal 1992 and 1993 added to actual 1992 expenditures and allows the agency request for additional vehicle and radio maintenance above fiscal 1992 expenditures. *mod.*

(18,727) 11,273

B. Current level adjustment—The executive accurately reflects the correct current level *see LFA*

0 1,540

C. Private aircraft rental—The executive reflects approval of a modification in Centralized Services for retrofitting additional aircraft which would decrease the need for this item. If the modification in Central Management is approved, the executive level should be adopted. *see LFA*

(4,000) (26,685)

D. Equipment *3 yr average*

(50,790) (39,175)

FOREST MANAGEMENT PROGRAM

A. Maintenance contracts—The executive includes increase above fiscal 1992 expenditures for maintenance and software upgrades for the geographical information system.

3,082 3,987

B. Equipment *3 yr average above average*

(14,795) (24,400)

TIMBER STAND IMPROVEMENT PROGRAM

A. Contracted services for tree planting & thinning—The LFA current level reflects fiscal 1992 actual expenditures.

222,014 221,264

SLASH PROGRAM

A. Equipment—The LFA current level reflects the agency request. *W. defile*

2,100 (250)

B. Funding—In response to a recent legislative audit which found fund balance in the slash account was available to fund program activity, the LFA current level reduces general fund and increases state special revenue for fiscal 1994 and 1995 only. *See pages C-55-56 for a funding issue in this program.*

OTHER SERVICES PROGRAM

A. Transfers—The executive includes spending authority for federal fire reimbursements. Since these funds are deposited in the general fund, any amount spent by the department reduces general fund deposits. See language below. See LFA Budget Analysis page C-55 for a discussion of this transfer authority.

100,000 100,000

B. Base increase—The LFA current level reflects additional 1992 expenditures not included in the executive base. *should have been 92 base 24 in 92 expense*

(7,312) (7,312)

C. Equipment

(6,035) (13,865)

SERVICE FORESTRY PROGRAM

A. The LFA current level errors in not budgeting all of federal stewardship forestry activities. Since the entire amount of federal funds were used to fund the program, general fund would fund this increase. See attached sheet.

B. Phase-in of 1991 legislative modification—The LFA current level reflects the full amount of the appropriated increase between fiscal 1992 and 1993 added to actual fiscal 1992 expenditures for the Forest Resource Management modification approved by the 1991 Legislature.

C. Equipment

D. Funding—The LFA uses unavailable federal funds to replace general fund in current level. See attached sheet.

MINOR DIFFERENCES

INFLATION (Non-voting item)

TOTAL CURRENT LEVEL DIFFERENCES

Executive Budget Modifications

VEHICLE REPLACEMENT—The executive recommends funding (2/3 general fund) to purchase 27 replacement vehicles.

RESTORE 5% REDUCTIONS—The executive recommends reinstatement of 5.79 FTE eliminated in response the 5% personal services reduction. Approval of this modification would add 3.00 FTE to the level approved by the 1991 Legislature. See related funding issue discussed on the attached sheet.

Language

The 1991 Legislature included the following language concerning the federal fire reimbursement appropriation: "Federal fire reimbursement funds are those funds received for expenses incurred from loaning department personnel to federal agencies to assist in fire suppression activities. Only those federal funds received as reimbursement of expenses credited against the department's state forestry operational budget are considered federal fire reimbursement funds. All other federal funds received must be deposited into the general fund. The department shall report federal fire reimbursement expenditures on state accounting records, and the records must be separate from current level operations."

0 30,000

6,553 6,553

(3,830) (8,700)

(1,167) (1,167)

(4,870) (5,157)

(33,741) (7,506)

285,000 285,000

144,136 144,779

SERVICE FORESTRY
LFA & EXECUTIVE CURRENT LEVEL

EXHIBIT 15
DATE 1-26-93
8

Contained in Budgets

	Fiscal 1992	Fiscal 1994		Fiscal 1995	
		Executive	LFA	Executive	LFA
Expenditures	798,212	781,652	832,137	771,256	796,450
State Special	479	0	0	0	0
General Fund	278,833	287,400	251,182	277,004	215,369
Federal	<u>518,900</u>	<u>494,252</u>	<u>580,955</u>	<u>494,252</u>	<u>581,081</u>
TOTAL	798,212	781,652	832,137	771,256	796,450

Note: Only \$494,252 federal funds are available for each fiscal year.

The executive uses \$86,703 federal funds in fiscal 1994 and \$86,829 in 1995 to fund the budget modification. The LFA used these funds to fund current level.

LFA Error Adjustment Fiscal 1995

	Fiscal 1992	Fiscal 1994		Fiscal 1995	
		Executive	LFA	Executive	LFA
Expenditures	798,212	781,652	832,137	771,256	826,450
State Special	479	0	0	0	0
General Fund	278,833	287,400	251,182	277,004	245,369
Federal	<u>518,900</u>	<u>494,252</u>	<u>580,955</u>	<u>494,252</u>	<u>581,081</u>
TOTAL	798,212	781,652	832,137	771,256	826,450

LFA Federal Funding Adjustment

	Fiscal 1992	Fiscal 1994		Fiscal 1995	
		Executive	LFA	Executive	LFA
Expenditures	798,212	781,652	832,137	771,256	826,450
State Special	479	0	0	0	0
General Fund	278,833	287,400	337,885	277,004	332,198
Federal	<u>518,900</u>	<u>494,252</u>	<u>494,252</u>	<u>494,252</u>	<u>494,252</u>
TOTAL	798,212	781,652	832,137	771,256	826,450

Note: The LFA is \$50,485 higher in general fund in fiscal 1994 and \$55,194 in 1995 primarily due to the executive elimination of 1.50 general fund FTE. *Please verify adjust.*

DEPARTMENT OF STATE LANDS
Forestry Division

EXHIBIT 15

DATE 1-26-93

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		
All or Partial General Fund Positions							
60450	Appraiser	28,901	28,901	1.00		1.00	
60600	Vocational Trainer	34,117	34,117	1.00		1.00	
60635	Forestry Program Specialist	36,830	36,830	1.00	0.00	1.00	
60925	Field Technician	32,299	32,352	0.89	0.11	1.00	
60220	Nursery Supervisor	39,780	39,780	1.00		1.00	
60633	Forestry Program Specialist	23,437	23,437	0.75		0.75	
87	Secretary	2,464	2,468	0.00	0.10	0.10	
115	Forester	26,170	26,194		1.00	1.00	
128	Forester	30,859	30,908		1.00	1.00	
60120	Resource Program Manager	38,821	38,882		1.00	1.00	
60445	Forester	30,711	30,756		1.00	1.00	
60480	Forester	32,265	32,370		1.00	1.00	
60800	Vocational Trainer	32,202	32,250		1.00	1.00	
60980	Warehouse Foreman	33,189	33,271		1.00	1.00	
60988	Forestry Program Specialist	34,794	34,844		1.00	1.00	
60999	Forestry Program Specialist	31,248	31,296		1.00	1.00	
65116	Typist	4,662	4,714		0.25	0.25	
65126	Forestry Worker	13,492	13,506		0.60	0.60	
65161	Field Technician	9,240	9,300		0.30	0.30	
65270	Forestry Worker	1,863	1,880		0.10	0.10	
90207	Forestry Worker	19,923	20,104		1.19	1.19	
90210	Equipment Operator	3,198	3,227		0.15	0.15	
90505	Forestry Worker *	0	0		0.00	0.00	
90511	Equipment Operator *	7,912	7,984		0.33	0.33	
90605	Forestry Worker	25,200	25,428		1.74	1.74	
90705	Forestry Worker *	7,241	7,307		0.50	0.50	
90707	Forestry Worker	58,947	59,481		3.32	3.32	
Sub - Total		639,765	641,587	5.64	17.69	23.33	0.00
Non - General Fund Positions							
90607	Forestry Worker	11,833	11,833	0.63		0.63	
90409	Equipment Operator	7,773	7,773	0.33		0.33	
90609	Forestry Worker	28,754	28,754	1.29		1.29	
90509	Forestry Worker	8,818	8,818	0.41		0.41	
90610	Field Technician	3,136	3,136	0.13		0.13	
Sub - Total		60,314	60,314	2.79	0.00	2.79	0.00
TOTAL		700,079	701,901	8.43	17.69	26.12	0.00

* Positions in the LFA base that have less FTE than listed by the Swysgood motion:

90505 .25 in motion
90511 .58 in motion
90705 3.32 in motion

HOUSE OF REPRESENTATIVES
VISITOR'S REGISTER

NATURAL RESOURCES SUB COMMITTEE ~~BILL NO.~~ _____

DATE 1/26/03 SPONSOR(S) _____

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
Tim MURPHY	DSL		
Jeff Hagener	DSL		
Don Artley	DSL		
Boo Cline	DSL		
Janet Ellis	MT Audubon		

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