

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 53rd LEGISLATURE - REGULAR SESSION

JOINT SUBCOMMITTEE ON NATURAL RESOURCES

Call to Order: By **CHAIRMAN ROGER DEBRUYCKER**, on February 4, 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: **FISH, WILDLIFE & PARKS**
Parks Division
Fisheries Division

Executive Action: **FISH, WILDLIFE & PARKS**
Parks Division

SEN. WEEDING presiding at this meeting.

He said the committee would take up the differences in the budget when **CHAIRMAN DEBRUYCKER** gets back to the meeting.

EXECUTIVE ACTION CONTINUED **PARKS DIVISION**

Roger Lloyd, Legislative Fiscal Analyst, said the committee may want to correct an error that was made on Item B, of the Grants in the Parks Division Budget. **EXHIBIT 1.**

Motion/Vote: **SEN. DEVLIN** moved to approve the corrected figure

of \$253,734 in FY94 and \$253,734 in FY95 for federal grant funds and (1,855) in FY94 and (\$3,985) in FY95 for Minor Differences. Motion CARRIED unanimously.

Arne Olsen, Administrator of the Parks Division, requested a change in the language issue as follows: add "and other appropriate entities."

Motion/Vote: SEN. DEVLIN moved to approve the language to add "and other appropriate entities" to the last sentence in Item C. Motion CARRIED unanimously.

Mr. Olsen showed a video on the Snowmobile Program.

He said the applications are received in the spring, and all the grants are issued in June. The expenditures are dependent upon the weather. If there isn't much snow, they don't need to use the grooming equipment as much. The base year of FY92 was not a big snow year, so they didn't use the funds. They feel the funds should be based upon an average snow year. They would like the authority to use these funds and pass them through to the local clubs.

SEN. DEVLIN asked what kind of funds are in the snowmobile account. Mr. Olsen said the funds are from the fuel tax and registration decal fees. EXHIBIT 2

SEN. DEVLIN asked what the balance is in that account? Dave Mott, Fiscal Administrator, Fish, Wildlife & Parks Division, said there is about \$100,000 in that account that they are asking to spend down for FY94 and FY95. They are also spending the annual revenue that goes into that account as well. Therefore, there is about \$200,000 in that account.

Pat Graham, Director, Fish, Wildlife & Parks, said they only spent what is in the account and the users are asking that money to be spent out on the trails. FWP gets the same income regardless if there is a low snow year because it is based on the gas tax and decal fees.

SEN. DEVLIN said if it is a low snow year, they won't get much tax money. Mr. Graham said it is a fixed tax on all gas purchases.

Motion/Vote: SEN. DEVLIN moved to approve the Executive for \$100,000 each year of the biennium for the Snowmobile Program. Motion CARRIED unanimously.

Equipment:

Mr. Olsen said a new snow groomer would cost about \$130,000. The request is for a used groomer which can be purchased for about \$90,000. Each club is trying to have at least one groomer in their area. They need additional groomers to keep up with the demand.

SEN. DEVLIN asked if they have a replacement schedule for groomers. Mr. Olsen said yes they do have a replacement schedule that varies depending upon hours used and difficult terrain. Most equipment is replaced from ski areas when they upgrade their equipment.

CHAIRMAN DEBRUYCKER asked whether they loan the groomers to the different clubs or whether they run them themselves. Mr. Olsen said technically it is state equipment and the clubs run them.

Gretchen Olheiser, Parks Division, said the equipment is leased to the clubs and they provide part of the grant applications that they receive the state funds for. FWP gives them some state funds for them to operate that equipment. If there is a major breakdown, FWP assists out of a major maintenance account from the Helena office.

SEN. WEEDING asked how they determine who gets a snow groomer. Mr. Olsen said they go by the replacement system. Some of them are used more often than others. They participate in all the decisions. There is a Snowmobile Association that helps to decide where the grants should go.

Motion/Vote: SEN. JERGESON moved to approve the Executive for \$90,000 each year of the biennium for snowmobile groomers.
MOTION CARRIED UNANIMOUSLY.

Parks General Fund:

Motion/Vote: SEN. DEVLIN moved to approve the Executive for \$360 for FY94 and (\$1,990) for FY95 for Parks General Fund. Motion CARRIED unanimously.

Off-Highway Vehicles Program:

Mr. Olsen said this is similar to the Snowmobile Program. It is a relatively new program instituted by the 1991 Legislature. FWP is required by MEPA to go through a process of evaluation and planning before the program can be up and running. Their revenue estimates are higher than estimated which is why they are requesting a higher expenditure amount. EXHIBIT 3

Some of the money would be dedicated to grants for trail renovation and EIS.

Motion: SEN. JERGESON moved to approve the Executive for \$25,160 for FY94 and \$29,552 for FY95 for the Off-Highway Vehicles Program.

Discussion:

Mr. Olsen said the Off-Highway Vehicles Program EIS has not gotten underway yet. They have to show that they have addressed the impacts and may have to re-route the trail if it should go through a critical wildlife area.

SEN. DEVLIN asked if that is an on-going EIS and when it will be done. Mr. Olsen said this document will be done within the next year and one-half. They should only have to do it once if it is done properly.

SEN. DEVLIN asked when a decal is put on an off-highway vehicle, if is this for mountain bikes also. Mr. Olsen said these are motorized vehicles, only. They are going to look at establishing a statewide program for trails to accommodate everyone.

Mr. Lloyd said if the EIS is completed in a year and one-half, they may not need any funds in 1995. FY94 is a base year and any expenditures in the base year will roll forward into the FY97 biennium.

Amended Motion/Vote: SEN. JERGESON moved to amend his motion to approve \$40,000 for the biennium for Off-Highway Vehicles EIS and not to be included in current level. Motion CARRIED unanimously.

Mr. Olsen said he had one more trails item he would like to present: National Recreational Trails Act Funds for Montana Trails. EXHIBIT 4.

Mr. Olsen said they are asking for spending authority for the additional federal money appropriated for this act. Congress appropriated \$129,060 to Montana for FY94. They anticipate as much as \$500,000 per year in future years. This act provides for the development, maintenance and acquisition of recreational trails.

Tape 1, B.

They are asking for \$350,000 based upon anticipated revenues. This is one of the few federal programs that does not require a match.

CHAIRMAN DEBRUYCKER asked how much is it going to cost to administer this program. Mr. Olsen said they have a person who coordinates trails efforts. They have looked at a portion of his salary under the coal tax. Five percent of the coordinator's time is dedicated to non-motorized trails which is provided by law.

CHAIRMAN DEBRUYCKER said he didn't believe the department could hire anyone at 5% of \$129,000 to coordinate this program. Mr. Olsen said that person is already on board and he is paid partially by the Snowmobile Program.

Ms. Smith said this would be an additional modification. Ms. Olheiser said she had made an error; the amount allocated for administration costs is 7%.

Motion/Vote: SEN. JERGESON moved to approve the modification for \$350,000 biennial appropriation for the National Recreational Trails Act. Motion CARRIED 4 to 2 with SEN. DEVLIN and CHAIRMAN

DEBRUYCKER voting no.

Legislative Contract Authority: Pages C-13 to C-15. EXHIBIT 5.

Motion: SEN. JERGESON moved to approve the Executive for \$160,000 each year of the biennium for Legislative Contract Authority.

Discussion:

Mr. Lloyd explained this issue previously.

SEN. JERGESON said he believed that approving contract authority at the Executive level will lessen the workload of the Legislative Finance Committee.

Mr. Olsen said the department gets donations from different companies. They got a donation from a private person in Great Falls for \$15,000 who indicated she wanted to contribute to Bannock State Park. During the re-licensing of the Federal Regulatory Commission, the Montana Power Company is working on a package for mitigation with FWP because of the impacts of their dam on the Madison River. They anticipate \$100,000 from them for both fiscal years. The money would be used for new and expanded efforts beyond what they currently do.

Mr. Lloyd said in FY91 the Legislature authorized \$25,000 for FY92, of which \$6,854 was spent.

Vote: Motion CARRIED unanimously.

Minor Differences:

Motion: SEN. DEVLIN moved to approve the Executive for (\$1,856) in FY94 and (\$3,985) in FY95 for Minor Differences.

Discussion:

SEN. JERGESON asked whether they pay dues to any lobbying organizations. Ms. Olheiser said they do not pay dues to any lobbying organizations. Mr. Graham said they belong to the Montana Association of Conservation District but do not pay any lobbying fees. Mr. Lloyd said in the Parks Division, they have \$1,895 in their budget for dues.

Vote: Motion CARRIED unanimously.

Mr. Olsen said, in response to CHAIRMAN DEBRUYCKER'S letter regarding the general fund issue, they are prepared to go over the list with the committee. EXHIBIT 6.

Their total reductions would be \$106,988 which would be \$53,494 each year of the biennium to meet the target. The impact of this reduction would be less visitor services such as informational brochures, elimination of camping reservations and fewer special events, etc.

Mr. Lloyd said there were 2.00 FTE that was eliminated so that

will help reduce general fund.

Motion: REP. DEBRUYCKER moved to eliminate Items 4, 5, 6 and cut 3 to \$91,553 each year of the biennium.

Discussion:

SEN. JERGESON asked if they could take action on each individual item.

CHAIRMAN WEEDING said it was agreeable with him.

Motion/Vote: SEN. JERGESON moved to eliminate Item 6, Information, Education and Interpretation for \$23,814 each year of the biennium. Motion APPROVED unanimously.

Motion/Vote: SEN. JERGESON moved to eliminate Item 5, Tourism Enhancement for \$19,064 in FY94 and \$11,819 in FY95. Motion CARRIED 5 to 1 with REP. JOHNSON voting no.

Motion/Vote: SEN. JERGESON moved to eliminate Item 4, Park Partnership Support for \$4,500 each year of the biennium. Motion CARRIED 5 to 1 with REP. JOHNSON voting no.

SEN. JERGESON said he opposed cutting Item 3, Visitor Services and Safety by \$25,000. When it comes to visitor safety, he gets a little nervous about the liability this would be creating.

REP. DEBRUYCKER agreed with SEN. JERGESON on the safety matter. However, there are other things involved like Native American and university intern projects.

Mr. Olsen said about half of the \$116,583 is spent for safety and security items.

REP. WISEMAN asked why, since the feds have so much money, there isn't a trail in every park and if there is anything in the federal program to keep the state from doing that. Mr. Olsen said the money can be used for trails. Montana doesn't have many trails in state parks. Just trying to keep the rest rooms open is an extra they are trying to cut out. If they used all of the \$129,000 in state parks, none of the local groups would get any of those funds.

REP. DEBRUYCKER said if \$58,000 went to safety, there is still the \$33,000 to use wherever they wish.

REP. JOHNSON asked what most important item Mr. Olsen would retain in the cut on Item 3. Mr. Olsen said it would have to be the interns.

Vote: Motion FAILED 3 to 3.

Tape 2, A.

Mr. Lloyd reviewed the SWYSGOOD vacancy list with the committee.

EXHIBIT 1

He said the positions with the single asterisks were already considered by the subcommittee on the Capitol Grounds Maintenance Program. #26452 - .09 FTE was eliminated and #96446 - .50 FTE was restored.

The double asterisked positions are contained in the executive Parks Deficit modification. If the committee reinstates them, it would be a duplication.

The three asterisks are positions that are less than the SWYSGOOD motion in the LFA current level.

Mr. Olsen said all of the positions listed are seasonal employees for the parks. Since they were summer positions, they were shown as vacant at the time of the snapshot.

He said position #26709 is a .22 FTE of the .50 FTE is general fund. Position #26501 is .15 FTE of the .16 FTE and is general fund. The Parks Patrol Officer works at the Tongue River Reservoir and the Rosebud Battlefield. He works on MEPA compliance and visitor safety.

The Laborer works at two different sites as caretaker: Pictograph Canyon and Plenty Coups State Park.

If the dollar amounts are cut on those FTE, it would be beyond the target amount that was established.

Motion: SEN. JERGESON moved to restore positions #26709 and #26501.

Discussion:

REP. WISEMAN asked where the department will take the cuts if much more is added.

SEN. JERGESON said that the targets were contained in a House Resolution, and the committee must decide how much to adhere to it.

REP. JOHNSON asked how short the committee is on reaching the goal at this time.

SEN. DEVLIN said they are already \$25,000 away from the target and would add to that amount by approving these two positions. Mr. Lloyd said that, with the committee's action this morning, \$137,511 of general fund was removed. The action yesterday added back about \$104,000.

REP. DEBRUYCKER asked how the state patrolled the parks back in 1989 or 1990 when there wasn't any general fund. Mr. Olsen said they weren't maintained until the 1989 Legislature asked them to implement the fee system.

Vote: Motion FAILED 3 to 3.

Mr. Olsen reviewed the other FTE with the committee. He said he would like to reinstate position #16424 Parks Operations Specialist.

Motion/Vote: SEN. JERGESON moved to reinstate position #16424, Parks Operations Specialist. Motion CARRIED unanimously.

Mr. Olsen said the Park Patrol Officers collect the fees and work on visitor safety, MEPA compliance and maintenance.

Mr. Lloyd said these FTE are in the budget for the FY95 biennium, except for the positions noted with the asterisks.

SEN. JERGESON asked whether there are double asterisk positions included in the State Parks modification. He wanted it clarified that, if this is approved, it would go to the modification. Mr. Lloyd said that, if the committee reinstates these positions here, they would not have to be reinstated in the modification.

There was considerable discussion on the modifications for some of the FTE listed.

Mr. Lloyd said when he funds the modification, it will be funded with general fund regardless of language.

Ms. Smith suggested that the agency give the committee various proposals on funding.

Mr. Olsen said a report submitted to Governor Stephens came up with three options where the parks should be. EXHIBIT 7. Parks Future Protection Option is where they thought the parks should be in operations to keep from slipping backwards. Parks Operations received about \$400,000 for from general fund. That brought them up to the FY92 actual level. Without the modification they would be further behind than in FY91. With the modification they would be about equal to what they are now.

He said an independent survey was done as to how parks should be funded. EXHIBIT 8.

Mr. Olsen reviewed some of the proposed legislation on Parks Funding Potential. EXHIBIT 9.

Tape 2, B.

Motion: SEN. JERGESON moved to approve the modification contingent upon passage of SB 235 or LCXXX.

Discussion:

Mr. Olsen said one of the problems is that interest rates in the coal trust fund cannot be predicted, so they asked for language to be left open to cover the receipt of more coal trust money.

Page 13 of the pink document is a list of "Why We Are In This Position" EXHIBIT 10,

Substitute Motion: SEN. JERGESON moved to approve the modification contingent upon passage of SB 235 on availability of state special revenue derived from the passage of other legislation or increased revenues or existing special revenue sources.

Vote: Motion CARRIED 5 to 1 with REP. DEBRUYCKER voting no.

Expanding Fishing Access Sites:

Mr. Olsen said the purpose of this effort is to try to better utilize federal funds. The Dingell-Johnson funds are from excise taxes on fishing equipment. They are used exclusively for capital construction of ramps, outhouses, roads, etc. Under the law, the state can use some of those funds for operations. However, they cannot use any of that money on sites where Land & Water Conservation funds were used.

SEN. WEEDING asked whether the state gets a set dollar amount of Dingell-Johnson funds. Mr. Mott said there is an allocation from motor boat access sites. This will fade out over time, and they are trying to get those dollars re-directed into operations. Over time all of the motor boat work will be done.

Motion/Vote: SEN. JERGESON moved to approve the Executive of \$60,000 in FY95 for Fishing Access Sites. Motion CARRIED unanimously.

Motion: SEN. JERGESON moved to restore the other portions of positions #26424, #96405, #26114 through #94605 not approved by the Parks Deficit Modification.

Discussion:

Mr. Lloyd said position #26114, .50 FTE has been eliminated by the SWYSGOOD amendment. The committee has just reinstated that position which will show up in the modification. For position #26204, the committee has restored .02 FTE out of .43 FTE because of the modification.

He said the other parts of those positions in the motion were restored by the modification, and the double asterisks restore the other portions.

Position #26114 for .50 FTE has already been restored in the modification.

Motion: SEN. JERGESON moved to restore all other non-general fund positions that have not been restored, Items 2 through 28 excluding #16424.

Discussion:

SEN. DEVLIN asked Mr. Olsen to explain position #26413 and why

that salary is so much higher than the others. Mr. Olsen said that position is in Helena and works at Spring Meadow Lake. That site gets early use and the area must be cleaned up. This person does repair and maintenance work and also works other sites in the Helena area, such as Black Sandy.

Vote: MOTION CARRIED 4 to 2 with SEN. DEVLIN and REP. DEBRUYCKER voting no.

Language:

Item B. Capitol Grounds

Motion/Vote: SEN. JERGESON moved to approve the language as written in the Conservation Corps item. Motion CARRIED unanimously.

Land and Water Conservation:

Mr. Lloyd said the 1991 Legislature authorized \$700,000 from Land and Water Conservation. Without specific language prohibiting transfers, the agency has the ability to transfer the authority among the different programs. Pages C-19 and C-20 EXHIBIT 11.

The authority was in excess of funds received so authority was transferred and used elsewhere. In FY92 the transfer amount was \$42,096 and in FY93 it was \$79,755. That is transfer authority only, and not dollars.

Motion/Vote: SEN. DEVLIN moved this authority be restricted for the Land Water Conservation. Motion was later WITHDRAWN.

Tape 3, A.

Discussion:

Mr. Mott said he had spoken with Jim Haubein from the Legislative Fiscal Analyst's staff. Next Thursday they will bring up this issue with the Long Range Planning Committee to discuss some of the revenue measures.

**HEARING ON
FISHERIES DIVISION**

Larry Peterman, Administrator of the Fisheries Division, reviewed this division with the committee. EXHIBIT 12.

He showed a video on fishing on different areas of the Missouri. He said they work with irrigators and water users to improve stream flow for fish habitat. They work with the fisherman and work on access sites and make sure that the streams are not over utilized.

They are looking at environmental compliance with the Fisheries Program and the analysis of those programs. When a new species is introduced to a body of water, they do environmental assessments on that body of water. Their hatcheries provide fish

to the bodies of water that don't have adequate reproduction to recruit fish from the wild. They plant about ten million different variety of species. There is a warm water hatchery in Miles City which is mostly walleye. Most of the hatcheries are old and they are better than half way through a renovation program started about eight years ago.

The fishing license goes into the fishing access sites to acquire sites and to maintain them.

The funding for the Fisheries Division is from state special revenue (license account) and federal revenue (Dingell-Johnson) funds. Federal money is matched three to one with state license dollars.

Rep. David Wanzenried, House District 7, Kalispell, said he had some concerns about region 1.

Tape 3, B.

One of the major concerns in Northern Montana is restoring the fisheries. The construction of dams, logging practices, discharging water into the rivers and some mismanagement has resulted in the deterioration of fishing in that area, particularly in the Flathead. The people in that region do not think the fisheries division is doing its job.

They are going to try to get the EPA to help the state recover the fishing habitat in that area. The Department felt it would begin to have an impact on that. Since 1991 they received a small number of dollars, authorized for the Rose Creek Hatchery which was never constructed. They received \$36,000 to enter into a cooperative agreement with the federal government to use unused money at the Creston Hatchery. With the department they collected kokanee salmon eggs, and this spring they will be able to plant larger size kokanee salmon. The problem was they didn't have the capacity to raise the fish of that size.

They need to take a careful look at the hatchery at Somers because the hatcheries are old. There is a need for a \$5,000 pump and it needs some physical work. The water pipeline is in dire need of repair. They have a capital investment now that needs to be taken care of.

There is a need for a new sea-wall on Flathead Lake, and they estimate it will cost \$100,000. He would suggest using some of the money left over from the Rose Creek Hatchery to do some additional work.

He mentioned other areas that the Fisheries Division needs to take a look at and also endangered species.

ADJOURNMENT

Adjournment: 12:00 P.M.

Roger DeBruycker
ROGER DEBRUYCKER, Chairman

Theda Rossberg
THEDA ROSSBERG, Secretary
by Theda Rossberg

RD/tr

HOUSE OF REPRESENTATIVES

NATURAL RESOURCES SUB-COMMITTEE

ROLL CALL

DATE 2-4-93

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	✓		

5201 06 00000

DEPT OF FISH, WILDLIFE & PARKS

Parks Division

Program Summary

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	97.67	99.33	92.79	92.54	0.25	92.79	92.54	0.25
Personal Services	2,314,697	2,418,653	2,463,395	2,473,699	(10,304)	2,476,556	2,487,576	(11,020)
Operating Expenses	1,610,452	1,905,786	1,633,526	1,442,297	191,229	1,653,500	1,460,062	193,438
Equipment	173,069	216,251	254,782	165,250	89,532	227,932	143,017	84,915
Grants	79,936	246,173	1,200,000	406,266	793,734	500,000	246,266	253,734
Transfers	0	33,000	160,000	0	160,000	160,000	0	160,000
Total Costs	\$4,178,156	\$4,819,863	\$5,711,703	\$4,487,512	\$1,224,191	\$5,017,988	\$4,336,921	\$681,067
Fund Sources								
General Fund	393,422	384,598	421,235	423,055	(1,820)	414,544	423,055	(8,511)
State Revenue Fund	3,424,759	3,814,088	3,661,804	3,398,009	263,795	3,689,504	3,422,292	267,212
Federal Revenue Fund	122,331	314,122	1,244,200	430,466	813,734	544,200	270,466	273,734
Proprietary Fund	237,642	307,055	384,464	235,982	148,482	369,740	221,108	148,632
Total Funds	\$4,178,156	\$4,819,863	\$5,711,703	\$4,487,512	\$1,224,191	\$5,017,988	\$4,336,921	\$681,067

Page References

LFA Budget Analysis, Vol. II pages C 33-35
Executive Budget pages C 10-11

Current Level Differences

CAPITOL GROUNDS MAINTENANCE PROGRAM—The committee has already taken action on these differences. The committee has already approved the reinstatement of position #96446 (0.50 FTE). The committee may wish to add language specifying that the 0.50 FTE and expenditures from the \$15,030 appropriated for operations not be contained in the LFA and OBPP 1997 biennium budget.

58,482 58,632

PERSONAL SERVICES

- A. Both the LFA and the executive eliminates 4.99 FTE in response to the 5% personal services reduction.
B. Overtime—The LFA current level reflects a 3-year average plus 15% benefits.
C. Attorney position—The executive transfers 0.25 FTE (grade 12) to a grade 17 attorney in the Department Management Division.
D. Other—The executive imposes vacancy savings so the program would meet the 5% personal services reduction.

0 0
(2,735) (2,735)
(8,604) (8,673)
(4,734) (3,293)

EQUIPMENT

- A. The executive includes amounts to buyout the vehicle account.
B. General Fund Equipment—The LFA level is within a 3-year average and reflects the purchase of two 1-ton trucks and does not include a utility trailer. \$8,250 in fiscal 1994 and \$12,600 in fiscal 1995 of the LFA budgeted equipment is contained in the executive "Parks Deficit" budget modification. If the LFA equipment level is approved, the modification request may be lowered by these amounts.

15,000 15,000
(17,500) (22,000)

LAND AND WATER CONSERVATION FUND GRANTS (Biennial appropriation)—The LFA reflects approximately double fiscal 1992 actual grant expenditures. The 1991 Legislature authorized a \$700,000 biennial appropriation for this item. Excess federal authority was used for other purposes. See LFA Budget Analysis pages C 19-20 for issues concerning LWCF.

540,000 0

MONTANA CONSERVATION CORPS

A. General Fund—The LFA funds this program with general fund at the level approved by the 1991 Legislature.

16,825 16,908

B. Grants (federal)—The LFA current level reflects the amount appropriated by the 1991 Legislature.

253,734 246,266

C. The 1991 Legislature included the following language in the general appropriations act (adjusted for the 1995 biennium): "Item [Parks Division] contains \$246,266 from federal funds and \$54,699 from the general fund in fiscal 1994 and \$246,266 from federal funds and \$54,699 from the general fund in fiscal 1995 for the Montana Conservation Corps. It is the intent of the legislature that the department provide a liaison position to coordinate this program with the human resource development council."

SNOWMOBILE PROGRAM

A. The executive requests an increase from the \$219,449 spent in fiscal 1992.

100,000 100,000

R. Equipment—The executive requests the purchase of snowgrooming equipment. The 1991 Legislature appropriated \$105,409 in the 1993 biennium for this purpose. Nothing was spent. *Jergensen passed*

PARKS GENERAL FUND—The LFA current level reflects general fund appropriated by the 1991 Legislature. *DeVries passed*

OFF-HIGHWAY VEHICLES PROGRAM—The executive requests an increase to fund a trails EIS and for off-highway vehicle trail maintenance. *Jergensen passed with a modification to the level*

LEGISLATIVE CONTRACT AUTHORITY—See LFA Budget Analysis pages C 13-15 for a discussion of this issue. *Jergensen passed*

MINOR DIFFERENCES

INFLATION (Non-voting item)

TOTAL CURRENT LEVEL DIFFERENCES

Executive Budget Modifications

EXPAND FISHING ACCESS SITES—The executive recommends additional federal funds for operation and maintenance at fishing access sites. By consolidating LWCF funded sites, the number of sites eligible to receive federal funds will increase. See page C-12. *Jergensen passed*

STATE PARKS DEFICIT—The executive recommends general fund to reinstate 4.99 FTE eliminated in response to the 5% personal services reduction. The executive states this general fund modification is contingent on enactment of a general sales tax (see page C-11 of the Executive Budget). See pages C-12 and pages C-17-18 in the LFA Budget Analysis. If the LFA equipment level was approved (from "Equipment" above, this modification can be reduced \$8,250 in fiscal 1994 and \$12,600 in fiscal 1995.

TOTAL MODIFIED LEVEL

Language and Other Issues

A. See language written above in "Montana Conservation Corps".

B. Remaining appropriations from the Parks Miscellaneous account leaves a negative fund balance at the end of fiscal 1995 if funds are appropriated at the LFA and executive level. See LFA Budget Analysis pages C 17-18 for a discussion of this and other funding issues.

C. The issue concerning the Land and Water Conservation Fund mentioned above is on pages C 19-20 in the LFA Budget Analysis.

90,000 90,000

360 (1,990)

25,160 29,552

160,000 160,000

(1,856) (3,483)

EXHIBIT 7
DATE 2-4-93 59 (83)

SB 1,224,191 681,067

0 60,000

294,083 303,459

294,083 363,459

EXHIBIT 1
DATE 2-4-93

DEPARTMENT OF FISH, WILDLIFE AND PARKS
Parks Division

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

EXHIBIT

DATE

SB

2-4-93

		Total Personal Services		FTE		Total FTE	Non-Approp.
Position #	Position Description	Fiscal 1994	Fiscal 1995	Removed by 5% Reduction	Removed by Being Vacant	Removed	FTE
All or Partial General Fund Positions							
26709	Parks Patrol Officer	14,476	14,494	1022	0.50	0.50	
26501	Laborer	3,189	3,208	015	0.16	0.16	
						0.00	
Sub-Total		17,665	17,702	0.00	0.66	0.66	0.00
Non-General Fund Positions							
1	16424 Parks Operations Specialist	32,696	32,958		0.95	0.95	
2	26148 Parks Patrol Officer	15,235	15,411		0.52	0.52	
3	26420 Parks Patrol Officer	7,961	8,008		0.35	0.35	
4	26424 Parks Patrol Officer **	7,882	7,891		0.34	0.34	
5	96405 Parks Patrol Officer **	19,175	19,334		0.65	0.65	
6	26118 Laborer	2,279	2,293		0.17	0.17	
7	26125 Laborer	4,515	4,542		0.32	0.32	
8	26130 Laborer ***	3,121	3,141		0.22	0.22	
9	26134 Laborer ***	1,474	1,484		0.11	0.11	
10	26204 Laborer **	7,450	7,496		0.43	0.43	
11	26212 Laborer	6,992	7,034		0.40	0.40	
13	26224 Laborer	2,207	2,220		0.16	0.16	
14	26324 Laborer	4,208	4,234		0.28	0.28	
15	26402 Laborer **	6,161	6,198		0.41	0.41	
16	26404 Laborer	3,533	3,554		0.20	0.20	
17	26413 Laborer	14,557	14,630		0.62	0.62	
18	26453 Laborer	9,177	9,231		0.47	0.47	
19	26461 Laborer	7,721	7,821		0.47	0.47	
20	26504 Laborer	1,653	1,663		0.11	0.11	
21	26505 Laborer	3,912	3,668		0.22	0.22	
22	26525 Laborer	706	710		0.05	0.05	
23	26701 Laborer **	8,475	8,526		0.46	0.46	
24	26705 Laborer **	6,312	6,349		0.42	0.42	
25	26346 Laborer	6,587	6,627		0.40	0.40	
26	26352 Laborer	2,598	2,634		0.15	0.15	
27	26114 Administration Clerk **,***	8,187	8,240		0.50	0.50	
28	26512 Research Aide	2,258	2,272		0.13	0.13	
29	26452 Groundskeeper *	404	404		0.02	0.02	
30	96446 Not Yet Classified *	5,079	5,108		0.36	0.36	
Sub-Total		202,515	203,681	0.00	9.89	9.89	0.00
TOTAL		220,180	221,383	0.00	10.55	10.55	0.00

* Already considered by the subcommittee in its deliberations on the Capitol Grounds Maintenance program.

#26452 - .09 FTE eliminated

#96446 - .50 FTE restored (was already eliminated in LFA)

** Parts of these positions are contained in the executive "Parks Deficit" modification as follows:

#26114 - .50 FTE

#26204 - .02 FTE

#26402 - .07 FTE

#26424 - .01 FTE

#26701 - .06 FTE

#26705 - .06 FTE

#96405 - .15 FTE

*** Positions where the FTE in the LFA current level are less than in the Swysgood motion:

#26114 - .60 in motion

#26130 - .32 in motion

#26134 - .14 in motion

#26224 - .19 in motion

#26420 - .40 in motion

#26525 - .23 in motion

2-4-93

SNOWMOBILE PROGRAMEXHIBIT 2
DATE 2-4-93
SB _____

- 1973 *Snowmobile decal initiated \$2*
 \$1 for snowmobile facilities
 \$1 for enforcement
- 1977 *Snowmobile program received .3% of gas tax*
 90% snowmobile facilities
 10% promote safety
- 1979 *Gas tax increased to .5%*
- 1985 *Snowgroomer Proprietary Account established to replace*
 grooming equipment
 \$90,000 average annual expenditure
 Based on replacement schedule
- FY92 (1) *This was a low snow year.*
 (2) *The department purposely curtailed expenditures to*
 compensate for a discovered Dept. of Rev. error which
 over appropriated fuel tax funds to FWP in FY 90-92.

	FY 92 Actual	FY 93 Budget	FY 94 Proposed	FY 95 Proposed
Registration Decal Fees	\$ 2,060	\$ 16,345	\$ 21,280	\$ 21,280
Fuel Tax	\$283,383	\$377,123	\$374,137	\$374,827
Total	\$285,443	\$393,468	\$395,417	\$396,107

Funds are annually passed through to local clubs for grooming, administration, equipment and repairs.

EXHIBIT
DATE 2-4-93
63

2-4-93

OHV REVENUE ESTIMATES

<i>Funding Source</i>	<i>FY92 Actual Expenditures</i>	<i>FY94 Revenue Estimates</i>	<i>FY95 Revenue Estimates</i>
<i>OHV Fuel Tax</i>	<i>\$ 81,629</i>	<i>\$114,476</i>	<i>\$113,155</i>
<i>OHV Decal Fee</i>	<i>18,848</i>	<i>57,000</i>	<i>57,000</i>
<i>Total</i>	<i>\$100,477</i>	<i>\$171,476</i>	<i>\$170,155</i>

Grants for trail renovation/construction increased:

FY94

FY95

\$5,160

\$9,552

A Programmatic EIS will be contracted at:

\$20,000

\$20,000

NATIONAL RECREATIONAL TRAILS ACT
FUNDS FOR MONTANA TRAILS

EXHIBIT 4

DATE 2-4-93

SBCD
Jensen 350,000

The National Recreational Trails Act (NRTA) was passed into law in December, 1991. It is a part of the Intermodal Surface Transportation Efficiency Act. Congress has appropriated \$129,060 to the State of Montana for F.Y. 1994. We anticipate no less than that amount and possibly as much as \$500,000 per year in future years. We are requesting a \$350,000 biennial appropriation based upon a best estimate of expected revenues.

Purpose

To provide funds to the states for the development, maintenance and acquisition of recreational trails.

Fund Source

Federal excise tax attributable to the amount of gas used in off-road motorized vehicles in each state. The law allows for up to \$30 million nationally per year but congress appropriated \$7.5 million for federal fiscal year 1993. Montana's share for F.Y. 1994 is \$129,060.

Allowable Use Of Funds:

1. Up to 7% of state's allocation for program administration.
2. Up to 5% of state's allocation for recreational trail safety and environmental protection of trails.
3. Development of urban trail linkages near homes and workplaces.
4. Construction, maintenance and renovation of trails on public and private lands.
5. Development of trailside facilities.
6. Trail facilities for disabled access.
7. Acquisition of easements and property for trails from willing sellers.

Program Administration:

The Federal Highway Administration (FHWA) administers the program from the federal level. They primarily serve in an oversight capacity and retain 3% of the total funds for administration. The remainder of the funds are provided to the states for grants to public agencies and private organizations. The Montana Department of Fish, Wildlife and Parks has been designated as the state administering agency.

Fish, Wildlife and Parks Program Leadership:

The Department administers the program because of past experience with recreational trail funding programs and staff expertise with trails related matters. Also, the Department administers the Land and Water Conservation Fund, a program similar in nature and design to the National Recreational Trails Act. A State Trails Advisory Committee has been appointed as required by the law.

State Trails Advisory Committee:

The state committee is made up of 2 members from each of the following trails communities: hikers, bicyclers, horseback riders, cross-country skiers, ATV riders, dirtbikers, 4x4 drivers and snowmobilers. The Chair is the State Trails Coordinator. Advisors include the Department's Outdoor Recreation Planner, a representative from the U.S. Forest Service and the Bureau of Land Management and the Department of Transportation's Bicycle and Pedestrian Coordinator.

The committee's responsibilities are to assist in the development of the format for granting NRTA funds to sponsors, identifying trail need priorities for Montana, initiate a state trails plan and represent the trails community in the development of a sound comprehensive trails program for Montana.

State Trails Plan:

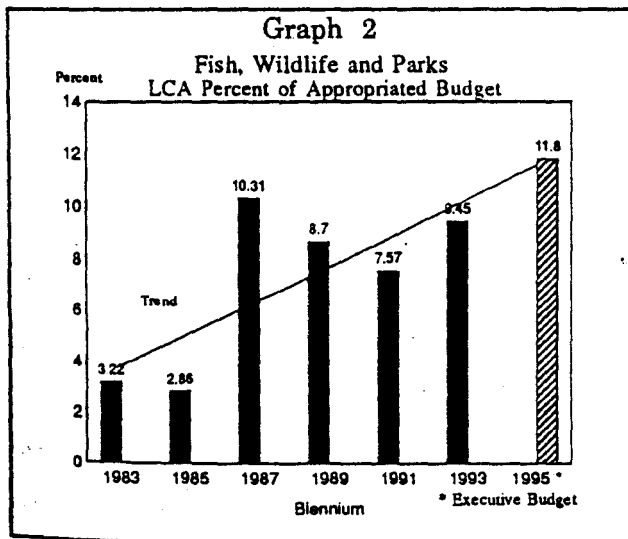
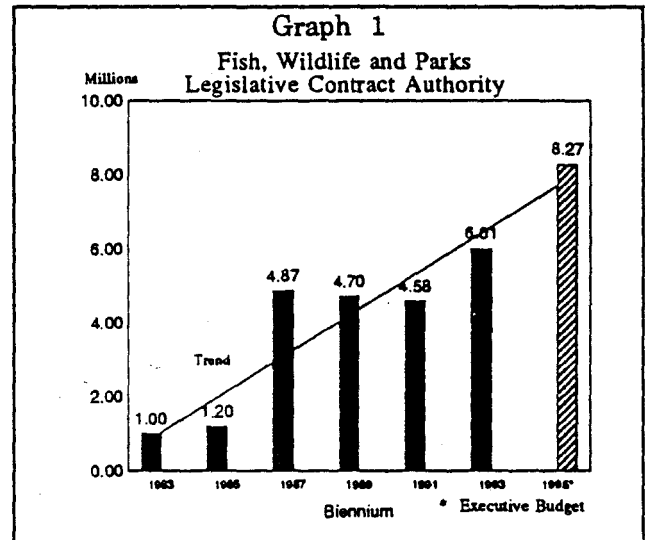
The Department, with cooperation from the State Trails Advisory Committee, has initiated Montana's first State Trails Plan. This plan will become the next revision to the Montana State Comprehensive Outdoor Recreation Plan. Within the next two months, we will conduct a statewide survey of public opinion on trails and trail related matters followed by an inventory of trails in Montana.

Issues

Legislative Contract Authority

1. Legislative contract authority (LCA) provides a means by which the legislature appropriates additional federal and private funds the Department of Fish Wildlife and Parks (FWP) receives after the legislature adjourns, thus eliminating the need for budget amendments. Historically, FWP has been the only agency authorized LCA; all other agencies must use the budget amendment process. However, in the 1993 biennium, LCA was also approved for the Montana State Library. The Executive Budget recommends that LCA be allowed for all state agencies during the 1995 biennium.

As shown in Graph 1, FWP has received \$22.4 million of LCA since fiscal 1982 when this mechanism was first established. Biennial LCA appropriations in FWP have increased from \$1.0 million in 1983 biennium to \$6.0 million in 1993 biennium, an average annual increase of over 18 percent. In comparison, 251 budget amendments totaling \$24.9 million were approved for all other agencies in fiscal 1992. FTE added through LCA in FWP has also increased, from 37.58 FTE in fiscal 1990 to 48.00 FTE in fiscal 1992.



As Graph 2 shows, LCA has increased from 3.2 percent of the department's operating budget in the 1983 biennium to 9.5 percent in the 1993 biennium. The Executive Budget includes 11.8 percent of its 1995 biennium budget in LCA, the highest percentage since LCA began.

2. As with budget amendments, the need for LCA appropriations may not be known at the time the legislature is in session. However, there are some differences between budget amendments and LCA. Unlike budget amendments, the Legislative Finance Committee does not review each individual LCA request to ensure it meets statutory criteria. Two of the statutory criteria of the budget amendment process is that funds were unavailable for legislative consideration and that additional services will be provided as a result of the expenditures. Much LCA activity does not meet these criterion. As Table A shows, projects funded through LCA do not

provide additional services since these projects have been in existence for several biennia. The federal funds could have been presented for legislative consideration since these have been received for several years. As Table A shows, funding for many of the projects that began in fiscal 1990 with LCA and were continued with LCA in the 1993 biennium are again being requested for LCA in the 1995 biennium. The department should request spending authority for continuing projects and continuing federal funds through the budget modification process, rather than LCA.

Table A
Fish, Wildlife and Parks
Projects Continued with LCA

EXHIBIT

DATE

2-4-93

SB

Project Title	Fiscal 1990	Fiscal 1991	Fiscal 1992	Request 1994	Request 1995
<u>Fisheries</u>					
Libby Res. Water Level/Fish	\$216,751	\$278,897	\$219,017	\$325,000	\$325,000
Flathead Basin Fish Monitoring	38,891	40,492	43,208	25,000	25,000
Libby Field Station Mainten.	26	800	3,934		
Upper Clark Fork EA Contract	17,987	18,500	34,182		
Bitterroot Coop Fish Biologist	32,067	32,226	34,040	50,000	50,000
Milltown Mitigation - MPC			23,489	70,000	70,000
Fort Peck Paddlefish - BLM			10,574	10,000	10,000
Madison R. Grayling/Trout	15,405	34,657	11,705		
Gallatin Forest Inventory		18,772	12,721		
Missouri R. Pallid Telemetry		5,746	2,630	20,000	20,000
Musselshell River Dace		67	1,986		
Missouri Pallid Sturgeon Study	52,968	38,359	48,022		
Yellowstone Sturgeon Study		12,189	20,543		
MT Rivers Info. System	83,086	33,086	76,995	92,000	92,000
Travel & Moving Costs	5,355	6,819	9,515		
DNRC Altamont Pipeline Study	1,421	18,329	12,168		
<u>Law Enforcement</u>					
Special Investigations	12,273	25,187	18,645		
<u>Wildlife</u>					
NWPA Mit. Coord. - USFS	16,931	17,782	20,327	25,000	25,000
Thompson Falls Mit. - MPC		1,494	11,012	4,000	4,000
Wildlife Mitigation - BPA	36,781	96,483	95,003	350,000	300,000
Hungry Horse Elk Project	79,240	47,435	87,933	150,000	150,000
Ten Lakes Bighorn Sheep			2,000	2,000	2,000
S. Fork G. Bear Project	81,655	94,265	77,358	100,000	100,000
S. Fork G. Bear Hab. - USFS	51,413	39,117	76,728		
S. Fork G. Bear Photo Monitor	10,892	9,649	10,472	50,000	50,000
Yaak G. Bear Study - USFS		946	894		
Libby/HH Wildlife Mit. - BPA		46,434	10,156		
Blackfoot/Clearwater Elk Eval.	3,581	969	4,000		
Upper Bighole Elk Opportunity	3,049	638	3,189	7,000	7,000
RMF G. Bear Project - BLM	3,587	2,623	730		
Prairie Potholes JV - FWS	26,603	39,175	30,977	150,000	150,000
Prairie Potholes JV - Private	24,559	24,863	25,025	25,000	25,000
Prairie Potholes JV - PR Grant	23,601	30,996	17,185	150,000	150,000
Hi-Line Duck Populat. - BLM		1,953	1,604		
Relocation and Training	3,157	1,538	1,649	17,000	17,000
Special Project Uniforms	1,248	1,113	379	1,000	1,000
Contract Travel	3,713	2,122	437	9,000	9,000
Memorial Account	3,400	70	1,223	4,000	4,000
Black Footed Ferret Reintro.	15,735	17,233	30,204	80,000	80,000
BLM Peregrine Reintroduction	2,010	1,565	324		
Piping Plover Study		1,288	4,143		
Tally Lake Whitetail Deer	10,747	14,482	7,144	13,000	1,000
Long Pines Turkey Study	23,309	22,501	2,105		
SW Mountain Pine Martin	6,084	19,733	19,975	11,000	3,000
Sun River Mountain Lion		793	10,906		
Elkhorn Elk Study	34,998	26,153	28,264	45,000	45,000
Maint. Elk Habitat - BLM	334	37	5,912		
Granite Butte Elk Hab. - Pvt.		11,253	7,920	10,000	10,000
<u>Conservation Education</u>					
Region 7 Interpretive Exhibits		2,343	1,527		
Banff		1,232	409		
<u>Department Management</u>					
Regional Office Assistance	37,310	41,169	49,981	200,000	200,000
Columbia Basin Council Dues	4,213	6,995	750	5,000	5,000
G. Park Ecosystem Mgn. Plan	41,476	44,422	49,405	100,000	100,000
Contract Uniforms	3,124	7,273	1,782	10,000	10,000
International Joint Commission	3,340	221	5,115		
TOTAL	\$1,032,320	\$1,292,484	\$1,251,458	\$2,110,000	\$2,040,000

Department of Fish, Wildlife, and Parks

3. In previous sessions, the legislature has added language in the general appropriations act concerning LCA:

The appropriation for the legislative contract authority in items ... is subject to the following provisions:

- 1) Legislative contract authority applies only to federal and private funds.
- 2) Legislative contract authority expenditures must be reported on state accounting records. The records must be separate from current level operations.
- 3) A report must be submitted by the department to the legislative fiscal analyst following the end of each fiscal year of the biennium. The report must include a listing of projects, with the related amount of expenditures for each project.

The legislature may wish to include additional language requiring LCA to adhere to the same statutory criteria as budget amendments and requesting the department to report quarterly to the Legislative Finance Committee.

4. The Executive Budget includes \$8.3 million of LCA for the 1995 biennium, a 38 percent increase from the 1993 biennium appropriation. In a departure from previous biennia, \$3.9 million is requested in state special revenue from private sources. In the past, all LCA was appropriated as federal special revenue.

Capitol Grounds Maintenance

1. For the 1993 biennium, the legislature approved a budget modification of \$21,765 to hire a temporary 0.5 FTE and replace plants damaged in the winter of 1988-1989. Department staff testified during the 1991 session that if the plants were replaced, expenditures from this appropriation would not be included in its 1995 biennium budget. The Executive Budget includes the 0.5 FTE and \$21,061 of expenditures from this budget modification. The LFA current level does not.

2. Currently, agencies with office space in the capitol complex pay a set fee based on square footage of office space. Table B shows, based on this methodology, the type and amount of funding which supports the program.

Table B
Capitol Grounds Maintenance Funding
Fiscal Years 1991 and 1992

Revenue Type	---Fiscal 1991---		---Fiscal 1992---	
	Amount	Percent	Amount	Percent
General Fund	\$78,584	57.7	\$73,096	44.2
State Special Revenue	22,821	16.8	44,059	26.6
Federal Special Revenue	12,323	9.0	17,326	10.5
Prioprietary	20,662	15.2	28,831	17.4
Expendable Trust	277	0.2	280	0.2
Non-Expendable Trust	1,528	1.1	1,762	1.1
TOTAL	\$136,195	100.0	\$165,354	100.0

For the 1995 biennium, the Executive Budget includes a different method for allocating capitol grounds maintenance costs to state agencies. In addition to a square footage fee for agencies within the capitol complex, all agencies will pay a fee based on the number of FTE. One-half of the revenue for the program would be generated from the square footage fee, while the other half would be generated from

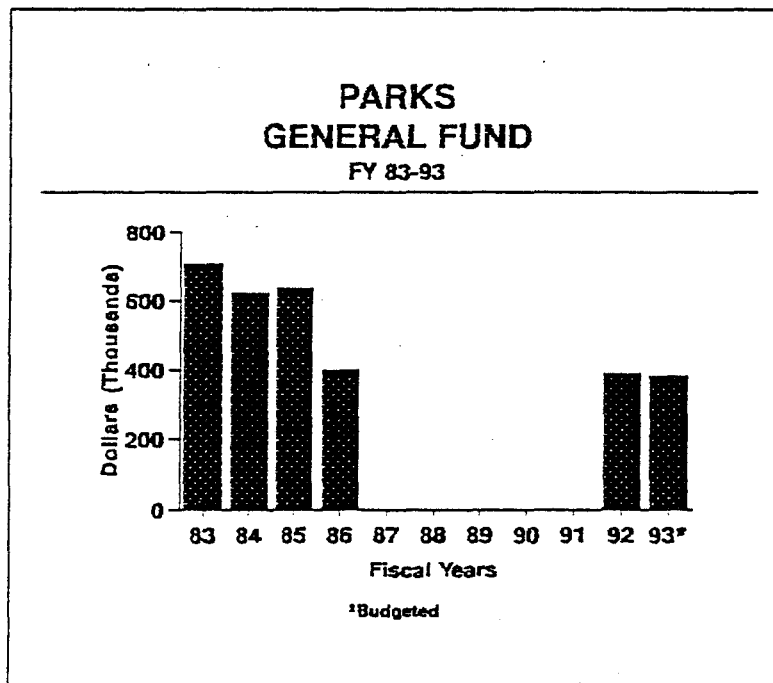
DEPARTMENT OF FISH, WILDLIFE AND PARKS
 GENERAL FUND ANALYSIS
 January 26, 1993

OVERVIEW

The Department receives approximately 1% of its funding from the general fund. These dollars are used in the Parks program. The remaining funds are established in either state or federal law.

PARKS GENERAL FUND

Using the LFA budget, the targeted amount of reduction in the general fund is \$106,988. A review of the historic data shows that Parks has previously taken large reductions in general fund dollars. The FY93 general fund budget is \$384,598. Ten years earlier FY83 expenditures from the general fund were \$712,248, or a 46% reduction. Furthermore, the general fund was entirely eliminated in FY87 through FY91. The following graph shows eleven years of general fund allocations to Parks.



The graph illustrates the Parks program has already taken significant cuts in the general fund.

EXHIBIT 2-4-93
DATE 2-4-93
SB

PRIORITIZED LIST OF GENERAL FUND ACTIVITIES

Priority	Description	FY92 Actual	FY93 Budgeted	FY94	FY95
1	<u>Park Maintenance and Repair</u> This priority involves road, campsite and dock repairs, maintenance equipment, park utilities, weed control, and trail repairs and maintenance. (23-1-102; 7-22-2116, MCA)	\$213,738	\$175,389	\$185,833	\$185,975
2	<u>Montana Conservation Corps (MCC) Program</u> This priority involves program coordination and grant oversight of the National Community Service Act (\$500,000) and coordination with MCC Inc. and HRDC's our private non-profit partners. Other internal support is provided to field projects using youth crews from this funding source. (23-1-301 through 314, MCA)	\$ 47,590	\$ 54,272	\$ 71,471	\$ 71,631
3	<u>Visitor Services and Safety</u> This includes tour guides, visitor protection (park rangers and enforcement support), park caretakers, water quality testing, site security, safety improvements, native american and university student interns. (23-1-121; 75-6-104, MCA)	\$ 64,165	\$ 82,432	\$116,553	\$116,805
4	<u>Park Partnership Support</u> FWP has turned control of various parks over to other agencies to manage as a cost saving measure. These funds are FWP's contribution to a partnership at East Gallatin Park near Bozeman. Without this agreement, FWP would assume all maintenance and development at a much higher cost. (23-1-107; 87-1-209, MCA)	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500
5	<u>Tourism Enhancement</u> These funds are used to investigate and establish links between State Parks and Montana's tourism industry. Examples include the economic development and tourism report done for three state parks and surrounding communities. This project also includes joint tourist information publications with Commerce. (23-1-107; 23-2-101, MCA)	\$ 8,758	\$ 8,918	\$ 19,064	\$ 11,819
6	<u>Information, Education and Interpretation</u> Includes park directional and internal signing, education and interpretation materials for youth, school groups and tourists. Special events and programming such as Bannack Days, park brochures, and a campsite reservation and information system. (87-1-210; 23-1-101, MCA)	\$ 54,671	\$ 59,087	\$ 23,814	\$ 23,814
TOTAL		\$393,422	\$384,598	\$421,235	\$414,544

Impact of Reductions

The impact of a \$106,988 reduction in general fund will be less visitor services due to a reduction in informational brochures, inadequate signing, fewer special events and elimination of our camping reservation system. Due to less promotion and directional signing there will be lower visitation to our sites. With lower visitation user fee collections will be reduced and dollars will be lost to local economies since park visitors buy goods and services in nearby communities. Further impacts include a reduction in information and education efforts especially for youth and school groups. The removal of the departments contribution to any site management partnership agreement currently in place will result in a higher financial liability for the Parks Division since they will have to assume the entire responsibility. This cut would also negatively impact community relationships and jeopardize volunteer efforts. A reduction in site security and safety improvements will result in higher potential for visitor injuries, more state liability claims, less visitor safety, more park vandalism and a higher incidence of crime. There will also be an overall decline in visitor satisfaction based on these cumulative visitor services reductions.

EXHIBIT 7
DATE 2-4-93
SB

PARKS OPERATIONS STATUS

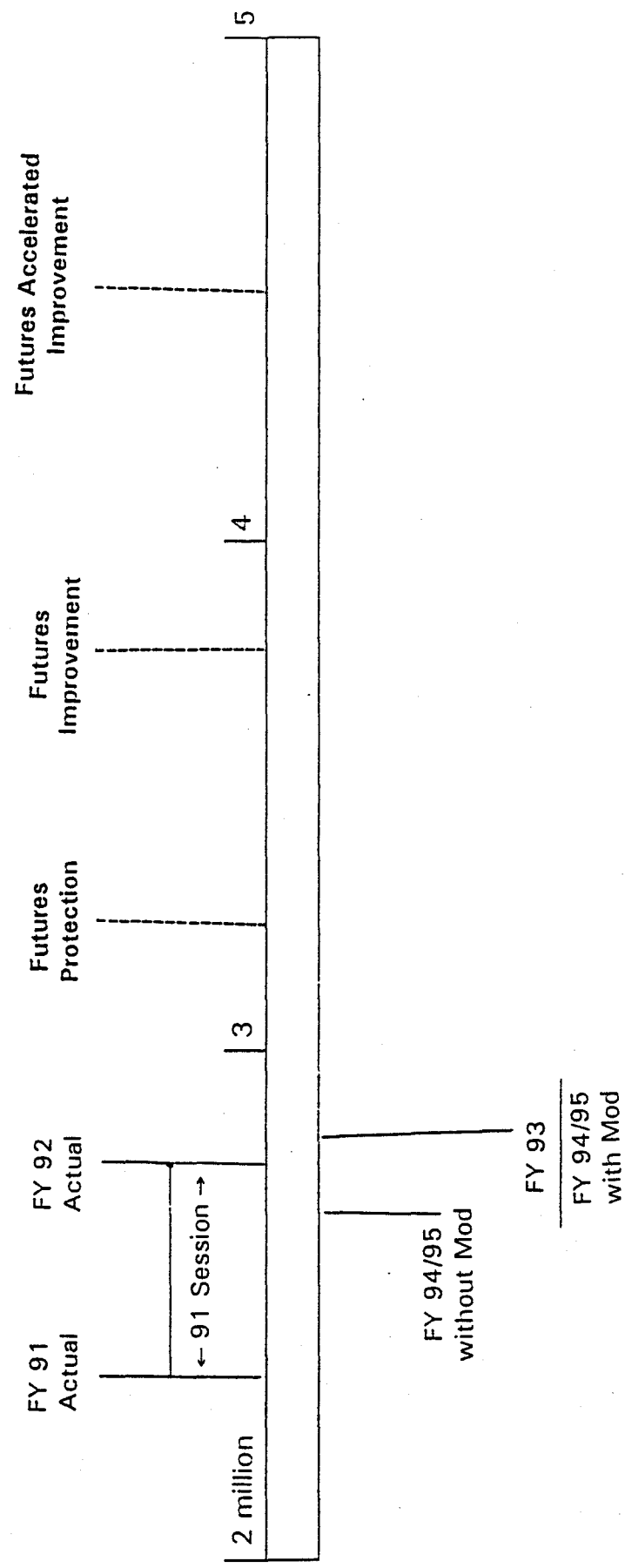


EXHIBIT 8
DATE 2-4-93
SB

MONTANA STATE PARKS

Funding Alternatives

<u>% Favoring</u>	<u>Funding for State Parks</u>
71	General fund
85	Soda pop tax (5 cents on a six pack)
67	Rental car tax (4%)
66	Sales tax (if enacted should State Parks get a share?)
59	Bed tax (if raised)
72	DOT maintain all State Park interior and county connecting roads
41	Increase Highway Fuel Tax

Source: 1992 Statewide Telephone Survey of Montana Residents
Public Response to the State Parks Funding Issue (Draft)

1993 LEGISLATIVE SESSION
Parks Funding Potential

EXHIBIT 9
DATE 2-4-93
SB _____

- Tax Restructuring - Parks Mod, Executive
- Fuel Tax - Harp (Appropriations Language), \$1.3 million for Roads
- Soda Pop Tax (HB 362) - Bardanouve, \$2-3 Million for Parks Operations/Capital
- Raise Bed Tax - S. Rice, \$1-2 million for Parks Capital
- 1¢ Bottle Bill on non-refundables - Dowell, \$2.5 Million for MCC/Parks
- Boat Registration Fees - Harding, \$20,000 for parks boating facilities
- Revise Boat Fees - Boharski, Parks boating
- Extend sunset on HB 1008 - Tash, \$500,000 for Capital
- RIT Revenue - Harper, for Parks Maintenance
- Bed Tax, Break 4% - Raney, for Parks and MCC only

WHY ARE WE IN THIS POSITION?

- 1) Declining interest rates nation-wide affecting Coal Trust earnings.
- 2) Inflation at 4% minimum annually with no adjustment in funding sources.
- 3) Dept. of Revenue error in allocating too much Motor Boat Fuel Tax money and now they want the over-payment back.
- 4) Increased public demand on most sites with visitation increasing 10% per year.
- 5) Declining facility condition resulting in more maintenance costs to provide the same service.
- 6) Most account surpluses have been depleted in an attempt to provide consistent public service.
- 7) The 1991 Legislature provided only half of what was we needed to keep from going backwards.

WHAT WE HAVE DONE IS NOT ENOUGH

We have transferred several sites, formed public and private partnerships, had private fund-raising projects, adjusted our fee system and raised fees, increased our marketing efforts, sold goods for revenue, adjusted concession fees, worked on our profile and image, surveyed the public, conducted supporting research, and reviewed internal department funding sources, but these efforts are not enough. We must have new revenue, or our Parks and historical heritage will continue to deteriorate.

OTHER OPTIONS

- 1) Closing Parks - Parks which have used federal Land and Water Conservation Fund (LWCF) dollars are required to remain open or we face federal penalties including paying the full value of the site to the Feds (almost all have LWCF).
- 2) Selling Parks - We can't legally sell parks which have used federal dollars without replacing them at current full market value. Therefore a large financial investment would need to be made before we could further reduce the size of the Park System.
- 3) Reduce spending on low priority parks - Currently, ten parks have no development or budgets and another seven have only minimal services. We spend about 50% of our budget on five parks, 43% on another 20 parks, and only 7% is spent on the 27 lower priority parks. We have already exercised our options to reduce spending on all state parks without significantly cutting services.

WHAT ABOUT THE NEW RECREATION MONEY WE HAVE BEEN HEARING ABOUT?

Montana may receive \$500,000 in federal trails funds and has received an equivalent one-time amount in federal Conservation Corps dollars. None of these funds can be used to help bail out the shortfall in the parks base programs because they are earmarked for other specific purposes by federal law. They can, however, enhance recreational opportunities in Montana.

WHAT CAN YOU DO?

- 1) Spread the word with people you know or have influence with concerning the values, needs and opportunities facing State Parks and the implications if funding is not obtained.
- 2) Encourage those you know to make their feelings known to their legislators.
- 3) Invite a parks person, a Park Futures Committee member, or someone else from FWP to speak to a group you are involved with or can influence to tell the Parks story.

- 4) Remind others that Parks has many cultural and historic sites whose resources are non-renewable and priceless and must be protected and cared for. These resources also have significant tourism potential.
- 5) Remind others of the educational and interpretive opportunities at parks.
- 6) Try to determine ways to fund parks, and write the Parks Division or the legislature.
- 7) Talk to media people about Parks needs.
- 8) Show people the values and needs at a State Park.
- 9) Ask for more information if you need it.
- 10) Be creative in determining ways to assist Parks in raising public, legislative and media awareness and obtaining support to decision makers (legislative and executive branch) for more revenue.

V. REMAINING FINANCIAL GAP TO BEGIN TO HEAL STATE PARKS

1. A total of \$3 million new revenue annually is needed in the capital improvement program, and \$1 million new revenue is needed annually in the operations program (plus 17.12 FTEs) to restore State Parks over the next ten years. This would be a biennial need of \$8 million. These figures are based on adding 4% inflation per year, subtracting what we got last legislative session, and what we have done to cut our own costs.

VI. FUNDING SOURCES THAT HAVE BEEN DISCUSSED RECENTLY BY VARIOUS SOURCES

1. A part of the sales tax if passed
2. At least 1% of the bed tax if it is raised for any purpose.
3. 1/4 cent addition to the fuel tax to address road needs.
4. More general fund for historic and cultural sites.
5. Increase motorboat fuel tax and/or boat decals for water-based sites to be used to match federal DJ motorboat funds.
6. Dedicate a portion of Highway Bill Enhancement dollars (ISTEA) to State Parks (they are currently allocated to cities, towns, and counties and only can help parks if the city/town/county chooses a local State Park as a priority).
7. Dedicate a portion of the lottery to State Parks.

VII. CLOSING COMMENTS

Now you know what our accomplishments have been the last two to three years, the positive progress we have made toward implementing the State Parks Futures Committee recommendations, the barriers that remain for us to continue to maintain the positive progress, and the current financial crisis that awaits us without your help in getting new revenue. As Vince Lombardi once said "The difference between a successful person and others is not a lack of strength, not a lack of knowledge, but rather in a lack of will." Our will to succeed and yours is all that separates us from attaining our goals and realizing the vision for State Parks we all share.

on wildlife. However, compared with the FWP's block management program, which has enrolled 449 landowners and opened 5.7 million acres for hunting, the predator control program in fiscal 1991 responded approximately 425 landowners who are not required to allow hunting on their property in exchange for predator control services. FWP's block management program, rather than the Department of Livestock's predator control program, may be a more efficient use of hunting and fishing license revenue for enhancing landowner-sportsman's relations.

Land and Water Conservation Fund

The department receives Land and Water Conservation Fund (LWCF) money from the federal government to assist with acquisition and development of public outdoor recreation areas and facilities. The funds are used as matching pass-through grants to local governments and for FWP qualifying projects, such as dam rebuilding and acquisition of fishing access sites. LWCF money is also used in the Long-Range Planning program for state park and fishing access site maintenance and improvement. As Table D shows, Montana's allocation of these funds have declined since the mid-1980's.

The department determines what portion of the LWCF allocation is used for pass-through grants and what portion goes to FWP projects. Spending authority for FWP projects is appropriated primarily in the Long Range Planning bill and spending authority for pass-through grants is appropriated in the general appropriations act. The Executive Budget includes \$1,030,000 of LWCF for the 1995 biennium: 1) \$320,000 in FWP long-range building projects; 2) \$700,000 as a biennial appropriation for pass-through grants; and 3) \$10,000 for the biennium for the statewide comprehensive outdoor recreation plan (SCORP) required by the LWCF program. In addition, at the end of fiscal 1992, \$776,930 of capital projects authority remains. The total of these LWCF appropriations are more than four times the amount of funds received in the 1993 biennium. The LFA current level contains \$160,000 of biennial authority for pass-through grants or twice what was spent in fiscal 1992 and \$5,000 per year for SCORP. The legislature may wish to consider the appropriate level of LWCF authority, based on expected revenue.

Excess spending authority for LWCF pass-through funds was used in the 1991 biennium and fiscal 1992 for fund activities not considered by the legislature. Table E shows the receipts and expenditures of LWCF funds during these years, and the authority that has been transferred to other projects. In fiscal 1992, authority was transferred to the Department Management Division for support staff and to the Wildlife Division to help fund a wildlife management environmental impact statement.

Table D.
Land and Water Conservation Fund
Montana's Apportionments

<u>Fiscal Year</u>	<u>Apportionment Amount</u>
1993	\$225,417
1992	\$179,618
1991	271,983
1990	151,717
1989	161,091
1988	157,645
1987	311,052
1986	437,489
1985	689,775

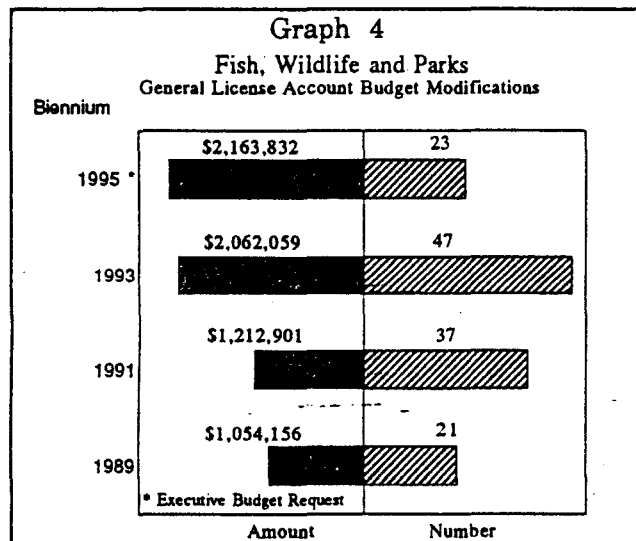
Table E
 Land & Water Conservation Fund Pass-Through

Fiscal Year	Appropriated	Funds Received	Funds Spent	Excess Authority	Transferred
1993*	\$350,000**	\$0	\$ 5,564	\$344,436	\$42,096
1992	350,000**	79,937	79,937	270,063	79,755
1991	350,000**	11,931	7,316	357,316	0
1990	350,000**	115,147	121,315	228,685	272,500

* As of October 1992
 ** Biennial authority split evenly between the two fiscal years.

Wildlife Management Environmental Impact Statement (EIS)

During fiscal 1992, the department began an EIS on wildlife management that had not been presented to or considered by the 1991 Legislature. FWP estimates the EIS effort will take four years and cost \$600,000, paid 75 percent federal funds and 25 percent general license account funds. During fiscal 1992, 0.45 FTE and \$32,856 were used for this purpose, of which 57 percent was general license account funds and 43 percent was federal funds. Since this EIS project was not presented to or considered by the legislature, the necessary federal spending authority was transferred from Parks Division's LWCF revenue and state special authority from the Upland Game Bird program appropriation. In fiscal 1993, the department plans to fund the EIS with authority authorized in the Wildlife Division for other purposes and to request additional authority from the 1993 Legislature in the budget amendment bill. The Executive Budget requests a budget modification for 2.58 FTE and \$275,000 in fiscal 1994 and 1.00 FTE and \$120,000 in fiscal 1995 to complete the EIS.



General License Account

The general license account is FWP's largest single funding source. Revenue is primarily hunting and fishing license fee collections. Operation expenditures from the account have been steadily increasing since fiscal 1987. Much of the increase is due to budget modifications which have added substantial spending authority to FWP (Graph 4). An LFA report issued in October 1990 analyzed the impact of the budget modifications in the 1993 biennium and concluded that, if they were approved, the account would become negative in the 1995 biennium. The modifications were approved and hunting and fishing license fees were increased in the 1991 session (Senate Bill 171) to provide the additional revenue necessary to fund them.

FISHERIES DIVISION

EXHIBIT 12
DATE 2-4-93
SB

-
- Manage, protect and propagate fish and associated aquatic life
 - Emphasize wild fish and wild fish habitat
 - 9 hatcheries - 98% of stock to lakes and ponds with limited or no natural reproduction
1 - warm water holding
8 - Cold
 - Acquire and maintain fishing access sites

EXHIBIT 12
DATE 2-4-93
SB _____

FUNCTIONS

- HABITAT PROTECTION/ENHANCEMENT

Stream Alteration/^{act}Review

Water Quality Liaison with Health Dept.

River Restoration

Education

- WATER RESOURCES

Instream Flow Program

Drought Management

Water Leasing

- FISHERIES MANAGEMENT

Fishery Management Plans

Fishing Regulations

MEPA Compliance

Angler Use, preference, opinion

12
DATE 2-4-93
SS

HATCHERIES

- 8 cold water hatcheries 3-4^u ✓
8-10 million cold water species
- 1 warm water hatchery valley of the Colorado
15-30 million warm water species

SPECIAL PROJECTS

- FERC hydropower relicensing
- Northwest Power Act Coordination 1980
- Endangered Species/Species Special Concern

FISHING ACCESS SITE PROGRAM

- 308 sites

EXHIBIT 12
DATE 2-4-93
\$B

RESULTS

- 340,000 anglers
- 2.4 million angler days
- Estimated 106 million spent by anglers in 1991 (not including license costs)

FISHERIES DIVISION FUNDING

109 FTE's 20.7% Department Budget

State Special Revenue	\$2,666,224	<i>License Cost</i>
Federal Revenue	<u>\$4,073,426</u>	<i>Large Johnson Firm Fishing Goods</i>
Total	\$6,739,650	

NO GENERAL FUND

**HOUSE OF REPRESENTATIVES
VISITOR'S REGISTER**

NATURAL RESOURCES

SUB COMMITTEE

BLISS NO.

DATE 2-4-93 SPONSOR(S) _____

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Joe Miller	FLD - Budget & Finance		
DALE Matt	FLP		
Pat O'Brien	FLP		
Ann O'Brien	FWIP		
Larry PETERMAN	FWP		
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