

MINUTES

**MONTANA HOUSE OF REPRESENTATIVES
54th LEGISLATURE - REGULAR SESSION**

COMMITTEE ON APPROPRIATIONS

Call to Order: By **CHAIRMAN TOM ZOOK**, on February 15, 1995, at
3:00 p.m.

ROLL CALL

Members Present:

Rep. Tom Zook, Chairman (R)
Rep. Edward J. "Ed" Grady, Vice Chairman (Majority) (R)
Rep. Joe Quilici, Vice Chairman (Minority) (D)
Rep. Beverly Barnhart (D)
Rep. Ernest Bergsagel (R)
Rep. John Cobb (R)
Rep. Roger Debruycker (R)
Rep. Gary Feland (R)
Rep. Marjorie I. Fisher (R)
Rep. Don Holland (R)
Rep. Royal C. Johnson (R)
Rep. John Johnson (D)
Rep. Mike Kadas (D)
Rep. Betty Lou Kasten (R)
Rep. Matt McCann (D)
Rep. William T. "Red" Menahan (D)
Rep. Steve Vick (R)
Rep. William R. Wiseman (R)

Members Excused: None.

Members Absent: None.

Staff Present: Clayton Schenck, Legislative Fiscal Analyst
Marjorie Peterson, Committee Secretary

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

Committee Business Summary:

Hearing: HB 6, HB 7, HB 8, HB 9, HB 11, SB 83
Executive Action: HB 197 DO PASS AS AMENDED,
HB 420 DO PASS

HEARING ON SB 83Opening Statement by Sponsor:

SEN. LORENTS GROSFIELD, SD 13, Big Timber, opened the hearing on SB 83 which revises laws concerning dedicated revenue and statutory appropriations. This is a bill to de-earmark certain funds in state government and explains how appropriations would be dealt with in the future. He said the bottom line is that state finances would be simplified and they would be able to more easily monitor and prioritize the state's finances. **SEN. GROSFIELD** said a study had been conducted by the Legislative Finance Committee in the last legislative session and this bill is a result of that study. He summarized parts of the bill: Section 2 deals with state appropriations of district court expenses; Section 3 deals with fines and forfeitures and deposits them into the general fund; Section 4 transfers taxes on livestock from counties to the Department of Livestock; Sections 9-12 deal with highway revenue accounts; Section 34 deals with the state equalization account. The intent is that appropriations will be added to HB 2 to replace the statutory appropriations and de-earmarked funds proposed to be eliminated, including amounts for the state's share of K-12 education expenditures.

Proponents' Testimony:

None.

Opponents' Testimony:

Mike Lahr, Montana Library Association, handed out an amendment that dealt with Section 7. Their concerns are that the resources of the libraries are funds that trickle down and are limited; they represent only 1% of the remaining amount following the statutory appropriations. For smaller libraries, that may mean their whole budget for the year. To maintain services, they would like the 1% to be reinstated in SB 83.

Debra Schlesinger, Federation Coordinator for Broad Valley's Federation, Helena, said that SB 83 would change the way the federation is funded and they would be required to compete for a smaller amount of money with other agencies that share a percentage of the coal tax. They would like to keep Montanans information-rich, and assure that they have continued access to information. **EXHIBIT 1.**

Richard Miller, State Librarian, Helena, would also like the 1% allocation to the library federations continued. The process of networking in Montana's libraries requires a stable base upon which to build. He is concerned that the most efficient delivery

of information services is provided to the people of Montana.
EXHIBITS 2 and 3.

Leo Giacometto, Director, Department of Agriculture, Helena, said he was not an opponent of the bill, only opposed to an amendment which strikes the Montana Growth Through Agriculture Act. He said it was the only program in the bill that was entirely de-earmarked.

Jon Noel, Director, Department of Commerce, Helena, also wanted to endorse the testimony of **Mr. Giacometto.**

Lorna Frank, Montana Farm Bureau, said they have 6,000 members across the state of Montana. She agrees with **Mr. Giacometto** and said that the Montana Growth Through Agriculture Act is a good program and should not be eliminated.

Questions From Committee Members and Responses:

REP. ROYAL JOHNSON, HD 10, Billings, asked **SEN. GROSFIELD** why Section 8 is no longer included in the bill. He said that Section 8 de-earmarked the bed tax. After the Senate hearing on SB 83, there were only two or three proponents, but 20 to 30 opponents were against the bed tax being included in the bill.

Closing by Sponsor:

SEN. GROSFIELD said that the bill tries to remove the "sacred cow" status. He said this bill would enable them to scrutinize spending and does not eliminate programs, but shifts funding from the general fund. He said that in 1986, the general fund was \$105 million and last year, in 1994, it approached \$945 million.

{Tape: 1; Side: A; Approx. Counter: 34.7.}

HEARING ON HB 6

Opening Statement by Sponsor:

REP. ERNEST BERGSAGEL, HD 95, Malta, asked if the committee would be accepting HB 6 in amendment form, called the gray bill, from Long-Range Planning. **CHAIRMAN ZOOK** said it probably was not necessary, but since we would be working on the gray bill, they wanted to do it this way.

REP. BERGSAGEL said this bill appropriates money to the Department of Natural Resources (DNRC) for grants under the Renewable Resource Grant and Loan Program. The grants are listed in priority order. Before any disbursement of funds is allowed,

the project coordinator must show approval of a scope of work and budget for the project, complete prerequisites, execute a grant agreement with DNRC and accomplish other requirements necessary for the purpose of the grant. The effective date is July 1, 1995.

Proponents' Testimony:

SEN. DARYL TOEWS, SD 48, Lustre, supported the bill. He introduced an amendment that would add \$30,000 to the Fort Peck Rural Water District and handed out a map that showed the water district. **EXHIBIT 4.**

John Tubbs, Department of Natural Resources, Helena, said there are a lot of good projects that are very important to local communities, and those projects are meaningful to our renewable resources. He thanked Rep. Bergsagel for the good hearings in Long-Range subcommittee.

Opponents' Testimony:

None.

Questions From Committee Members and Responses:

REP. MARJORIE FISHER, HD 80, Whitefish, asked why the \$50,000 project for the city of Kalispell was deleted from the bill.

REP. BERGSAGEL said most of the grants they approved were shown to be hardship cases and the city of Kalispell did not show hardship. The city also offered to get the money somewhere else.

REP. MIKE KADAS, HD 66, Missoula, said he noticed they had reduced the total number of grants as well as the amount of some grants. **REP. BERGSAGEL** said the level of the grant amount they approved fits with the ability to pay. They had \$3 million of grant requests and only \$1.9 million to allocate. The amounts of grants totaled \$1,951,200, with a balance of \$48,800. **Mr. Tubbs** said in FY 95, there were \$1.8 million grants authorized and they anticipate using the total amount. **REP. KADAS** then asked **SEN. TOEWS** what the \$30,000 would be used for in his amendment.

Mark Simonich, Director, DNRC, Helena, said the Toews amendment was for the study of a new rural water supply for Fort Peck area. The proposal goes before Congress to receive authorization and federal funds. It is not intended for DNRC use.

REP. JOE QUILICI, HD 36, Butte, said since this would be used for efforts to apply for money from Congress, he wondered how much money would be received and what the funding source was. **Mr. Simonich** said the project would be about \$7.5 million, with 75% being federal money. He said he did not know what federal source

would provide the money. **REP. QUILICI** said he wanted some assurance that if they spend \$30,000, they would have a good chance of receiving the federal money.

REP. FISHER asked for an explanation of page 2, lines 17 to 20, the Montana Tech groundwater protection and education for rural schools for \$84,560 and the MSU Watercourse on preparing citizens for Montana's water future for \$100,000. **Mr. Tubbs** said the first proposal was for small rural schools' water supplies and their intention is for the Bureau of Mines to identify potential sources of contamination and write a proposal for the Department of Health's action plan. Rural school water systems would then be examined. The Watercourse proposal is to create interaction between surface water, water quality and water rights programs. It is a program aimed at adult education, where classes are conducted in cities across the state. It is also a proposal included in the state's water plan for the future.

REP. WILLIAM WISEMAN, HD 41, Great Falls, remarked that whatever is left from the source of \$2 million from the RIT goes to DNRC. They are tapping the general fund. He asked **REP. BERGSAGEL** if the situation were that general fund was tapped, would he fund that to prepare citizens for Montana's water future or would he fund conservation riparian areas. **REP. BERGSAGEL** said if it were to be handled by general fund they would reduce the grants funds and try to determine which projects were the most important ones. **REP. WISEMAN** then wanted to know how easily it would be to prioritize. **REP. BERGSAGEL** said his subcommittee was going to give their recommendations to the next legislature on what they had learned during this session about the programs and prioritizing projects.

{Tape: 1; Side: B; Approx. Counter: 0.1.}

REP. ROGER DEBRUYCKER, HD 89, Floweree, asked if these two groundwater projects were new and if they should be a line-item instead of applying for grants every time. **Mr. Tubbs** said they were both one-time projects.

REP. KADAS asked where the other 25% would come from in the Fort Peck water system project. **SEN. TOEWS** said that the 25% would come from user fees, full-time residents and cabin site owners.

REP. QUILICI clarified that the water treatment facility would be for houses in the area. **SEN. TOEWS** agreed.

REP. ROYAL JOHNSON said if the Bureau of Mines was going to do the work on the groundwater projects, why the grant wasn't allocated to the school instead. **Mr. Tubbs** responded that the application was not received from the Bureau of Mines.

Closing by Sponsor:

REP. BERGSAGEL said the subcommittee had worked very hard to prioritize projects based on local communities needs for water development systems and watercourse programs, etc.

{Tape: 1; Side: B; Approx. Counter: 9.1.}

HEARING ON HB 7Opening Statement by Sponsor:

REP. ERNEST BERGSAGEL, HD 95, Malta, said the committee would be working from the gray bill again, the bill amended in Long-Range Planning. REP. BERGSAGEL said HB 7 would appropriate money to DNRC for projects designated under the Reclamation and Development Grant Program. The effective date is July 1, 1995. He said these grants are dedicated to reclamation. In 1993, legislation was passed to appropriate money to the Board of Oil and Gas to select what they felt was the greatest environmental hazards from their perspective. They made recommendations to this legislature. There are more than 30,000 abandoned oil and gas holes across the state. This money will be used to assist in plugging those holes. There will also be reclamation work done on mine sites. For example, Lewis & Clark County experienced a problem with a mine shaft that started to contaminate the drinking water of the city of Helena. The EPA and Department of Health fought over who would look at it first. They approved \$75,000 worth of grants and are waiting to see which agency will use it. Presently, MSU is conducting a study to take heavy metals out of ore materials. They reduced that grant by \$50,000 because the subcommittee felt they could get private money from mining companies. Butte-Silver Bow is going to provide technical assistance to the county commissioner to work with EPA in cleanup.

Proponents' Testimony:

John Tubbs, DNRC, Helena, said DNRC took over administrative duties of this program in 1989 and since then, 80% of the projects applied for have been reclamation projects.

Opponents' Testimony:

None.

Questions From Committee Members and Responses:

REP. GARY FELAND, HD 88, Shelby, asked how many years the Muddy Creek project has lasted. **Mr. Tubbs** said that project has been on-going for about 20 years. He said the \$300,000 was for construction for weirs and structures within the creek. It has been eroding the banks and dumps 200,000 tons of sediment into the Sun River each year. The irrigation facility needs a lot of improvements. Many of the previous fixes were just temporary solutions that did not last.

REP. QUILICI asked about the clean tailings operation under MSU and said there were currently three companies in Butte looking at mine waste technology. He said it is one of the biggest projects in the whole state. He thinks there should be coordination between Western Environmental Technology office in Butte and Mirotech with MSU. **Mr. Tubbs** said the reclamation and research unit at MSU has worked with the companies in Butte, but he is not aware of any coordination. **REP. QUILICI** is concerned that the state is spending \$100,000 for duplicate work. Metronetics is doing some of the work with private funds, in fact, using millions of dollars to extract heavy metals from water from the Berkeley Pit. There is also work done on mine tailings from Butte to Missoula and that will include future litigation. If there is a process already working, he doesn't want state dollars used to duplicate work that is being already done. He wants the best use of state money and hopes there is coordination between all the entities. **REP. BERGSAGEL** said the particular grant in question in HB 7 is for technology that will be used while mining activity is going on, whereby they will attempt to detract heavy metals during the mining process. **REP. QUILICI** reiterated that there most definitely should be coordination between the companies and MSU to keep possible duplication procedures at a minimum.

REP. KADAS asked how much money was being granted in the bill and how much revenue is available. **Mr. Tubbs** said \$3 million available and \$3.1 million was appropriated for 16 projects.

Closing by Sponsor:

REP. BERGSAGEL closed by thanking the subcommittee members for their hard work. He hoped that the committee fully understood the program.

{Tape: 1; Side: B; Approx. Counter: 35.3.}

HEARING ON HB 8Opening Statement by Sponsor:

REP. MATT McCANN, HD 92, Harlem, said the committee would also be working from the gray bill for HB 8, amended from Long-Range Planning. REP. McCANN said HB 8 corresponds to HB 6 and HB 7 in that it deals with loans financed with state bonds backed by the coal severance tax. It approves renewable resource projects and authorizes loans to DNRC for the Renewable Resource Grant and Loan Program. Section 3 authorizes the issuance of coal severance tax funds. He said Section 4 authorizes creation of a state debt by appropriating money from the coal severance tax and requires a two-thirds vote on the Senate and House floors. The effective date is July 1, 1995.

Proponents' Testimony:

John Tubbs, DNRC, Helena, said these loans are made available to communities throughout Montana for projects such as water, sewer and irrigation. They are paid back to the state and the return of the loan is generally 20 years.

Opponents' Testimony:

None.

Questions From Committee Members and Responses:

None.

Closing by Sponsor:

REP. McCANN closed.

{Tape: 1; Side: B; Approx. Counter: 40.5.}

HEARING ON HB 9Opening Statement by Sponsor:

REP. ERNEST BERGSAGEL, HD 95, Malta, said the same action would be done for HB 9, amended in Long-Range Planning. REP. BERGSAGEL said HB 9 was amended heavily because there were two particular projects the subcommittee wanted to fund: (1) the National Symphony Orchestra tour of America and (2) the C.M. Russell

painting. The Kennedy Center is proposing to spend \$800,000 to bring symphonies to Montana. Montana is trying to raise \$100,000 to enable that to happen. Their initial request on this loan was \$60,000 and it was reduced to \$20,000. The subcommittee also wanted to help fund C.M. Russell painting of The Exalted Ruler to keep it in Montana.

REP. BEVERLY BARNHART, HD 29, Bozeman, asked where the symphony concerts would be held. The proposed locations would be Butte, Great Falls, Bozeman, Billings, Helena and Missoula. They will be sending members of the orchestras to areas within 200 miles of the larger cities to do smaller ensembles for rural Montanans in their communities.

Proponents' Testimony:

Arlyn Fishbaugh, Executive Director, Montana Arts Council, Helena, wanted to publicly thank the committee for the hearings and the opportunity to explain their programs. She wanted to advise the committee that an unanticipated revenue shortfall had occurred in FY 94-95 in grants being reduced by 25% across the board in her organization. In addition, the Montana Arts Council took a share of the cuts along with projects for which they were only the administrative agency.

Kathy Macefield, Montana Preservation Alliance, Helena, supported the bill. She said that C&A grants (cultural and aesthetic) were able to provide technical assistance to many smaller Montana communities, such as Ingomar, Joplin, Malta, and Winnett.

EXHIBIT 5.

Jay Russell, Director, C.M. Russell Museum, Great Falls, said that cultural tourism donates a significant economic impact to the state and is very important.

Arnie Malina, Director, Helena Presents and Myrna Loy Center, Helena, also wanted to support these bills. He said the state has participated in a growing partnership in investing in cultural events in his organization. The state also helped the Center build an endowment of \$500,000 with \$78,000 for cultural trust. His organization is growing and the budget, which started eight years ago with \$15,000, is up to \$900,000 and there are 18 employees. He says it is economic growth, plain and simple. He appreciates the partnership and vision that this program has shown.

Richard Fossum, Retired Banker, Helena, remarked on the economic impact in general. He supports continuing this legislation as it is felt throughout Montana. Cultural events in the state definitely attract tourism to Montana.

Scott Kall, Executive Director, Helena Symphony, wanted to thank the committee for the appropriations they have received over the

years. He said Helena is one of the cultural centers for Montana and he appreciates being a part of that.

Josh DeWeese, Archie Bray Foundation, Helena, thanked the committee for their consideration of the C&A money in the grants program. It is a valuable asset for the state of Montana.

Peter Held, Executive Director, Holter Museum, Helena, said that he agrees with his colleagues that the committee is being visionary by keeping cultural programs in Montana intact. Art work is a lasting legacy and he believes that it is very important to the future of Montana.

Melinda Livezey, Metis Cultural Recovery, supports HB 9. There are many grassroots projects all over the state and some are coming from small communities. She introduced **Irene Brandy** from the Mahi Tribe near Choteau. She said the Choteau Museum is dedicated to the Mahi Indian and should be preserved. Mahi tribe information is precious history to Montana. The tribe has lost everything in the last 100 years except their arts and crafts.

Elizabeth Sellers, Music Director, Helena Symphony, said she cannot speak any more eloquently than those before, but hopes they continue to fund cultural legacy in the state for present and future generations of Montana.

Opponents' Testimony:

None.

Questions From Committee Members and Responses:

REP. ROGER DEBRUYCKER, HD 89, Floweree, asked about the Archie Bray Foundation Save the Beehives grant. **REP. BERGSAGEL** said the Archie Bray has kilns to make bricks and pottery and artists spend months making things out of clay. Some of the beehives (clay statutes) on the property are considered to be historical and any renovation on the grounds would keep them intact.

REP. STEVE VICK, HD 31, Belgrade, asked about the MSU Public Television Workshop. **Bill Pratt, Montana Arts Council,** said that public TV at MSU has been in existence for about six years and works with Montana communities who are interested in producing film and radio and makes the public TV studios available to them.

{Tape: 2; Side: A; Approx. Counter: 0.1.}

REP. STEVE VICK, HD 31, Belgrade, asked if the state would own the C.M. Russell painting. **CHAIRMAN ZOOK** said no, that it was just a small appropriation to help; the painting is appraised at \$1 million and they are collecting donations all over the state. The C.M. Russell Museum would own the painting.

Ms. Fishbaugh was asked how the projects are prioritized before they come to the legislature. She responded that it is quite a lengthy review process. There is a committee comprised of 16 people -- eight from the Montana Historical Society and eight from the Montana Arts Council -- who make recommendations that eventually are introduced in the subcommittee. Many of the projects are not in the Council's trust, but are just administered by the Council.

Closing by Sponsor:

REP. BERGSAGEL said the total grants allocated were \$527,000 and the ending fund balance is \$204,000 to prevent the potential for reduction. He further stated that he didn't want to detract from all the local efforts and individuals that were involved in the subcommittee hearings. He feels even though he is a critic of the arts community, he respects their efforts and thinks the historical values are significant.

{Tape: 2; Side: A; Approx. Counter: 7.4.}

HEARING ON HB 11

Opening Statement by Sponsor:

REP. ERNEST BERGSAGEL, HD 95, Malta, said HB 11 appropriated money to the Department of Commerce for financial assistance to local government infrastructure projects under the Treasure State Endowment Program.

Proponents' Testimony:

Robb McCracken, Department of Commerce, said the Treasure State Endowment projects have been carefully reviewed and the hearings were conducted in subcommittee. He said the projects were evaluated using two fundamental issues: (1) 10-step priorities, including compliance with public health and safety, compliance with design standards, and (2) amount the Endowment would make for the project to be affordable. He submitted a chart of recommended grants and matching funds of \$23 million. **EXHIBIT 11.**

Opponents' Testimony:

None.

Questions From Committee Members and Responses:

REP. EDWARD GRADY, HD 55, Canyon Creek, asked about page 2, line 14, Beaverhead County bridge for \$23,000, and if there were other similar problems created by I-105. Mr. McCracken said I-105 caps the tax liability of local governments in cities and counties. There are few options available for funding sources. Counties are having difficulty funding bridge projects. REP. GRADY asked why this bridge was placed higher on the priority list. REP. BERGSAGEL responded that the list is only alphabetical in this bill, unlike the others, and the bridge is not a high priority.

REP. ROYAL JOHNSON, HD 10, Billings, asked if the Treasure State Endowment bill was rewritten every year, since there are new sections here. Mr. McCracken said there were some administrative changes they wanted to make after they had worked with the statutes for a few years. There are no policy changes included, except page 3, line 18, where it states that if a local government is not ready to start the project in 120 days, the next priority project on the list will get the grant.

CHAIRMAN ZOOK said one of the problems for the subcommittee was how the program was structured. He said that the local communities that have made an effort to keep their sewer and water systems in good conditions, and keep rates lower, are penalized by the program and don't rank very high. They have a low tax rate and low water cost. There is some hope that the program would be analyzed and, hopefully, improved.

Closing by Sponsor:

REP. BERGSAGEL closed.

{Tape: 2; Side: A; Approx. Counter: 27.9.}

EXECUTIVE ACTION ON HB 197

Motion: REP. WISEMAN MOVED HB 197 AMENDMENT DO PASS.

Discussion: REP. WISEMAN said he does not agree with much of the bill. He said six weeks ago, all the counties in the state were requested to submit their portfolio funds and many have not done so. Therefore, they don't know the extent of the problem. He feels uneasy about taking final action until they know the problems. The bill equalizes what schools and counties can invest in. Presently, counties can invest in more risky ventures than the schools. Schools can only invest in U.S. government notes, bonds and treasury bills. Counties can invest in those as well as CMOs (collateralized mortgage obligations) and that is

what Lewis and Clark County and Cascade County got in trouble doing. He also stated that HB 197 loosens the requirements on schools and enables school and county money to be mixed. He doesn't know how he would vote, because they don't have all the information and all the problems are still unclear. His amendment would limit the investment to five years, since they don't know the full situation.

REP. ROYAL JOHNSON agreed with REP. WISEMAN in that this bill would not totally fix all the investment problems. The bill doesn't loosen up the investments, but it puts them all together. This bill would make legal investments uniform. He agrees that CMOs should not be invested in. He agrees with the amendment to limit any investment to five years.

Vote: Motion that HB 197 Amendment Do Pass carried unanimously.

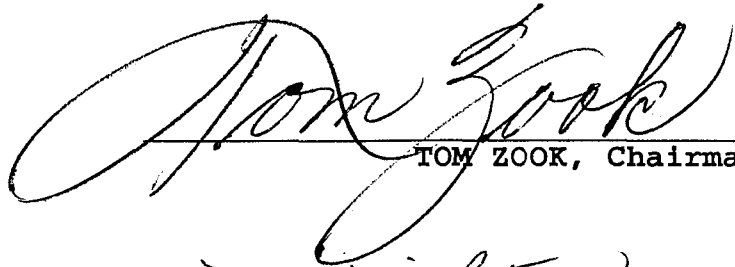
Motion/Vote: REP. MENAHAN MOVED HB 197 DO PASS AS AMENDED. Motion carried 13 - 5, with REPS. DEBRUYCKER, KASTEN, VICK, WISEMAN and FELAND voting no.

EXECUTIVE ACTION ON HB 420

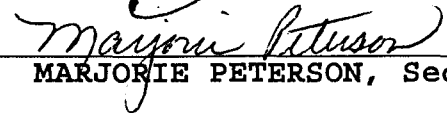
Motion/Vote: REP. MENAHAN MOVED HB 420 DO PASS. Motion carried 17 - 1, with REP. BERGSAGEL voting no.

ADJOURNMENT

Adjournment: 6:30 p.m.



TOM ZOOK, Chairman



MARJORIE PETERSON, Secretary

TZ/mp

HOUSE OF REPRESENTATIVES

Appropriations

ROLL CALL

DATE 2-15-95

NAME	PRESENT	ABSENT	EXCUSED
Rep. Tom Zook, Chairman	✓		
Rep. Ed Grady, Vice Chairman, Majority	✓		
Rep. Joe Quilici, Vice Chairman, Minority	✓		
Rep. Beverly Barnhart	✓		
Rep. Ernest Bergsagel	✓		
Rep. John Cobb	✓		
Rep. Roger DeBruycker	✓		
Rep. Gary Feland	✓		
Rep. Marj Fisher	✓		
Rep. Don Holland	✓		
Rep. John Johnson	✓		
Rep. Royal Johnson	✓		
Rep. Mike Kadas	✓		
Rep. Betty Lou Kasten	✓		
Rep. Matt McCann	✓		
Rep. Red Menahan	✓		
Rep. Steve Vick	✓		
Rep. Bill Wiseman	✓		



HOUSE STANDING COMMITTEE REPORT

February 16, 1995

Page 1 of 1

Mr. Speaker: We, the committee on Appropriations report that House Bill 197 (first reading copy -- white) do pass as amended.

Signed:

A handwritten signature in cursive script, appearing to read "Tom Zook".

Tom Zook, Chair

And, that such amendments read:

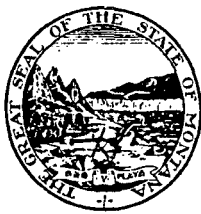
1. Page 2, line 27.

Insert: "(4) Any investment of a reserve fund may not exceed 5 years, except when refunding an outstanding bond issue."

-END-

DS
Committee Vote:
Yes 13, No 5.

400949SC.Hdh



HOUSE STANDING COMMITTEE REPORT

February 16, 1995


Page 1 of 1

Mr. Speaker: We, the committee on Appropriations report that House Bill 420 (first reading copy -- white) do pass.

Signed: _____

A large, stylized handwritten signature in black ink, appearing to read "Tom Zook".

Tom Zook, Chair


Committee Vote:
Yes 17, No 1.

400951SC.Hdh

EXHIBIT 1
DATE 2-15-95
SB 83

TESTIMONY OF DEBORAH L. SCHLESINGER AGAINST SB83

MR. CHAIRMAN, MEMBERS OF THE COMMITTEE, FOR THE RECORD MY NAME IS DEBORAH SCHLESINGER AND I AM FEDERATION COORDINATOR OF THE BROADVALLEY'S FEDERATION.. AS YOU KNOW THE STATE IS DIVIDED INTO 6 LIBRARY FEDERATIONS. BROAD VALLEY'S HAS 20 LIBRARIES . IN 12 COUNTIES. THE HEADQUARTERS LIBRARY, AT THE LEWIS AND CLARK LIBRARY IN HELENA PROVIDES REFERENCE AND BACKUP INTER LIBRARY LOAN SERVICES , CONSULTING SERVICES AND ADMINISTRATIVE SERVICES.

THE BILL BEFORE YOU, SB83 WOULD CHANGE THE WAY THAT OUR FEDERATIONS ARE FUNDED. INSTEAD OF A STABLE, THOUGH DIMINSHING REVENUE SOURCE, THE COAL TAX, WE WOULD BE REQUIRED TO COMPETE FOR A SMALLER POT OF MONEY WITH OTHER AGENCIES THAT PRESENTLY SHARE A PERCENTAGE OF THE COAL TAX. WHY SHOULDN'T WE HAVE TO COMPETE FOR FUNDS IS A QUESTION RIGHTLY ASKED. THE LEGISLATURE IN IT'S WISDOM DECIDED THAT PUBLIC LIBRARY FEDERATIONS WERE A POLITICAL , ECONOMIC, AND SOCIAL GOOD AND CONTRIBUTED TO THE QUALITY OF LIFE FOR MONTANANS. WHEN THEY ALLOTTED A PORTION OF THE COAL TAX FOR FEDERATION ACTIVITIES THEY ACKNOWLEDGED THAT THE STATE HAD A COMPELLING INTEREST IN MAKING SURE THAT IT'S CITIZENS HAD ACCESS TO INFORMATION IN THE MOST COST EFFECTIVE WAYS. FEDERATIONS ARE TRULY COST EFFECTIVE. WE USE ECONOMIES OF SCALE, WE COOPERATE AND WE SHARE RESOURCES. YOU GET A LOT FOR YOUR MONEY AND MONTANANS GET ACCESS TO HIGH TECHNOLOGY, INCREASED COLLECTIONS, EDUCATED AND INFORMED LIBRARIANS AND A HOST OF COOPERATIVE PROJECTS ACROSS THE STATE. WE NEED STABLE AND GUARANTEED FUNDING TO BE ABLE TO CARRY ON THE ONGOING PROGRAMS. WE CANNOT AFFORD TO HAVE THE FEDERATION SYSTEM FAIL BECAUSE IT IS NOT FUNDED ONE BIENNIUM. IT'S LIKE HUMPTY DUMPTY, WE COULDN'T PUT ALL THE PIECES TOGETHER AGAIN. LIBRARIES DON'T TAKE A LOT OF THE COAL TAX, BUT THE PORTION WE NOW HAVE GUARANTEED TO US GOES TOWARDS HELPING TO MAKE ALL MONTANANS INFORMATION RICH. WE ASK THAT YOU LEAVE US THAT GUARANTEE AND ASSURE CONTINUED ACCESS TO INFORMATION FOR OUR CITIZENS. PLEASE VOTE NO ON SB83 AND KEEP THE COAL TAX FUNDING LIBRARIES. THANK YOU

EXHIBIT 2
DATE 2-15-95
SB 83

**Testimony Before the House Appropriations Committee
February 15, 1995**

Mr. Chairman, members of the Committee, for the record, my name is Richard Miller. I am Montana State Librarian.

You have heard, or will hear testimony today, concerning reasons why the percentage of Coal Severance Tax monies set aside for Montana's six library federations should be continued. You have also heard arguments for the need for Montana to "de-earmark" monies in order for the Legislature to have increased discretion in the determination of funding for various purposes. Each of you will, of course, draw your own conclusions about these issues.

But let me offer you some arguments for continuing the 1% allocation to Montana's library federations and for networking purposes. First, in 22-1-401 there is a policy statement which reads, "It is the policy of the legislature to encourage the most efficient delivery of library services to the people of Montana. To that end the state should be divided into regions within which libraries desiring to participate in the distribution of such state funding to libraries as may be available from time to time shall organize into library federations to pool resources and information and avoid duplication of effort." [emphasis added]

The Legislature recognized the efficiencies inherent in Montana's federations. I have distributed a list of the federations and their member libraries, as well as a map of the regions and an accounting of the funding for this fiscal year. Each of these federations develops an annual plan of service developed by representative trustees of local public libraries. This plan of service responds to local needs as identified by member libraries. As monies from this source have diminished over the years, each federation has had to "tighten its belt" in order to continue to provide services relevant to its members. Further tightening of the belt will be most difficult, but that is what this bill proposes -- i.e., competing for a smaller pot of money.

The federations, and the process of attempting to establish ongoing networking in Montana requires a stable base upon which to build. These functions do not fear competing for funding, but doesn't it make more sense to establish this base and let them put their efforts into meeting the goal set by the Legislature of "the most efficient delivery of information services to the people of Montana?"

Thank you for your kind attention to my remarks.

FEDERATION HEADQUARTERS LIBRARIES
OF THE MONTANA FEDERATIONS OF LIBRARIES

EXHIBIT

3

DATE 2-15-95

SB 83

BROAD VALLEYS FEDERATION

Deborah Schlesinger
Federation Coordinator
Lewis & Clark Public Library
120 South Last Chance Gulch
Helena, MT 59601
Phone: 406-442-2380
Fax: 406-442-2476
Internet Address: dschlesi@wln.com

SAGEBRUSH FEDERATION

Delores Drennen
Federation Coordinator
Miles City Public Library
1 South 10th Street
Miles City MT 59301-3398
Phone: 406-232-1496
Fax: 406-232-2095

GOLDEN PLAINS FEDERATION

Emory Robotham
Federation Coordinator
Glasgow City County Library
408 3rd Avenue South
Glasgow MT 59230-2498
Phone: 406-228-2731
Fax: 406-228-8193
Internet Address: gccl-ref@wln.com

SOUTH CENTRAL FEDERATION

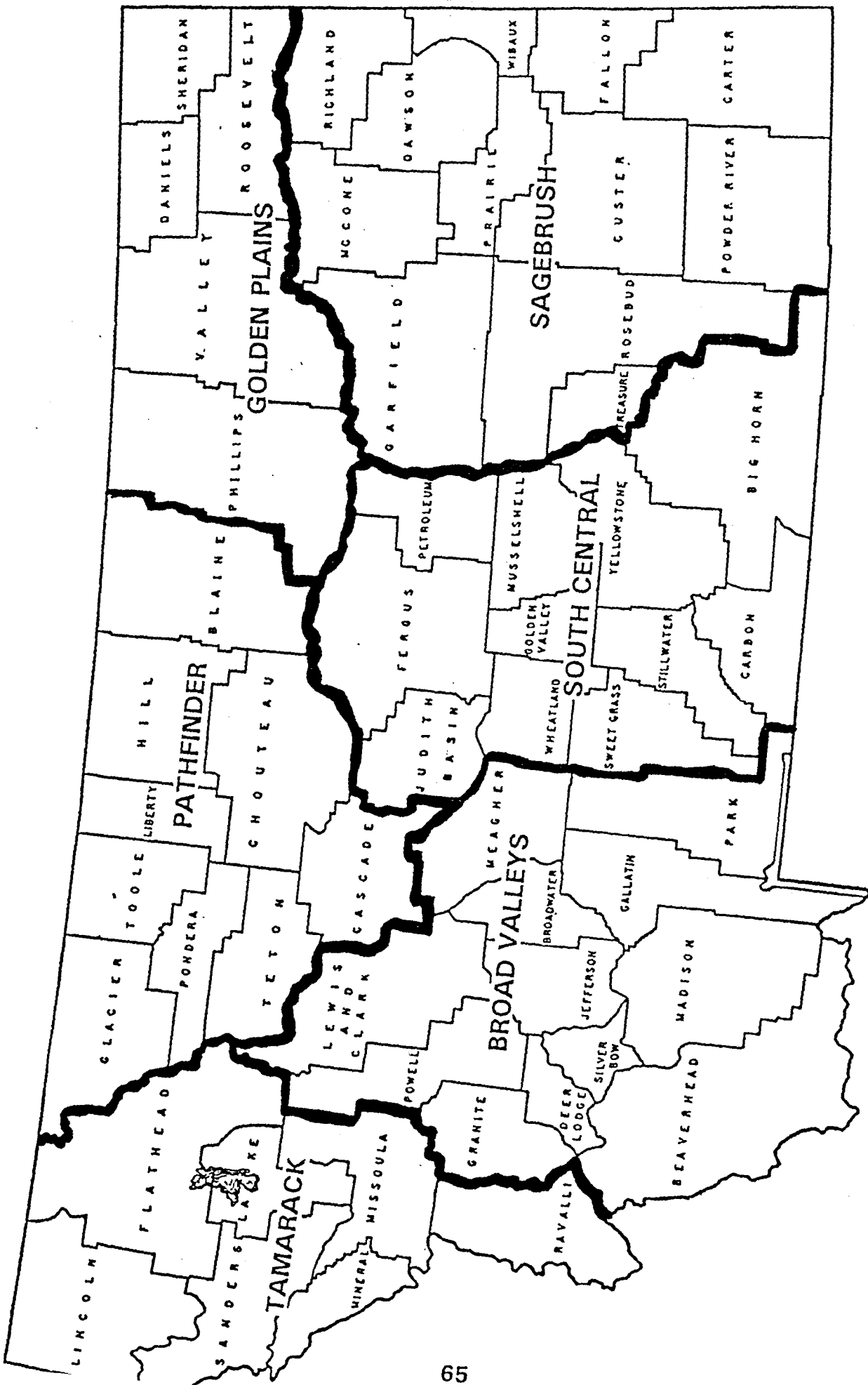
William Cochran
Federation Coordinator
Parmly Billings Library
510 North Broadway
Billings MT 59101-1196
Phone: 406-657-8257
Fax: 406-657-8293
Internet Address: scfol@wln.com

PATHFINDER FEDERATION

Jim Heckel
Federation Coordinator
Great Falls Public Library
301 2nd Avenue North
Great Falls MT 59401-2593
Phone: 406-453-0349
Fax: 406-453-0181

TAMARACK FEDERATION

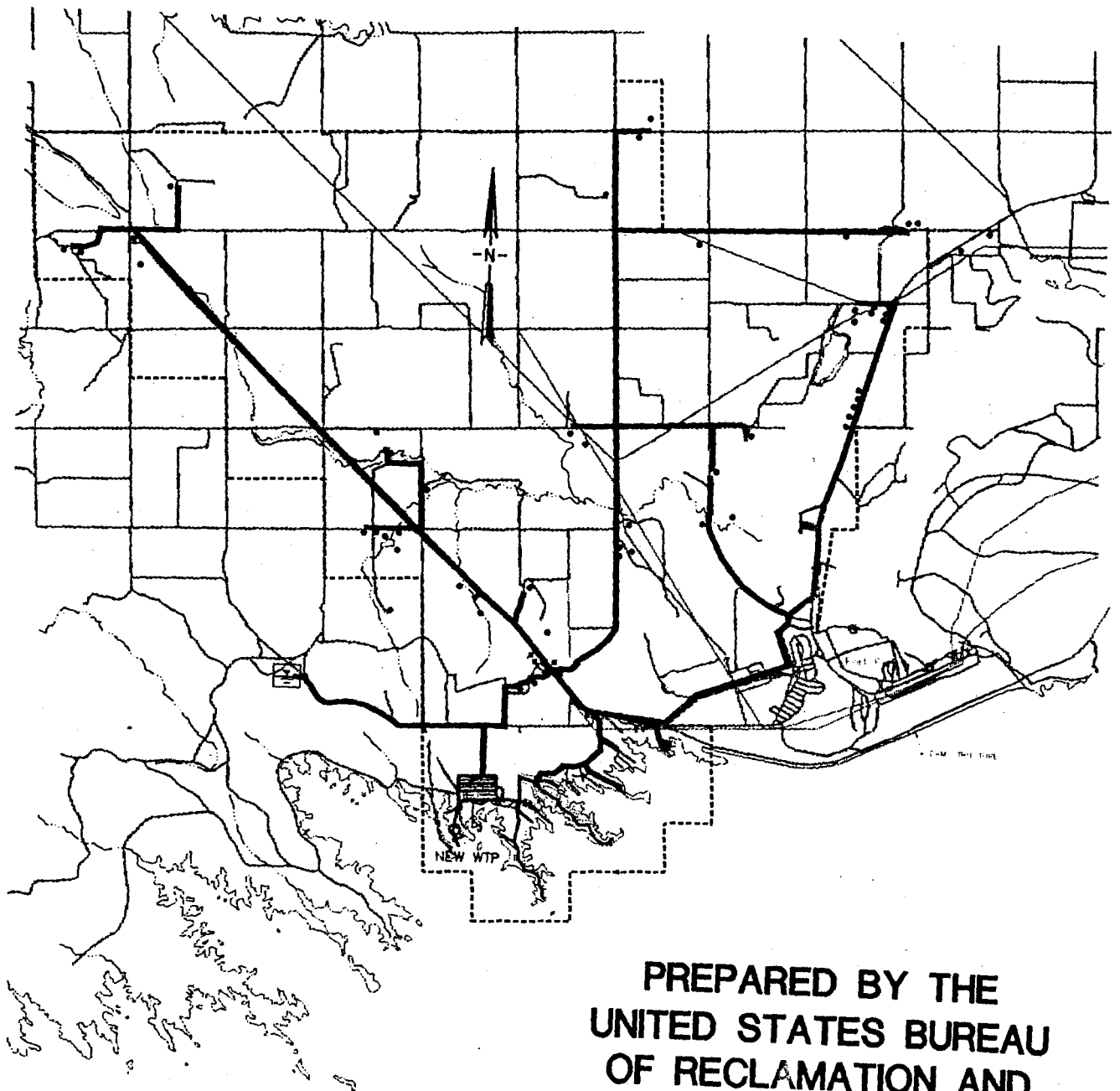
David Pauli
Federation Coordinator
Missoula Public Library
301 East Main
Missoula MT 59802-4799
Phone: 406-721-2665
Fax: 406-728-5900



MONTANA FEDERATIONS OF LIBRARIES

EXHIBIT 4
DATE 2-15-94
HB 6

FINAL ENGINEERING REPORT AND ALTERNATIVE EVALUATION FOR THE FORT PECK RURAL COUNTY WATER DISTRICT



PREPARED BY THE
UNITED STATES BUREAU
OF RECLAMATION AND
HKA ASSOCIATES
SEPTEMBER, 1994



EXHIBIT 5
DATE 2-15-95
HB 9

MONTANA PRESERVATION ALLIANCE

P. O. Box 1872, Bozeman, Montana 59771-1872 (406) 585-9551

President
Ron Axline, Helena

Vice President
Kathy Macefield, Helena

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Kathy McKay, Columbia Falls

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Jeff Sheldon, Lewistown

Marcella Sherfy, Helena

Ellen Sievert, Great Falls

Keith Swenson, Bozeman

Bill Brolin, Anaconda

John Brumley, Havre

Mary McCormick, Butte

February 14, 1995

Representative Tom Zook
House Appropriations Committee

Dear Committee Members:

This letter is written to ask you to please support HB 9 and support the Cultural Trust and the grant programs. The Cultural Trust and its grant programs have provided a wide range of assistance across the State of Montana, including capital improvements for buildings, providing arts opportunities for the citizens, and assisting with community planning efforts, to name just a few projects.

With help from a cultural and aesthetic (C & A) grant from the cultural trust, the Montana Preservation Alliance (MPA) has been able to provide technical assistance to various Montana communities, including Ingomar, Joplin, Malta, Miles City, Virginia City, and Winnett.

MPA has received requests for technical assistance from Belt, Columbia Falls, Fort Benton, Fort Shaw, Fort Assiniboine, Lewistown, and White Sulphur Springs. MPA will be responding to these requests with the help of the C & A grants.

The Cultural Trust and its grant programs respond to the needs of Montana's communities that do not have opportunities for other funding sources. Therefore, HB 9 responds to and addresses a great need all across the state. Please pass HB 9 and support the Cultural Trust and its grant programs for all Montanans. Thank you.

Sincerely,

Kathy Macefield
1995 MPA President

EXHIBIT 6
 DATE 2-15-95
 HB 11

**1995 TREASURE STATE ENDOWMENT PROGRAM
 FUNDING RECOMMENDATIONS
 (FY 96/FY 97 Biennium, Alphabetical Order)**

APPLICANT (TYPE OF PROJECT)	TSEP GRANT	NON-TSEP FUNDS MATCH \$ (%)		TOTAL PROJECT \$
BEAVERHEAD COUNTY (BRIDGE)	\$ 23,000	\$ 23,000	50%	\$ 46,000
BUTTE-SILVER BOW (SEWER)	500,000	4,946,000	91%	5,446,000
CONRAD (WATER)	180,000	180,000	50%	360,000
EAST GLACIER WTR. DIST. (WATER)	306,555	440,905	59%	747,460
FAIRVIEW (WATER)	500,000	1,095,000	69%	1,595,000
GARDINER/PARK COUNTY (WATER)	300,000	593,300	66%	893,300
HAMILTON (SEWER)	137,632	525,000	79%	662,632
HILL COUNTY WATER DIST. (WATER)	500,000	545,000	52%	1,045,000
HYSHAM (SEWER)	127,500	127,500	50%	255,000
LEWISTOWN (WATER)	500,000	8,546,000	94%	9,046,000
POWELL COUNTY (BRIDGE)	51,334	72,600	59%	123,934
SEELEY LAKE (WATER)	464,364	532,677	53%	977,041
THOMPSON FALLS (SEWER)	400,644	489,677	55%	890,321
TROY (SEWER)	500,000	4,197,200	89%	4,697,200
WHITEHALL (WATER)	500,000	800,000	62%	1,300,000
TOTALS	\$4,991,029	\$23,113,859	82%	\$28,084,888

HOUSE OF REPRESENTATIVES

VISITOR'S REGISTER

Appropriations COMMITTEE BILL NO. HB 6, 7, 8, 9, 11
 DATE 2-15-95 SPONSOR(S) SB83

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	BILL	OPPOSE	SUPPORT
Richard Fossum Helena	General community	HB-9		X
Natalie FITZPATRICK ANATONDA MT				
DEBORAH SCHUBINER	MT LIBRARIAN ASSOC	SB83	X	
Dave Cole	Mont. Dept. of Commerce Local Gov't Assistance	HB11		X
Robb McCracken	"	HB11		X
Jay Russell	C.M. Russell Museum	HB9		X
J. Scott Kall	HELENA SYMPH. SOCIETY / MT Assoc. SYMPH. ORCHESTRAS	HB9		X
Carol Novotne	the Helena Art Center	HB9		X
CECELIA SOLICH	HELENA Art Center	HB9		X
Robert M Clark	ME Historical Society	HB9		X
Michael Taylor	Pelotas Water Ass member	HB ⁸		X
Peter Held	Helena Museum of Art	HB9		X
Josh DeWeese	Archie Bray Foundation	HB9		X

ANNIE MACINA Helena Presents / Mying by Center HB9 X
 PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS
 ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.

HOUSE OF REPRESENTATIVES

VISITOR'S REGISTER

Appropriations
DATE 2/15/95

COMMITTEE

BILL NO. HB 6, 7, 8, 9, 11
SB 83

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	BILL	OPPOSE	SUPPORT
Mike Lahr	MT. LIBRARY Assoc	SB-83	X	
HARRIETT MELOG		HB9		X
Judie Telman		7		
Leonard Wortman		7		X
Gloria Hennanson	MT Cultural Assoc	HB9		X
Kathy Macfield	MT Preservation Alliance	HB9		X
Jim Tubbs	DWRC	HB 6, 7, 8		X
Lorna Frank	MT. Farm Bureau	SB83	X	
Ray Beck	DWRC	HB 6, 7, 8		X
Richard Miller	State Library	SB83	✓	
Elizabeth Sellers	Helena Symphony	HB9		✓
Mike Olesky	MT Assoc. of Cons. Districts	HB 6, 7, 8		✓
Melinda Artz Sivezy	Metis Cultural Recovery	HB9		✓

METIS CULTURAL RECOVERY HB9

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