

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 54th LEGISLATURE - REGULAR SESSION

COMMITTEE ON FISH & GAME

Call to Order: By CHAIRMAN DOUG WAGNER, on March 2, 1995, at
3:00 p.m.

ROLL CALL

Members Present:

Rep. Douglas T. Wagner, Chairman (R)
Rep. William Rehbein, Jr., Vice Chairman (Majority) (R)
Rep. Emily Swanson, Vice Chairman (Minority) (D)
Rep. Charles R. Devaney (R)
Rep. Jim Elliott (D)
Rep. Daniel C. Fuchs (R)
Rep. Marian W. Hanson (R)
Rep. Hal Harper (D)
Rep. Chase Hibbard (R)
Rep. Dick Knox (R)
Rep. Rod Marshall (R)
Rep. Brad Molnar (R)
Rep. Robert J. "Bob" Pavlovich (D)
Rep. Bob Raney (D)
Rep. Robert R. "Bob" Ream (D)
Rep. Paul Sliter (R)
Rep. Bill Tash (R)
Rep. Jack Wells (R)

Members Excused: None.

Members Absent: None.

Staff Present: Doug Sternberg, Legislative Council
Mary Riitano, Committee Secretary

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

Committee Business Summary:

Hearing: SB 285, SB 304, SB 303
Executive Action: SB 259 BE CONCURRED IN AS AMENDED
SB 285 BE CONCURRED IN
SB 304 BE CONCURRED IN AS AMENDED
HB 349 APPOINTED TO SUBCOMMITTEE

{Tape: 1; Side: A; Approx. Counter: 000; Comments: N/A.}

HEARING ON SB 285

Opening Statement by Sponsor:

SEN. BOB PIPINICH, Senate District 29, Missoula, stated that SB 285 was an act prohibiting a person from applying for a special license or entering a drawing for a moose, bighorn sheep, or mountain goat license or permit for 10 years if the person was convicted of poaching.

Proponents' Testimony:

Bob Lane, Chief Legal Counsel, Department of Fish, Wildlife, and Parks, distributed written testimony in support of SB 285. The bill provided more equitable treatment between legal hunters and those convicted of illegally taking a mountain sheep, mountain goat, or moose. **EXHIBIT 1**

Bill Allen, Montana Legislative Audubon Fund, handed in a witness statement supporting SB 285. **EXHIBIT 2**

Opponents' Testimony:

None.

Questions From Committee Members and Responses:

REP. ROD MARSHALL asked **SEN. PIPINICH** who would keep track of violators of this statute. **SEN. PIPINICH** explained that the department would keep track of them by computer.

REP. BRAD MOLNAR asked how the bill would make a difference to poachers. **SEN. PIPINICH** hoped that the bill would provide an additional deterrent and at least reduce the amount of poaching.

REP. BILL REHBEIN asked how the current law addressed deer and antelope poaching. **Mr. Lane** said a person would lose their license for 18 months to three years. **REP. REHBEIN** asked why other species were not addressed in the bill. **SEN. PIPINICH** said the bill only dealt with permits. Deer and elk do not require permits. Mountain goat, mountain sheep, and moose were the three permits addressed in the bill.

REP. MOLNAR stated that the average poacher was a "big time poacher." Jail time or fees were not addressed in the bill. SB 285 did not penalize the professional poachers. **SEN. PIPINICH** believed the bill would not really affect them. This bill would affect the person who killed a mountain goat, mountain sheep, or moose every two or three years and did not obtain a permit first. **REP. MOLNAR** asked if the fines and jail time should be amended to affect professional poachers. **SEN. PIPINICH** said it had been considered. **Mr. Lane** remarked that SB 210 increased all

penalties, including those for mountain goat, mountain sheep, and moose. There were specific statutes that dealt with people convicted of deer or elk poaching. If they were ordered to pay restitution, there would be a 5-year wait to obtain another license.

CHAIRMAN DOUG WAGNER stated that he did not see a difference, even if there was a 25-year wait. People who poach do not care about the statutes. **SEN. PIPINICH** said Montana had unique opportunities for applying for permits. Currently there were plentiful moose herds. **CHAIRMAN WAGNER** asked what would happen if a person was "accidentally caught" poaching. **SEN. PIPINICH** said that person would get the 5-year penalty. Under this bill, the judge has the opportunity to issue an additional five-year penalty. **Mr. Lane** remarked that under current law, the 5-year penalties would run concurrently. SB 285 provided more penalty to those who poach on purpose, whether or not they obtain a permit.

Closing by Sponsor:

SEN. PIPINICH said it was a good bill and hoped that it would provide a deterrent. He indicated that **REP. BOB PAVLOVICH** would carry the bill if it was passed.

HEARING ON SB 304

Opening Statement by Sponsor:

SEN. BOB PIPINICH, Senate District 29, Missoula, said SB 304 would help FWP with some of their duties. The bill was an act revising the requirements for the taking of fish or game for scientific purposes; increasing the permit fee for the taking of fish or game for scientific purposes and to allow an individual to be eligible to receive a permit to collect for scientific purposes. SB 304 would lighten the load at the department and speed up the process of obtaining scientific permits. There was no opposition in the Senate hearing to the bill.

Proponents' Testimony:

Bob Lane, Chief Legal Counsel, Department of Fish, Wildlife, and Parks, distributed written testimony. In order to obtain permits for a variety of projects, private industry must provide basic biological information. The current process was difficult for both the department and the private industry. The bill would provide a mechanism by which the department could review the request. If the need was legitimate and the private industry people were qualified, the department may issue a permit for the private industry to complete the scientific study. **EXHIBIT 3**

REP. BOB REAM, House District 69, Missoula, spoke in favor of the bill. It would allow latitude for scientific study. There were

many university students involved in cooperative studies with the department and other agencies. Currently, however, there was no fee charged for those permits. It did not make sense to charge students for those permits.

Bill Allan, Montana Legislative Audubon Fund, handed in a written statement supporting SB 304. **EXHIBIT 4**

Opponents' Testimony:

None.

Questions From Committee Members and Responses:

REP. PAVLOVICH asked about the \$50 charge for the permit. **Mr. Lane** said the \$50 was added in executive action in the Senate Fish and Game Committee. It was not included in the original bill. He would agree to an amendment that would reduce the fee.

REP. DICK KNOX asked **Mr. Lane** about the criteria that would be used to determine whether a person was "qualified" to make the scientific investigation. **Mr. Lane** said a person's educational background, experience, and intent of the request would be considered. FWP biologists would make those determinations.

REP. KNOX asked if there was criteria established currently. **Mr. Lane** said no. This would be a new process and criteria would be established.

REP. BOB REAM asked if a permittee was required to file a report or else they may not be issued another permit. **Mr. Lane** said their intent was to make it mandatory to ensure a report was filed once the investigation was completed. Once the report was filed, a person would have the opportunity to file for another permit.

REP. JACK WELLS asked how many permits were issued in a year. **Mr. Lane** said about 30 permits were issued.

REP. REHBEIN asked **Mr. Lane** who determined if an animal needed to be harvested for the purposes of studying it. **Mr. Lane** said the private company makes a determination that they need a particular species for study. They present their request to FWP and a judgment is made whether it is necessary. For any legitimate purposes, FWP did not withhold permits.

CHAIRMAN WAGNER asked **REP. REAM** about a possible amendment regarding the fee. **REP. REAM** said where universities were participating cooperatively with the department in completing studies, there should be no fee at all.

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CHAIRMAN WAGNER said the workload would be decreased for FWP biologists, yet the fee was proposed to be increased. He asked for the rationale behind this. **Mr. Lane** said the workload would be lessened because biologists would not have to accompany the people. The fee increase was not their idea. He stated that he would work with **REP. REAM** on the issue.

Closing by Sponsor:

SEN. PIPINICH stated that the permit increase was an amendment made in the Senate. However, he did not want universities to have to pay that fee. Perhaps the \$50 could apply towards industries or individuals who request the permit. He stated that **REP. PAVLOVICH** would carry the bill if it was passed.

HEARING ON SB 303

Opening Statement by Sponsor:

SEN. BOB PIPINICH, Senate District 29, Missoula, stated that SB 303 placed some restrictions on personal watercraft. He passed out a picture of the watercrafts. He stated that he was not sponsoring the bill for any organization or co-op. It was strictly his bill. SB 303 prohibited a person from operating a personal watercraft greater than no-wake speed within 100 feet of a dock, swimmer, raft, nonmotorized boat, or anchored vessel. The bill also clarified the age requirement for operation of a motorboat or personal watercraft. He handed out amendments that addressed only personal watercraft. **EXHIBITS 5 AND 6**

Proponents' Testimony:

Ken Hoovestall, Montana Boaters Association, expressed support for the bill. They did object to the language regarding motorboats, however. Personal watercraft were creating a problem. The bill would curtail dangerous activities. A similar bill was passed in North Dakota and has had positive results. If the amendments that **SEN. PIPINICH** handed out were passed, their concerns would be addressed.

Bob Lane, Chief Legal Counsel, Department of FWP, stated that SB 303 would create a safety zone of 100 feet around other water users by requiring no-wake speeds around docks, swimmers, swimming rafts, nonmotorized boats, or anchored vessels. The bill enabled water safety officers to stop, warn, and cite personal watercraft users and motorboat users who harass or endanger other recreationalists by passing them too closely at high speeds. **EXHIBIT 7**

Opponents' Testimony:

None.

Questions From Committee Members and Responses:

REP. JIM ELLIOTT asked **Beate Galda**, Enforcement Division, FWP, who was qualified to issue citations for watercraft offenses. **Ms. Galda** said water safety officers, game wardens, deputy sheriffs, and other law enforcement officers were authorized to issue tickets. **REP. ELLIOTT** asked how many citations were issued last year. **Ms. Galda** said that 17,000 contacts were made last year.

REP. PAUL SLITER asked **SEN. PIPINICH** if a 12-year-old who had taken a water safety course was less qualified than a 13-year-old who had taken the same course. **SEN. PIPINICH** said that without an adult in the boat, he did feel that way. **REP. SLITER** asked what the difference was between the two. **SEN. PIPINICH** said it was the law. **REP. SLITER** said that "15" was stricken and replaced with "13/14." **SEN. PIPINICH** said that was correct. The age limit was reduced to 13. With an adult in the boat, that child could operate the boat as long as they had completed the water safety course. **REP. SLITER** asked if anyone who successfully passed the course should be allowed to operate a boat. **SEN. PIPINICH** said no.

REP. HAL HARPER referred to page 4, line 24 and asked about wade fishing. **SEN. PIPINICH** referred to the title of the bill that included nonmotorized boats and swimming rafts, which should encompass wade fishing. **REP. HARPER** questioned if it was included. Wade fishermen should be allowed the same courtesy as swimmers and rafters. **SEN. PIPINICH** said the proposed amendments should take care of his concerns. **REP. HARPER** asked about the proposed amendments. **SEN. PIPINICH** said the amendments would return the statutes to the original language before the bill was drafted. **REP. HARPER** said that he would have 100 feet of protection if his boat was anchored next to him while he was wade fishing, but he would not necessarily have that buffer if he was not standing next to the boat. **SEN. PIPINICH** said the amendments would address his concerns.

CHAIRMAN WAGNER asked **Mr. Sternberg** for clarification. **Mr. Sternberg** said by removing Section 2 from the bill, the language in Section 525, subsection (3), would be reinstated into its present form. A person who was engaged in fishing was entitled to a 50 foot buffer zone, unless it was unavoidable. The new language in Section 3, subsection (3) would instill a 100-foot no-wake speed buffer around docks, swimmers, swimming rafts, nonmotorized boats, or anchored vessels. There would be a 50-foot difference of buffer zone for people who were fishing and people who were swimming.

REP. REAM asked **Mr. Lane** to clarify his support for the bill as amended by the Senate. **Mr. Lane** said FWP supported it. **REP. REAM** asked if he would support the amendments proposed by **SEN. PIPINICH**. **Mr. Lane** said no. **REP. REAM** understood that **SEN. PIPINICH's** amendments strip the amendments the Senate committee

passed. **SEN. PIPINICH** said it was not the Senate committee that made the amendments. It was proposed on the floor of the Senate. No other senator agreed with the amendment in the Senate Fish and Game Committee. **REP. REAM** asked if FWP would be present in executive action to discuss concerns.

REP. SLITER referred to Section 2, line 25, which provided an exemption for water skiers and tubers being pulled off of a dock. He stated there was no language allowing the skier to return to the dock. **Mr. Lane** said that was correct. **SEN. PIPINICH** commented that he would agree to an amendment to take care of this concern. **REP. SLITER** stated he would support the proposed amendments. He wanted to make FWP aware "that the language that they were supporting was somewhat ridiculous."

CHAIRMAN WAGNER asked **Mr. Lane** if there was a threat of lawsuits if personal watercraft were singled out. If the language was changed to all motorized watercraft, would that threat be removed. **Mr. Lane** said testimony pointed out instances in court cases from other states where it was discriminatory to single out personal watercraft for restrictions. Some concern was expressed about the legality of the language. If other watercrafts also create safety concerns, it may be discriminatory to single out personal watercraft. All watercraft creating safety concerns should be treated equally. **CHAIRMAN WAGNER** said the bill included all motorized watercraft. With the proposed amendment by **SEN. PIPINICH** it was returned to personal watercraft. **Mr. Lane** said that was correct.

CHAIRMAN WAGNER asked if local jurisdictions could deal with these types of problems. **Mr. Lane** said if the local jurisdictions would give authority to control water safety, it could be done.

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It may create some considerable difficulties if some jurisdictions create regulations and others do not.

CHAIRMAN WAGNER said an amendment was made to change "15 years of age" to "13 or 14 years of age." He commented that the change did not clarify the language. **Mr. Lane** agreed. FWP wanted the law to be clearly understood that children 12 and under could not operate a motorcraft unless there was an adult present. It would not matter if that 12-year-old had passed the water safety course. **CHAIRMAN WAGNER** asked if he felt the language stated that intent. **Mr. Lane** said yes. Children that were 13 or 14 years of age could operate a motorboat without an adult if they had passed the course. **CHAIRMAN WAGNER** asked if it would read clearer if the language said "13 and up." **Mr. Lane** said the way the language was understood now, a person 15 years and older did not need to be accompanied by an adult.

CHAIRMAN WAGNER asked about the fiscal impact on the department. **Mr. Lane** referred the question to **Pat Graham, Director, FWP**. **Mr. Graham** explained that they were not requesting more water safety personnel. They receive more water safety calls than FWP personnel can currently handle. The bill would not change that. It could be improved and generate fewer complaints, however, if people would obey the law. The issue could be reviewed after a few years to determine its effectiveness.

Closing by Sponsor:

SEN. PIPINICH said that he purchased a personal watercraft last summer and thought that they were a lot of fun. He harassed people when he first got it. However, he gave it some thought and decided that these machines needed to be used with good sense. He stated that **REP. PAVLOVICH** would carry the bill to the House floor if it passed.

EXECUTIVE ACTION ON SB 259

Motion: **REP. SLITER MOVED THAT SB 259 BE CONCURRED IN.**

Discussion:

REP. REHBEIN distributed a copy of amendments. He asked **Mr. Graham** if it would work to have the effective date be upon passage and approval. **Mr. Graham** said they could make it work. He expressed concern over potential changes in bow hunter's safety courses addressing atlats. It would take time to develop information and distribute it to instructors across the state. If the date was moved, there probably would not be any information regarding the atlats at the educational courses.
EXHIBIT 8

Motion: **REP. REHBEIN MOVED THE AMENDMENTS DO PASS.**

Discussion:

REP. REHBEIN said the amendments struck "a special 2-day" in the title of the bill and allowed atlats hunting through the entire bow season. The amendments also made the bill effective on passage and approval.

Motion: **REP. PAVLOVICH MOVED TO SEGREGATE AMENDMENTS 3 AND 5 AND TO CHANGE THE EFFECTIVE DATE TO OCTOBER 1, 1995.**

Discussion:

REP. HARPER said they were good amendments. Atlats hunters should be allowed to hunt during bow season. He wanted to ensure that the commission could set restrictions if they were needed. **Mr. Sternberg** referred to page 3, line 13-15. It specified that the commission had authority by rule to establish regulations for

atlatl use and type of equipment to be utilized. **CHAIRMAN WAGNER** remarked to **REP. HARPER** that he understood atlatls could be used during the regular rifle season.

Vote: AMENDMENTS 1, 2, AND 4. Motion carried unanimously.

Motion: REP. REHBEIN MOVED AMENDMENTS 3 AND 5.

Discussion:

REP. REHBEIN said that since hunting season did not begin until September 1, he did not believe the proposed change in effective date by REP. PAVLOVICH was necessary. If the bill were effective upon passage and approval, that would allow FWP to begin right away making the appropriate regulations. REP. PAVLOVICH agreed.

Vote: AMENDMENTS 3 AND 5. Motion carried unanimously.

Motion/Vote: REP. SLITER MOVED THAT SB 259 BE CONCURRED IN AS AMENDED. Motion passed unanimously. REP. DAN FUCHS was absent for the vote. REP. MARSHALL carried SB 259 to the House floor.

EXECUTIVE ACTION ON SB 285

Motion: REP. PAVLOVICH MOVED THAT SB 285 BE CONCURRED IN

Discussion:

REP. REHBEIN stated that SB 210, which revised laws regarding fish and game violations, increased fines. It would be more of a deterrent than this bill. He did not see a need for SB 285.

REP. MOLNAR agreed with REP. REHBEIN. The bill would only penalize those people who accidentally shot a trophy game animal. It would not affect "big time" poachers.

REP. KNOX supported the bill. He said that SEN. PIPINICH had said it would not solve the problem. However, it may provide an additional deterrent.

REP. REHBEIN stated that SEN. PIPINICH had stated he applied for a moose permit for 25 years and never was successful in obtaining one. If he did violate the law, it would not matter.

Vote: BE CONCURRED IN. Motion carried 13 to 5 with REPS. WAGNER, REHBEIN, FUCHS, MOLNAR, and WELLS voting no.

EXECUTIVE ACTION ON SB 304

Motion: REP. PAVLOVICH MOVED THAT SB 304 BE CONCURRED IN.

Motion: REP. REAM MOVED TO AMEND SB 304.

Discussion:

Mr. Sternberg explained the amendments. On page 2, line 12, following the word "permit," the language would be inserted, "except that a permittee from an accredited school, college, or university or other institution of learning or from any governmental agency is exempt from the fee." A person who applied for a permit on an individual basis would need to pay the fee.

REP. REHBEIN said he would like the fee stricken from the bill. He did not want to single out different entities. He felt that FWP should pay \$50 to the person who was doing the job because the department's workload was reduced.

Vote: **REP. REAM'S AMENDMENT.** Motion carried 14 to 4 with **REPS. REHBEIN, FUCHS, SLITER, and WELLS** voting no.

Motion: **REP. REHBEIN MOVED TO STRIKE THE PERMIT FEE FROM THE BILL.**

Discussion:

REP. REAM asked for comments from FWP. **Mr. Graham** said that several industries approached FWP regarding the law and having flexibility to conduct studies. The department supported the idea because it would reduce their workload. However, there was still work involved in processing applications for permits, reviewing the proposed studies, and verifying qualifications. The \$50 was arrived at to cover the department's expenses. **REP. REAM** said the amendment would strike the fee entirely. He asked if this would pose a problem. **Mr. Graham** said it did take time to process the applications. Some of that cost was recovered through the permit fee and covered a portion of their expenses.

REP. BILL TASH asked **Mr. Graham** if related expenses were already in their budget. **Mr. Graham** said the proposed projects were requested by outside entities and not by the department. The industries did not collect data for the department but rather for its own purposes.

REP. REHBEIN said that **Bob Lane, Attorney, FWP**, testified that the bill would free up FWP personnel. It usually required one day for FWP personnel to go with individuals and obtain the species. If the bill passed, that employee would not be encumbered with those tasks. Therefore, he felt that the \$50 fee was unnecessary. The person who no longer had to perform those duties could find time to process applications. **Mr. Graham** said the entities pay them for the time FWP spent working with them. It amounted to enough time to hire an additional employee.

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REP. REHBEIN stated that it did not diminish all the work. If the bill passed, it would be mutually beneficial.

REP. PAVLOVICH expressed opposition to the amendment. Entities said that they were willing to pay the fee to help with FWP expenses. CHAIRMAN WAGNER said that the Senate made an amendment regarding the \$50 fee. The industry did not raise any opposition.

REP. HARPER remarked that FWP was funded by license fees. Those fees subsidize these activities. At least \$50 would be collected to offset some of the expense. Any amount that was not collected would be subsidized by hunting and fishing licenses. He expressed opposition to the amendment.

Substitute Motion: REP. REHBEIN MADE A SUBSTITUTE MOTION TO RETURN THE FEE TO \$5 ON PAGE 2, LINE 12.

Discussion:

REP. HARPER said FWP was completing the work for \$5 because it was in the law. This type of reporting could not be done for only \$5. License fees have been subsidizing all expenses that the \$5 did not cover.

REP. SLITER suggested that the fee be changed to \$15 if that was the amount of expense involved. He did not want FWP to subsidize a loss. He asked Mr. Graham about the cost for each permit. Mr. Graham said the projects vary from a single day to many years. There was no set expense incurred for a permit. The average seemed to be around \$50.

The committee discussed the difference between REP. REAM and REP. REHBEIN's amendment. REP. REAM's amendment would be left intact if REP. REHBEIN's amendment passed.

Vote: SUBSTITUTE MOTION. Motion failed 12 to 5 with REPS. WAGNER, REHBEIN, FUCHS, TASH, and WELLS voting yes.

Motion/Vote: REP. PAVLOVICH MOVED THAT SB 304 BE CONCURRED IN AS AMENDED. Motion carried unanimously.

EXECUTIVE ACTION ON HB 349

Motion: REP. BOB RANEY MOVED THAT HB 349 DO PASS.

Discussion:

REP. RANEY handed out a copy of a gray bill and proposed amendments. The negative impact on the state with the loss of certain species of fish concerned him. The management of streams was turning more and more into catch-and-release and closure. He was distressed about the current decline in Montana's rivers and

hatcheries. Habitat was being lost, which has a significant impact on the wild fish population. As a result, HB 349 was drafted to concentrate on preserving wild fish. He had trouble crafting language that would bring the department into a program that would concentrate on the preservation of wild trout and fisheries. The original bill was poorly written.

SEN. LORENTS GROSFIELD had read the bill and offered to help draft better language. **REP. RANEY** pointed out that the bill was signed by a diverse group of people. He stated that his intentions were honorable. There had been a media blitz regarding the bill and it triggered a lot of interest in the bill from across the state. It seemed as though misinformation was being received by the public about what the bill would do exactly. He stated that the department has done everything they could do to kill the bill. The bill had been misinterpreted. **REP. RANEY** met with the department and asked for input to put the bill together for a Future Fisheries Program. The public would also be involved.

REP. RANEY stated that the proposed amendments would allow most programs to continue as they do currently. The exception was building the Bluewater Fish Hatchery. The new hatchery would cost \$4.5 million. **REP. RANEY** proposed to fund a program that would work with landowners, 4-H, Montana Power, Montana Logging Association, and other organizations interested in stream restoration. Some of the money designated for the Bluewater Hatchery Program would be sent to Miles City to complete the warm water fish hatchery.

REP. RANEY said that HB 575 proposed privatization of fish hatcheries. A study would be done about the cost of buying fish from private enterprises. He conferred with the Legislative Auditor about the fund balance at FWP. According to the Auditor, there was about \$3.5 million excess in the fisheries/license account and about \$10 million ending fund balance in the hunting license account. The money was in those accounts to prevent future license increases. He proposed to take about half of the \$3.5 million to fund the program in HB 349. The money would be used for river restoration, stream maintenance, and restoration of spawning areas. **EXHIBITS 9 AND 10**

Motion: **REP. RANEY MOVED THE AMENDMENTS DO PASS.**

Discussion:

REP. ELLIOTT asked **Mr. Graham** to address the ending fund balances in the fisheries and hunting accounts. **Mr. Graham** explained that they were not kept in different accounts. The license balance was not segregated. Periodically, increases in license fees were made to keep the organization functioning for a period of time. After those fees were increased, the fund balance was at its highest and was then "spent down" over a period of years. At that point, fees would be increased or programs would be cut to

maintain solvency. The fee increase from 1991 was supposed to help the department maintain fiscal viability until 1999. Currently, the department was "on track" to reach this goal.

REP. ELLIOTT asked about the fund balance before the license fees were increased. Mr. Graham said the fund balance in 1992 was \$6.8 million but he did not know if that included the increase.

CHAIRMAN WAGNER handed in a letter from Riley Johnson, Walleyes Unlimited, in opposition to the bill. EXHIBIT 11

CHAIRMAN WAGNER asked about clarification regarding some statements made by REP. RANEY. REP. RANEY explained that one private hatchery owner said he could produce four million fish a year for \$100,000. Another hatchery owner said he presently produced one million fish year and his operation expenses were about \$100,000.

REP. RANEY said the projected fund balance in the license account was to be about \$16.5 million in 1995. In 1996 the balance was to be about \$16.8 million, 1997 would be about \$13.1 million, 1998 would be about \$10.8 million, and in 1999 the balance would be about \$4.9 million. If \$1.5 million was removed from the license account this year, which contained about \$3.5 million, there would still be a substantial balance remaining. He stated that no other governmental agency would be allowed to "pack around" such large ending fund balances. There was a crisis in Montana for stream and rivers. Those fish are entirely dependent on habitat. Organizations across the state are contributing to the restoration.

CHAIRMAN WAGNER asked REP. RANEY about the gray bill. REP. RANEY said the amendments were included in the gray bill.

REP. EMILY SWANSON asked REP. RANEY if the fiscal note was revised to consider the proposed amendments. REP. RANEY explained the money was specifically stated in the gray bill.

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REP. SWANSON asked about the different phases of the Bluewater Fish Hatchery and about the production of fish in private hatcheries. Mr. Graham referred the question to Larry Peterman, Fisheries Division, FWP. Mr. Peterman said the Bluewater Fish Hatchery was reviewed to be reconstructed in three phases. Phase one was the design and securing water for the hatchery. Phase two was finishing the water supply and rebuilding the raceways. Phase three was the remaining work on the grounds and water discharge system.

REP. SWANSON asked Mr. Peterman where Bluewater Fish Hatchery was located. Mr. Peterman said it was south of Billings.

REP. SWANSON asked **Mr. Peterman** to address the issue of privatization of fish production at hatcheries. **Mr. Peterman** said FWP had examined that possibility. FWP found that the operations budget was a break-even situation. It did not include distribution costs, which was a major expense. The level of disease varies among the private hatcheries. Another aspect of private fish hatcheries dealt with the strain of fish. FWP was trying to produce more native fish. The type of fish was matched to the body of water that it was planted in.

REP. SWANSON asked if amortization was figured into the operation expense. **Mr. Peterman** said the budget did not include the capital cost but did include amortization over a 50-year period.

REP. RANEY said if the committee wanted to learn about private hatcheries, they would have to call one. The private hatchery owners he talked to expressed a fear of FWP. Phase two of the Bluewater Hatchery included correction of hatchery water quality problems, replacement of raceways, construction of a new hatchery office building, renovating existing residences, and general ground and site improvement to provide for the disabled.

REP. TASH asked about the water supply at the Bluewater Hatchery. **Mr. Peterman** said they had a water supply and water rights, but it needed renovation. **REP. TASH** asked about the water renovation. **Mr. Peterman** said it would include covering the existing water supply and putting it through a treatment to eliminate the nitrogen.

REP. TASH asked about the license criteria requirements for hatcheries. **Mr. Peterman** said FWP inspected private hatcheries upon request for disease. If a hatchery requested, FWP could issue a disease-free certification so that hatchery could sell the fish. **REP. TASH** stated that it had to be by request of a private hatchery. **Mr. Peterman** said currently they were inspecting all hatcheries this spring because of the whirling disease problem.

REP. TASH understood that they had the authority, but it had not been exercised. **Mr. Peterman** said they normally inspected the major private production hatcheries. Smaller ones were not regularly inspected.

REP. MOLNAR asked **Mr. Peterman** how many miles of stream restoration could be completed with \$1.5 million. **Mr. Peterman** said it would depend on the type of projects completed. He could not estimate the number of miles that could be worked on.

REP. MOLNAR asked if the department still opposed the bill in its current form. **Mr. Graham** stated that he did not have a chance to study the proposed gray bill. **REP. MOLNAR** asked for his "hipshot" reaction to whether or not \$1.5 million was a reasonable amount to put into stream bank restoration. **Mr. Graham** stated that the \$1.5 million was from the ending fund

balance and one-time expenditure. They were concerned that the Bluewater Hatchery would not be finished and be closed. All of these expenditures would affect how soon the department ran out of its revenue and may reduce other programs.

REP. MOLNAR asked **Mr. Graham** if it would be more prudent to take bids from private hatcheries to provide fish and build hatcheries. **Mr. Graham** said privatization has been reviewed a few times in the past and revealed it was not cost-effective for the state. When FWP did comparisons, all expenses were considered. They were willing to review the issue to provide the same quality of fish for a lower amount of expense.

REP. REHBEIN asked **REP. RANEY** where he obtained his information on the Bluewater Hatchery. **REP. RANEY** said he obtained the data from FWP handouts, booklets, and presentations.

REP. REHBEIN stated that **Mr. Peterman's** information did not coincide with **REP. RANEY's** data from FWP. **Mr. Peterman** said he was going "off the top of his head" regarding the different phases in the reconstruction of the Bluewater Hatchery. He did not have the proposal in front of him to refer to. **REP.**

REHBEIN asked about the residential housing. **Mr. Peterman** said the existing houses would be renovated. The hatchery needed to be manned 24 hours a day for security reasons.

REP. CHASE HIBBARD asked **REP. RANEY** to clarify the amount of money that would be used for the program. **REP. RANEY** said \$1.5 million from the ending fund balance would be a one-time expenditure. The \$290,000 from the River Restoration Account would be used. About \$1.75 million from the Bluewater Hatchery Project would be used. The hatchery money would be an ongoing source because it was funded by license money. Approximately \$500,000 would be sent to Miles City to complete the walleye fish hatchery. Some money would remain in the Bluewater Hatchery account for maintenance. HB 575 would require FWP to complete a study of fish hatcheries and whether they should be privatized.

CHAIRMAN WAGNER suggested that the bill be appointed to a subcommittee to take care of the details. **REP. RANEY** said the bill would need to be reviewed in the Appropriations Committee if it passed. Basically, the committee was being asked to approve the policy and not the funding. That would be taken care of in appropriations.

REP. HIBBARD said the bill could be debated indefinitely. The amendments made some fundamental changes. He agreed with the chairman's suggestion.

REP. TASH said there were many questions regarding water quality, sources, and cost. He agreed with the chairman's suggestion.

REP. RANEY said all the information was contained in the packet of information he handed out earlier. The purpose of the bill

was to increase fish habitat and involve the public in making decisions regarding many issues. Much of the language in the gray bill was constructed by **SEN. GROSFIELD**.

REP. SLITER said that the bill had changed form substantially and questioned whether another hearing should be held.

Substitute Motion: **REP. HARPER REQUESTED THAT A SUBCOMMITTEE BE FORMED TO EXAMINE HB 349.**

Discussion:

CHAIRMAN WAGNER asked for volunteers for the subcommittee. **REPS. TASH, KNOX, HARPER, SLITER, and RANEY** were appointed to the subcommittee.

Vote: **SUBSTITUTE MOTION. Motion carried unanimously.**

Discussion:

REP. RANEY handed out a copy of the proposed changes in funding and structure of HB 349. **EXHIBIT 12**

CHAIRMAN WAGNER asked **REP. TASH** if he would like to chair the subcommittee. **REP. TASH** said yes. **REP. TASH** was appointed as the chairman of the subcommittee.

The committee discussed the timeframe in which the bill needed to be reviewed in executive action. **CHAIRMAN WAGNER** said he would confer with leadership regarding the deadlines.

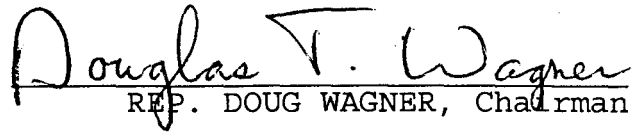
{Tape: 3; Side: B; Approx. Counter: 000; Comments: Lost 5 seconds.}

REP. RANEY handed out a copy of the Future Fisheries Proposal and information regarding the general license fund balance. **EXHIBITS 13 AND 14**

A request was made to have the department participate in the subcommittee.

ADJOURNMENT

Adjournment: 5:50 p.m.


REP. DOUG WAGNER, Chairman


MARY RIITANO, Secretary

DW/mr

HOUSE OF REPRESENTATIVES

Fish and Game

ROLL CALL

DATE March 2, 1995

NAME	PRESENT	ABSENT	EXCUSED
Rep. Doug Wagner, Chairman	✓		
Rep. Bill Rehbein, Vice Chairman, Majority	✓		
Rep. Emily Swanson, Vice Chairman, Minority	✓		
Rep. Charles Devaney	✓		
Rep. Jim Elliott	✓		
Rep. Daniel Fuchs	✓		
Rep. Marian Hanson	✓		
Rep. Hal Harper	✓		
Rep. Chase Hibbard	✓		
Rep. Dick Knox	✓		
Rep. Rod Marshall	✓		
Rep. Brad Molnar	✓		
Rep. Bob Pavlovich	✓		
Rep. Bob Raney	✓		
Rep. Bob Ream	✓		
Rep. Paul Sliter	✓		
Rep. Bill Tash	✓		
Rep. Jack Wells	✓		



HOUSE STANDING COMMITTEE REPORT

March 3, 1995

Page 1 of 1

Mr. Speaker: We, the committee on Fish and Game report that Senate Bill 259 (third reading copy -- blue) be concurred in as amended.

Signed: Douglas T. Wagner
Doug Wagner, Chair

Carried by: Rep. Marshall

And, that such amendments read:

1. Title, line 4.
Strike: "A SPECIAL 2-DAY"
2. Title, line 5.
Following: "HUNTING"
Strike: "SEASON"
3. Title, line 6.
Strike: "A DELAYED"
Insert: "AN IMMEDIATE"
4. Page 5, line 2.
Strike: "the first 2 days of"
5. Page 5, line 4.
Strike: "March 1, 1996"
Insert: "on passage and approval"

-END-

Committee Vote:

Yes 17, No 0.

1 ABSENT FOR VOTE

501239SC.Hbk



HOUSE STANDING COMMITTEE REPORT

March 3, 1995

Page 1 of 1

Mr. Speaker: We, the committee on Fish and Game report that Senate Bill 304 (third reading copy -- blue) be concurred in as amended.

Signed: Douglas T. Wagner
Doug Wagner, Chair

Carried by: Rep. Pavlovich

And, that such amendments read:

1. Page 2, line 12.

Following: "permit"

Insert: ", except that a permittee who is a representative of an accredited school, college, university, or other institution of learning or of any governmental agency is exempt from payment of the fee "

-END-

Committee Vote:
Yes 18, No 0.

501243SC.Hbk



HOUSE STANDING COMMITTEE REPORT

March 3, 1995

Page 1 of 1

Mr. Speaker: We, the committee on Fish and Game report that Senate Bill 285 (third reading copy -- blue) be concurred in.

Signed: Douglas T. Wagner
Doug Wagner, Chair

Carried by: Rep. Pavlovich

Committee Vote:
Yes 13, No 5.

501242SC.Hbk

TSB285.HP

Senate Bill No. 285
March 2, 1995
Testimony presented by Pat Graham
Montana Fish, Wildlife & Parks
before the House Fish and Game Committee

Montana Fish, Wildlife & Parks supports a longer waiting period before people convicted of illegally taking a moose, sheep or goat may apply for a permit to hunt them again. The bill provides for more equitable treatment between legal hunters and those convicted of illegally taking a sheep, mountain goat or moose. Currently anyone who receives a legal permit for one of these species in the limited drawing process may not apply for another permit of that species (except ewe sheep) for seven years.

Those convicted of illegally taking one of these species may apply after only five years. This change will add an additional five years to that penalty.

HOUSE OF REPRESENTATIVES
54TH LEGISLATURE

HOUSE FISH & GAME

COMMITTEE

WITNESS STATEMENT

Please Print

NAME Bill Allen BILL NO. SB 285

ADDRESS _____ DATE 3/2/95

WHOM DO YOU REPRESENT? MT Audubon

SUPPORT X OPPOSE _____ AMEND _____

COMMENTS: _____

Audubon member's concern has to do with the proper
management of wildlife species in Montana. Obviously, poaching is
one of the most serious threats to good management practices.
We support this bill because it increases the disincentive
for would-be poachers.

TSB304.HP

Senate Bill No. 304
March 2, 1995
Testimony presented by Pat Graham
Montana Fish, Wildlife & Parks
before the House Fish and Game Committee

Private parties have legitimate needs to collect fish and wildlife information for scientific purposes. In order to obtain permits for a variety of projects, from hydropower to mining, private industry must provide basic biological information. If the information is not available, the private parties must collect it. This is generally accomplished by retaining a private consultant to collect the information.

Current Montana state law does not have a provision for the issuance of collectors permits to private parties. As a consequence the Department has developed an administrative process to meet the needs of private individuals and the current statute. The private party must be accompanied in the field by a Department employee under whose authority the collections are made.

This process is difficult for both parties. Many of the collection efforts are long term. The Department cannot afford to "rent" its employees for extended periods because normal responsibilities will not be accomplished. We must then recruit and hire employees for this specific purpose. This can be very time consuming and an administrative burden for the Department. By the same token the private party ends up paying for an additional field person that may not have been necessary.

This bill will provide a mechanism by which the Department can review the need for the collection and the qualifications of the party desiring to make the collections. If the need is legitimate, the party is well qualified and proposes to utilize accepted collection methods, the collection will not jeopardize the fish and wildlife resource, or unreasonably interfere with recreational activity, the Department may issue a permit.

This should be more efficient for both the private parties and the Department while still providing the Department the necessary ability to regulate the collection of Montana's fish and wildlife resource. The Department supports this bill.

EXHIBIT 4
DATE MAR 2, 1995
BB 304

HOUSE OF REPRESENTATIVES
54TH LEGISLATURE

HOUSE FISH & GAME

COMMITTEE

WITNESS STATEMENT

Please Print

NAME Bill Allen BILL NO. SB 304

ADDRESS _____ DATE 3/2/95

WHOM DO YOU REPRESENT? MT. Audubon

SUPPORT X OPPOSE _____ AMEND _____

COMMENTS: _____

Simply stated, this bill just adopts stricter controls for the
taking of fish and game for scientific purposes. We believe that
this bill will better enable the Department of Fish, Wildlife, and Parks to
protect and manage the state's wildlife by requiring this reasonable
criteria for the permit process.

#44500

TOP 7500

EXHIBIT 5
DATE MAR 2, 1995
SFB 303



25 FULL-THROTTLE
WONT QUIT

Amendments to Senate Bill No. 303
3rd Reading Copy

EXHIBIT 6
DATE MAR 2, 1995
SB 303

Requested by Senator Pipinich
For the House Committee on Fish and Game

Prepared by Andrea Merrill
March 2, 1995

1. Title, line 5.

Strike: "MOTORBOAT"

Insert: "PERSONAL WATERCRAFT"

2. Title, line 7.

Strike: ", WITH CERTAIN EXCEPTIONS"

3. Title, lines 8 and 9.

Following: "23-2-523" on line 8

Strike: remainder of line 8 through "23-2-525" on line 9

4. Page 3, line 17 through page 4, line 14.

Strike: section 2 in its entirety

Renumber: subsequent sections

TSB303.HP

Senate Bill No. 303
March 2, 1995
Testimony presented by Pat Graham
Montana Fish, Wildlife & Parks
before the House Fish and Game Committee

Senate Bill 303, as amended, will create a safety zone of 100 feet around other water users by requiring no-wake speeds around docks, swimmers, swimming rafts, nonmotorized boats, or anchored vessels. An exception from docks is made for vessels towing water skiers. The bill will enable water safety officers to stop and warn or cite personal watercraft users and motor boat users who harass or endanger other recreationalists by passing them too close at high speeds.

For the past six months in the Kalispell area, a citizens' group composed of members representing diverse water users ranging from water skiers, personal watercraft users, boat dealers, nonmotorized boaters, and lakeside property owners has devoted many hours to working on solutions to the problem of lake conflicts. The group unanimously concluded that, in addition to increased education and enforcement efforts, the problem of water conflicts could best be addressed by a 100-foot no-wake zone from shore and from other non-motorized users. This bill, as amended, implements part of the solution they recommended.

Many of the complaints we receive concern personal watercraft users scaring or harassing other recreationalists by passing them at high speeds too close for comfort. Last summer a fatality occurred on Echo Lake when a personal watercraft, which was purposely splashing a raft pulled by a paddle boat, accidentally bounced the watercraft against the head of a passenger in the raft. There was also an incidence where an angry person discharged a firearm in the direction of a personal watercraft on Bean Lake. Although many of our complaints concern personal watercraft, we also receive complaints about unsafe approaches by jet boats and other motor boats. We support the amendments in the bill to include other motorized watercraft.

After the hearing in the Senate, we were contacted by the Personal Watercraft Industry Association and several personal watercraft manufacturers opposing any law singling out personal watercraft for special restrictions. The industry supported the concept of no-wake zones for all motorized vessels because they are capable of causing harm if they travel too close to swimmers, docks, or other hazards. They informed us that lawsuits have been brought in various states alleging discrimination where legislation imposes greater restrictions on personal watercraft operators than on other motorized boaters.

The amendment to this bill adding new section 1 was at the Department's request. The amendment was proposed to clarify the law and meet the original intent. The current law appears to allow a child under 12 who has completed the motorboat operations safety class to operate a motor boat without an adult on board, a potentially dangerous situation. The law, on the other hand, does not allow a youth from 13 to 14 years of age to operate a boat without a certificate even with an adult on board. Neither result was intended and the amendment corrects these mistakes.

EXHIBIT 8
DATE MAR 2, 1995
HB 259

Amendments to Senate Bill No. 259
Third Reading Copy

Requested by Rep. Rehbein
For the Committee on Fish & Game

Prepared by Doug Sternberg
March 1, 1995

1. Title, line 4.
Strike: "A SPECIAL 2-DAY"
2. Title, line 5.
Following: "HUNTING"
Strike: "SEASON"
3. Title, line 6.
Strike: "A DELAYED"
Insert: "AN IMMEDIATE"
4. Page 5, line 2.
Strike: "the first 2 days of"
5. Page 5, line 4.
Strike: "March 1, 1996"
Insert: "on passage and approval"

House Bill No. 349 (Unofficial Gray Bill 3/1/95)

EXHIBIT 9

Introduced By Rep. Bob Raney

DATE MAR 2, 1995
HB 349

A Bill for an Act 'entitled: "An Act creating the future fisheries improvement program; providing for the protection and enhancement of Montana fisheries by requiring enhancement of spawning streams and other habitats for the natural reproduction of fish and growth of populations of wild fish; directing a portion of state ~~and federal~~ fisheries money to fund the future fisheries improvement program; directing the department of fish, wildlife, and parks to establish and administer the program; requiring the department to submit regular program progress reports to the fish, wildlife, and parks commission and to submit a progress report and the anticipated budget and related projections to the legislature; and providing an effective date."

WHEREAS, the rivers and streams of Montana hold one of the state's most important and economically valuable resources--wild fish; and

WHEREAS, the loss of spawning areas and other crucial habitats is one of the greatest threats to the natural reproduction and propagation of the fish resource; and

WHEREAS, the state is presently in a position to address the key issue of these aquatic habitats in order to promote the future viability of Montana's wild fisheries before the continued loss of spawning areas and other habitats diminishes or destroys

the resource; and

WHEREAS, it is a fiscally sound state policy to develop natural spawning areas and other habitats in anticipation of being able to reduce future funding that would otherwise be necessary to cover the ever-increasing costs of the fish hatchery program. and

WHEREAS, a wild fisheries enhancement program will immensely benefit landowner/sportsperson relations.

Be it enacted by the Legislature of the State of Montana:

NEW SECTION. Section 1. Future fisheries improvement program -- funding priority -- reports required. (1) In order to enhance future fisheries through natural reproduction, the department shall establish a statewide program that ~~ensures that promotes~~ functioning spawning areas ~~tributaries are available for each 10 river miles and each 10 stream miles for the rivers,~~ streams and lakes of Montana's ~~cold-water~~ fisheries.

(32) The department shall by January 1, 1996, through a public hearing process and with the approval of the commission, prioritize its efforts regarding the long-term enhancement of streams and streambanks, instream flows, water leasing, ~~and lease~~ or purchase of stored water, ~~fish hatcheries,~~ and other programs that deal with wild fish and aquatic habitats to ensure that the future fisheries improvement program established in this section receives full funding and prioritized department administration. In prioritizing its efforts and implementing the future fisheries improvement program, the department shall respect all existing water rights and the property rights of the owners of streambeds

and property adjacent to streambeds ~~and~~, streambanks, and lakes.

(23) The following amounts must be expended by the department to enhance future fisheries, as directed by subsection (1) and (2), until the ~~required number of~~ legislature determines that sufficient functioning spawning areas streams or other identified key habitats are established and enhanced for the rivers and, streams, and lakes of Montana's cold water fisheries:

(a) ~~not less than 50%~~ \$1.5 million of the unexpended fund balance ~~amount~~ in the state special revenue fund in 87-1-601 composed of fishing license fees;

~~(b) not less than 50% of federal funds allocated to the state for the conservation of fish;~~

(b) \$1.75 million redirected from the Blue Water Hatchery Phase II project for the 96-97 biennium. It is intended that the source of these revenues become an ongoing funding source for this act.

(c) ~~not less than 50~~100% of the funds in the river restoration account; ~~and~~

~~— (d) not less than 50% of any other funds allocated to the department for the conservation of fish, which funds are not statutorily mandated for other purposes.~~

(4) (a) The department shall report to the commission on the progress of the future fisheries improvement program every 6 months and post a copy of the report on the state electronic bulletin board to ensure public access to the report.

(b) The department shall also present a detailed report to each regular session of the legislature on the progress of the future fisheries improvement program. The legislative report must include the department's program activities and expenses since

EXHIBIT 9
DATE 3-2-95
HB 349

the last report and the project schedule and budget schedule for the ensuing 10 years' implementation of the future fisheries improvement program.

NEW SECTION. Section 2. Codification instruction.

[Section 1] is intended to be codified as an integral part of Title 87, chapter 1, part 2, and the provisions of Title 87, chapter 1, part 2, apply to [section 1].

NEW SECTION. Section 3. Effective date. [This act] is effective July 1, 1995.

-END-

Amendments to House Bill No. 349
Introduced Reading Copy

Requested by Rep. Raney
For the Committee on Fish & Game

Prepared by Doug Sternberg, Legislative Council
March 2, 1995

1. Title, lines 7 and 8.

Following: "STATE" on line 7

Strike: "AND" through "FEDERAL" on line 8

2. Page 1, line 23.

Following: "program"

Insert: "; and

WHEREAS, a wild fisheries enhancement program will immensely benefit landowner-sportsperson relations"

3. Page 1, lines 29 and 30.

Following: "a" on line 29

Insert: "statewide"

Following: "program that" on line 29

Strike: "ensures that"

Insert: "promotes"

Following: "spawning" on line 29

Strike: remainder of line 29 through "miles" on line 30

Insert: "areas for the rivers, streams, and lakes"

4. Page 1, line 30.

Following: "Montana's"

Strike: "cold water"

5. Page 2, line 1.

Insert: "(2) The department shall by January 1, 1996, through a public hearing process and with the approval of the commission, prioritize its efforts regarding the long-term enhancement of streams and streambanks, instream flows, water leasing, lease or purchase of stored water, and other programs that deal with wild fish and aquatic habitats to ensure that the future fisheries improvement program established in this section receives full funding and prioritized department administration. In prioritizing its efforts and implementing the future fisheries improvement program, the department shall respect all existing water rights and the property rights of the owners of streambeds and property adjacent to streambeds, streambanks, and lakes."

Renumber: subsequent subsections

6. Page 2, line 2.

Strike: "subsection"

Insert: "subsections"

Following: "(1)"

Insert: "and (2)"

Following: "until the"
Strike: "required number of"
Insert: "legislature determines that sufficient functioning"
Following: "spawning"
Strike: "streams"
Insert: "areas"

7. Page 2, line 3.
Following: "enhanced"
Insert: "for the rivers, streams, and lakes of Montana's
fisheries"

8. Page 2, line 4.
Following: "(a)"
Strike: "not less than 50%"
Insert: "\$1.5 million"
Following: "of the"
Strike: "amount"
Insert: "unexpended fund balance"

9. Page 2, line 6.
Following: "(b)"
Strike: remainder of line 6 through "fish;"
Insert: "\$1.75 million redirected from the Blue Water hatchery
phase II project for the 1996-97 biennium. It is intended
that the source of this revenue become an ongoing funding
source for the future fisheries improvement program."

10. Page 2, line 7.
Following: "(c)"
Strike: "not less than 50%"
Insert: "100%"
Following: "account"
Strike: "; and"
Insert: "."

11. Page 2, lines 8 through 13.
Strike: subsections (d) and (3) in their entirety
Renumber: subsequent subsections

12. Page 2, line 17.
Following: "also"
Insert: "present a detailed"

13. Page 2, line 18.
Following: "department's"
Insert: "program activities and expenses since the last report
and the"

MITSI

corporation

EXHIBIT 11
DATE MAR 2, 1995
HB 349

A COMMUNICATIONS MANAGEMENT COMPANY

(406) 443-3797

(406) 442-2107

FAX (406) 449-4218

MEMORANDUM

TO: Members of the House Fish & Game Committee

FR: Riley Johnson, Lobbyist
Walleyes Unlimited/Montana

RE: HB 349

DATE: March 2, 1995

Walleyes Unlimited/Montana urges that you vote **DO NOT PASS** House Bill 349!

Our 1800 members agree that habitat improvement is important to the long-range fisheries planning in Montana, but habitat improvement is primarily directed toward cold-water streams and rivers. While HB 349 includes lakes in its language, the reality is that there is not a lot that can be done through such improvements for warm-water fisheries. Lakes and reservoirs depend primarily on the stocking of fish from hatcheries. FW&P statistics show that 44 percent of the fishing done in Montana is in lakes and reservoirs. HB 349 could seriously damage the necessary long-range planning and hatchery improvement required to meet the needs of this large segment of our fishermen.

HB 349 just goes too far.....Please vote "no" on HB 349!

HB 349: Proposed Changes in Funding & Structure

3/2/95

Amendments

Change "cold water fisheries" to "fisheries" to clarify that this is a statewide fisheries habitat program. (Requested by Walleyes Unlimited)

Add "lakes" to "rivers and streams" to clarify that improving spawning habitat for natural reproduction in lakes is intended to be part of the program. (Requested by Walleyes Unlimited, Flathead Sportsmen)

Juxtaposition (2) and (3) of section 1 to clarify that funding is for all the purposes listed in (1) and (2). (Requested by TU)

Delete: 50% of fishing license fees, 50% federal sportfish restoration funds, 50% other fisheries funding sources not statutorily appropriated.

Add: 100% River Restoration Program funds (\$290,000 as per HB 5)

BLUE WATER HATCHERY

Reduce \$2.5 million funding for Blue Water Hatchery rebuild to \$250,000 for necessary maintenance to continue production pending hatchery cost/benefit investigations required by HB 575. [HB 575 requires investigation & report on hatchery privatization, purchase of necessary fish from federal or private hatcheries and possible state assumption of federal fish hatcheries to be completed by 7/1/96. Why spend money on capital improvements when we may not need/want them?]

Redirect \$1.75 million to HB 349.

Redirect \$500,000 to completion of Miles City rearing ponds to ensure warmwater propagation (Walleyes Unlimited request).

1994 ENDING FUND BALANCE IN FISHERIES LICENSE ACCOUNT

Appropriate \$1.5 million to HB 349 of the \$3.9 million ending fund balance in fisheries account.

TOTAL to HB 349: \$3.54 million 96-97 biennium

IMPACT TO EXISTING PROGRAMS: No reduction in hatchery facilities
No reduction in biologists
No reduction in services

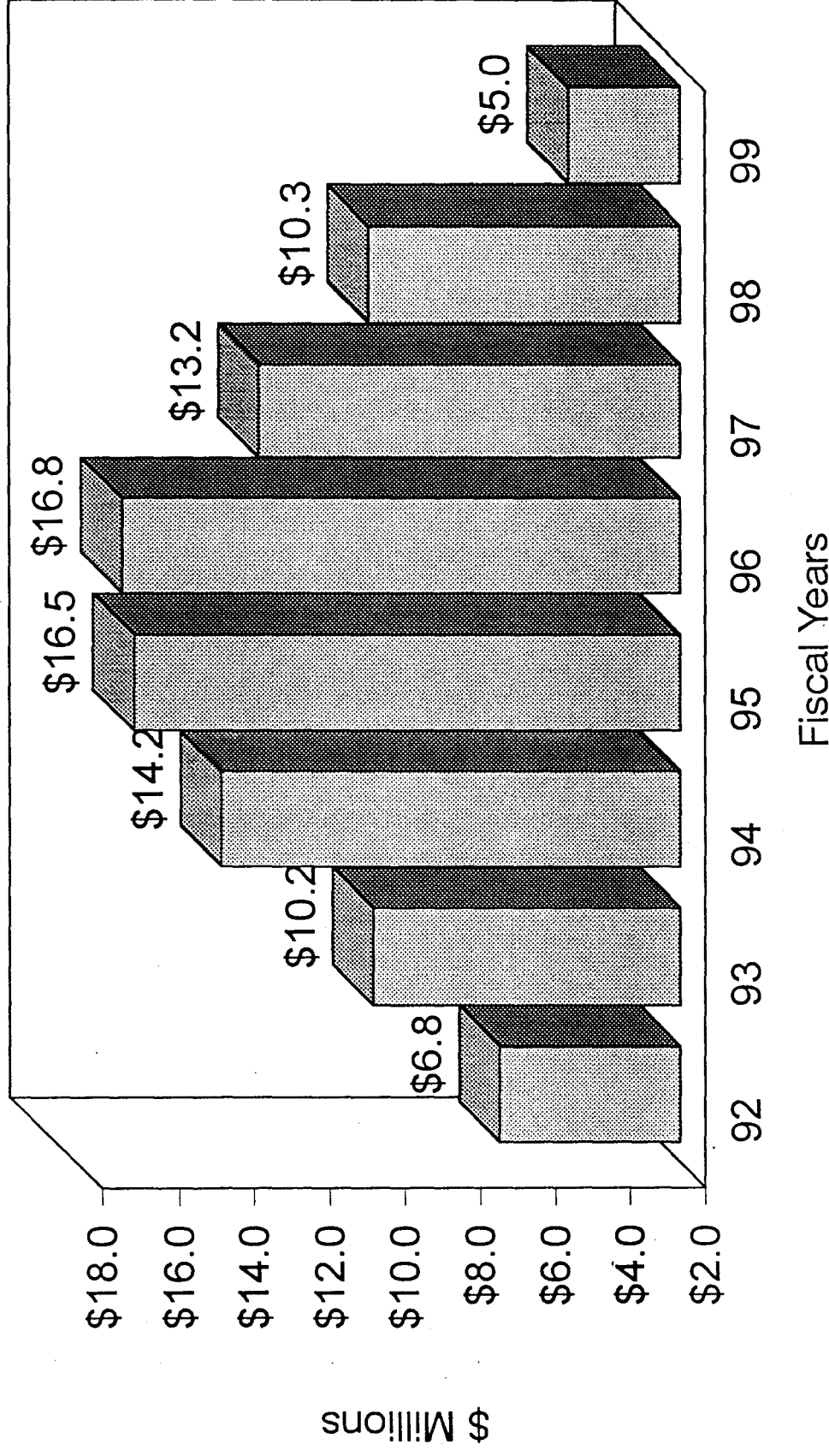
BENEFITS: \$3.35 million to Future Fisheries Improvement Program
Increased facilities for Miles City warm water hatchery
Long-term planning with public input and legislative oversight of DFWP fisheries budget and programs.

TRANSFER OF \$3.5 MILLION OF GENERAL LICENSE FUND BALANCE

1. The transfer of \$3.5 million is from cash reserves in the general license account.
2. The fee increase authorized by the 1991 Legislature was designed to create cash reserves to carry the department until 1999. By careful fiscal planning, cash balances gradually increased during the early years of the fee increase, and will gradually decrease from FY96 through FY99.
3. The transfer of \$3.5 million will disrupt the cash flow in the general license account, and either result in a fee increase in 1997 or cuts in other programs.
4. The projection for the general license account shows sufficient balances until 1999 (Chart 1).
5. Transfer of \$3.5 million in FY96 will result in an extremely low fund balance in FY99 (Chart 2).
6. There was mention that the \$3.5 million balance is from excess fishing license revenues. The fishing program is partially financed with other revenues so there is no surplus balance related to fishing license revenues (Chart 3).

GENERAL LICENSE FUND BALANCE

Without Transfer of \$3.5M of Fund Balance



- FY 92-94 are actual fund balances.
- FY 95-99 are projected fund balances.

Montana Fish, Wildlife & Parks
Fishing License Revenues and Expenditures
FY92 – FY97

	FY92	FY93	FY94	FY95	FY96	FY97
Revenues: (1)	\$4,826,008	\$5,126,472	\$5,786,000	\$5,515,850	\$5,559,500	\$5,559,500
Expenditures: (1)						
Fish Management/Habitat Protection/Hatcheries (2)	\$2,709,813	\$2,625,663	\$2,648,686	\$2,598,630	\$2,820,057	\$2,737,789
Fishing Access O&M (3)	584,908	630,903	588,710	654,978	646,000	673,000
Law Enforcement (4)	1,340,859	1,459,779	1,480,823	1,477,379	1,619,000	1,557,000
Education/Information (5)	406,511	417,404	452,776	433,087	486,000	447,000
Capital Improvements (6)	664,750	534,799	654,313	1,877,944	2,480,500	2,480,500
Fixed Costs (7)	537,447	540,115	549,815	610,305	681,131	665,504
Total Expenditures	\$6,244,287	\$6,208,662	\$6,375,123	\$7,652,324	\$8,732,688	\$8,560,793
Revenues less Expenditures	(\$1,418,279)	(\$1,082,190)	(\$589,123)	(\$2,136,474)	(\$3,173,188)	(\$3,001,293)

(1) Revenues are from the sale of fishing licenses, calculated based upon license year. Expenditures are based upon the fiscal year. FY92 – FY94 are actual expenditures and FY95 through FY97 are estimates.

(2) Monitor fish populations and harvest levels, set regulations, review SPA, 310, 404 permits, native species management, river conflict management, provide access, develop management plans, combat whirling disease, provide information, fish hatchery operations and maintenance including raising and distributing cold and warm water fish to over 550 bodies of water statewide, and monitor disease.

(3) Provides minimum maintenance at over 300 fishing access sites statewide. Efforts include latrine pumping, garbage disposal, road maintenance, fencing and weed control.

(4) Enforcing fishing and boating safety regulations, managing overcrowding and conflicts on rivers, and enforcing trespass laws on private lands.

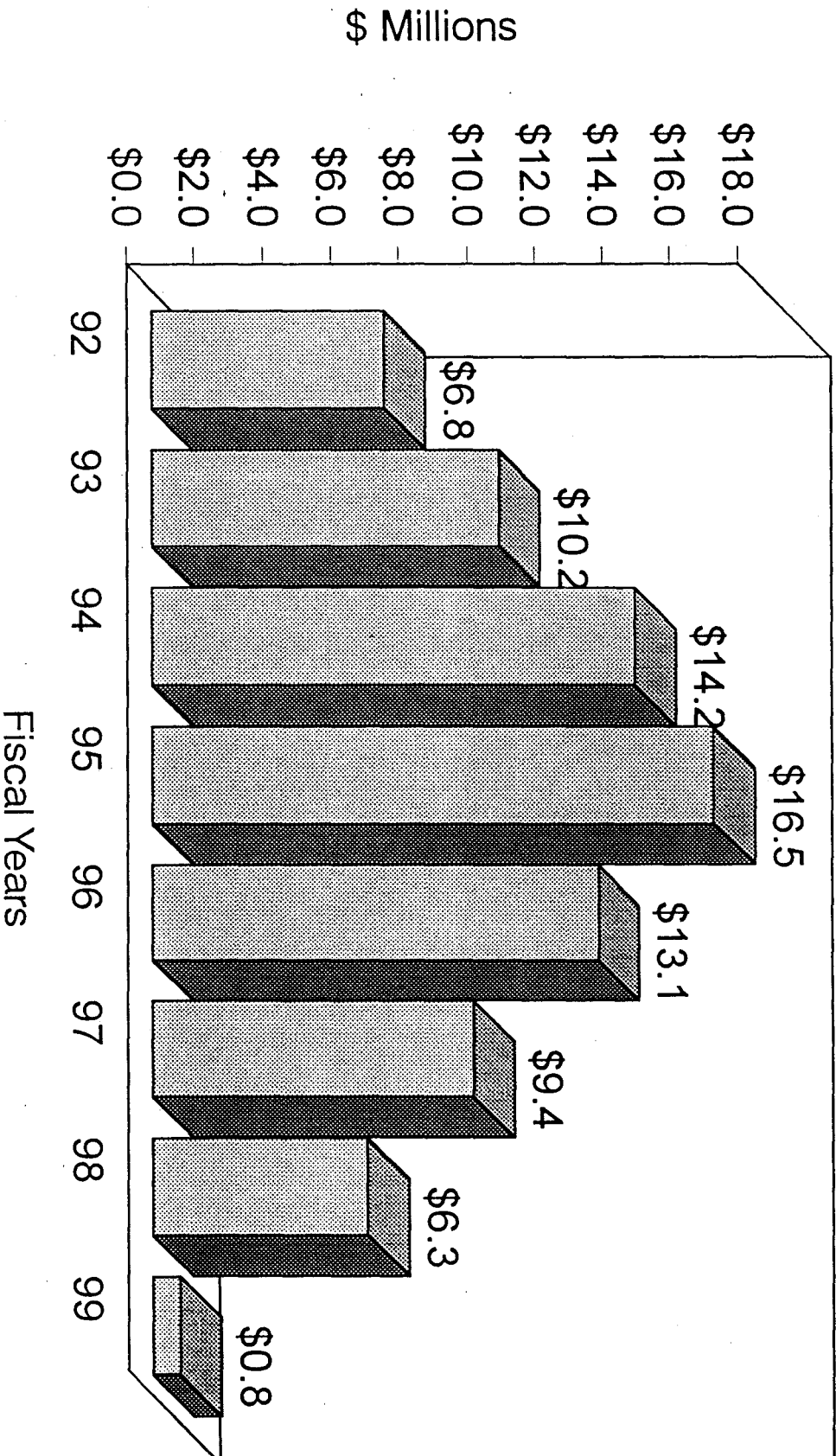
(5) Funds aquatic youth education programs, water safety, informational efforts in seven regions and the Montana Outdoors Magazine.

(6) Capital improvements and major maintenance at hatcheries, fishing access site protection, dam repair and maintenance and habitat enhancement efforts.

(7) Payment of support services provided by general fund agencies, legislative audit fees, insurance, office space, engineering and land management, accounting and license sales.

GENERAL LICENSE FUND BALANCE

Transfer of \$3.5M of Fund Balance



- FY 92-94 are actual fund balances.
- FY 95-99 are projected fund balances.

3/2/95

Future Fisheries Proposal

1. Redirect funding for Bluewater Hatchery, Phase II to HB 349

This project will require an estimated \$4.5 million in the next 4 years to complete. Of that amount, \$2.5 million is scheduled to be spent this biennium on offices, remodeling residences for department employees, building a water treatment plant to de-mineralize the hatchery's water supply. [see Doc. 3 "LFA Capitol Budget"] Redirect \$2 million to HB 349, \$500,000 to complete rearing pond at Miles City.

2. Redirect funding for Fish Hatchery Maintenance (\$192,000) to HB 349

Although described in FWP Proposed Operations and Capital Budget document reviewed by Fish & Game Commissioners as "Repair and maintain hatchery facilities statewide" this project actually rebuilds residences for department employees -- no hatchery improvements. (See Doc. 3, 14)

3. Redirect \$344,000 Fish Health Lab funding request to existing facilities at MSU and make use of USFWS Bozeman Fish Technology Center.

- Direct DFWP to enter into cooperative agreement with MSU and USFWS Bozeman Fish Technology Center.
- Redirect projected increase in operations and maintenance costs that would result from building Fish Health Lab to future research and testing activities at MSU and USFWS Bozeman Fish Technology Center. (Memorandum from Seacat, Doc. 8) Present O&M is \$58,000, new lab would require \$90,000/yr O&M.
- Provide needed improvements at MSU to cover any work USFWS will not provide. (see Docs. 7-12)

4. Create Future Fisheries Improvement Trust for bonding, security and long-term funding of HB 349 projects.

Legislative Auditor estimates a \$3.5 million unspent fund balance in fisheries portion of general license fees (see Doc. 2 "Revenue Sources related to HB 349")

5. Direct department to investigate closure/privatization of hatcheries, potential and costs to buy required fish from private or federal hatcheries and prepare report for next legislature by July 1, 1996.

HOUSE OF REPRESENTATIVES
VISITORS REGISTER

HOUSE FISH & GAME COMMITTEE

DATE March 2, 1995

BILL NUMBER SB 285

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NAME AND ADDRESS	REPRESENTING	Support	Oppose
Bill Allen	MT. Audubon	X	
Bob Lane	FWP	X	
Tony Schooner	Arizona Sportsman	X	
BILL HOLDORF	SKYLINESPORTSMEN	✓	

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HOUSE OF REPRESENTATIVES
VISITORS REGISTER

HOUSE FISH & GAME COMMITTEE

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Bill Allen	MT. Audubon	X	
Bob Lane	FWP	X	
Tony Schiavone	Anzacond Sports	X	
Bill Holdorf	SKYLINE SPORTSMEN	✓	

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HOUSE OF REPRESENTATIVES
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HOUSE FISH & GAME COMMITTEE

DATE March 2, 1995

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Bill Allen	MT Audubon	X	
Bob Lane	FWP	X	
Tony Schooner	Anzures Sportsman	X	
Bill Holdorf	SKYLINESPORTSMEN	✓	

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