

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 55th LEGISLATURE - REGULAR SESSION

JOINT SUBCOMMITTEE ON NATURAL RESOURCES

Call to Order: By **CHAIRMAN ROGER DEBRUYCKER**, on January 9, 1997,
at 8:00 A.M., in Room 201

ROLL CALL

Members Present:

Rep. Roger DeBruycker, Chairman (R)
Sen. Thomas F. Keating, Vice-Chairman (R)
Sen. Larry L. Baer (R)
Sen. Linda J. Nelson (D)
Rep. William R. Wiseman (R)

Members Excused: Rep. John Johnson (D)

Members Absent:

Staff Present: Robert Tallerico, Legislative Fiscal Division
Theda Rossberg, Committee Secretary

Committee Business Summary:

Hearing(s) & Date(s) Posted: Department of Agriculture
Agricultural Science Division
Executive Action: Agricultural Science Division

*{Tape: 1; Side: A; Approx. Time Count: ; Comments: The meeting
was called to order by Vice Chairman Thomas Keating.}*

Tape 1, A

HEARING AGRICULTURAL SCIENCE DIVISION

EXHIBIT 1, Page C-203. Robert Tallerico, LFD reviewed the funding issue.

Ralph Peck, Director Department of Agriculture reviewed FTE funding and the grain fees.

EXHIBIT 2. Gary Gingery, Administrator Agricultural Science Division reviewed an organizational chart and the different bureaus within the division and their functions.

EXHIBIT 1.

{Tape: 1; Side: B; Approx. Time Count: 19.2; Comments: EPA Grant Funds discussion.}

EXHIBIT 3. Mr. Gingery reviewed a map showing the areas of the Noxious Weed Trust Fund Grant areas.

Questions and Responses:

SEN. KEATING inquired as to whether the division is actually attacking weeds through the Noxious Weed Program. Mr. Gingery responded that grants are put out into the communities and counties and they attack specific weed problems.

Tape 1, B

EXHIBIT 4.

{Tape: 1; Side: B; Approx. Time Count: 5.1; Comments: Mr. Gingery reviewed a pie chart for the funding for the division.}

Mr. Peck reviewed the grain funding as 50% state special revenue from fees and 50% general fund. However the grain program would currently be fully self-funded with state special revenue and would require a 50% fee increase.

Questions and Responses:

{Tape: 1; Side: B; Approx. Time Count: 8.9; Comments: None.}

SEN. KEATING asked who pays the fees and who decides the amount.

Mr. Gingery responded that the grain dealers pay the fees of \$232 per year per location. They work with the Montana Grain Elevators Association.

{Tape: 1; Side: B; Approx. Time Count: 11.7; Comments: .}

REP. PAUL BANKHEAD, HOUSE DISTRICT 22 representing his district and himself in regard to the fee increase. He regarded the increase as a consumer issue because there is a need for a safe, sanitary food supply. The grain dealers will not be able to absorb the increased cost of doubling the fees to \$464.

Brian Jones, Vice President Montana Grain Elevators Association explained that there was no problem with the \$232 fee, but they do not support doubling the fees. The state benefits from those fees and should share in some of the costs.

EXHIBIT 5. Mel Schulz, Director Montana Grain Elevators Association gave written testimony to the committee.

Tom Peterson, Owner/Operator of a small country elevator in Wilsall and represents small grain elevator operators. In 1991 the fee was \$225 per year and were doubled then and the reason why they are so high now. There should be a fairness, when they

handle 200,000 to 250,000 bushels of grain in a good year compared to someone handling 5 million to 6 million bushels and are required to pay the same fee. There is also a \$650 bonding fee each year.

{Tape: 1; Side: B; Approx. Time Count: 27.0; Comments: Continued testimony.}

Randy Johnson, Montana Grain Growers Association opposes the fee increase. The fee increase would have more of an impact upon the smaller dealer than the larger dealers.

Tape 2, A

SEN. SPOOK STANG OF ST. REGIS was not present at the meeting but wanted to go on record opposing the fee increase.

Questions and Responses:

SEN. WISEMAN inquired as to why there was a flat fee instead a fee per size of facility.

Mr. Peck responded that at the time the fee was established they went through the rule-making process and it was the wish of the Grain Elevators Association to go with the flat fee because it would be easier to administer.

{Tape: 2; Side: A; Approx. Time Count: 4.5; Comments: None.}

Brian Jones, Montana Grain Growers Association said part of the problem was a \$500 cap and it was an administrative decision. There would have to be personnel to keep track of the different volumes and create more paper work.

Tape 2, B

{Tape: 2; Side: B; Approx. Time Count: 30.0; Comments: Discussion on fee increases continued.}

SEN. KEATING explained his desire to have the Grain Association graduate the fees generated on volume instead of location.

EXECUTIVE ACTION AGRICULTURAL SCIENCE DIVISION

Motion/Vote: SEN. KEATING MOVED TO REINSTATE \$93,000 GENERAL FUND IN LIEU OF FEE INCREASES. Motion carried 3-1 with REP. WISEMAN voting no.

The department was directed to create a graduated fee schedule.

4) Epa Grant Funds

Mr. Tallerico reminded the committee that grant funds may be used for other uses.

{Tape: 2; Side: B; Approx. Time Count: 20.0; Comments: .}

Discussion:

Motion/Vote: SEN. KEATING MOVED TO APPROVE SPENDING AUTHORITY UP TO \$150,000 PER YEAR FOR EPA GRANT FUNDS AND FOR THE BIENNIUM ONLY. Motion carried unanimously.

EXHIBIT 6. 5) Noxious Weed Trust Fund Grants

Mr. Gingery explained the number of FTE in the program.

Discussion:

{Tape: 3; Side: A; Approx. Time Count: 6.7; Comments: .}

Motion/Vote: SEN. KEATING MOVED TO APPROVE ITEM 5, NOXIOUS WEED TRUST FUND GRANTS AND ITEM 16, GRANT ADJUSTMENTS. Motion carried unanimously.

EXHIBIT 7. 6) Scientific Assistance

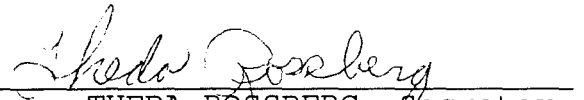
EXHIBIT 8. Mr. Tallerico reviewed the funding for the Scientific Assistance Program.

ADJOURNMENT

Adjournment: 10:35 A. M.



REP. ROGER DEBRUYCKER, Chairman



THEDA ROSSBERG, Secretary

RD/TR