

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 55th LEGISLATURE - REGULAR SESSION

JOINT SUBCOMMITTEE ON NATURAL RESOURCES

Call to Order: By CHAIRMAN ROGER DEBRUYCKER, on January 10, 1997, at 8:00 A.M. , in the Cogswell Building.

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: Roger Lloyd, Legislative Fiscal Division
Bob Tallerico, Legislative Fiscal Division
Cindy Weaver, Legislative Fiscal Division
Theda Rossberg, Committee Secretary

Committee Business Summary:

Hearing(s) & Date(s) Posted: Department of Agriculture
Department of DNRC

Executive Action: Department of Agriculture
State Library
Department of DNRC - Coal Tax

{Tape: 1; Side: A; Approx. Time Count: 0; Comments: Tape wasn't running at beginning of meeting due to battery failure.}

EXHIBIT 1. Roger Lloyd, Legislative Fiscal Division gave an overview on the Coal Severance Tax.

EXHIBIT 2. Mr. Lloyd explained that the 8.36% of the coal severance tax was divided among 5 programs.

Bob Tallerico, Legislative Fiscal Division reviewed the Growth through Agriculture program.

Tape 1,A

{Tape: 1; Side: A; Approx. Time Count: 0; Comments: Mr. Peck starts overview of Growth through Agriculture.}

EXHIBIT 3 and 3A. Ralph Peck, Director Department of Agriculture reviewed a brochure on Growth through Agriculture.

Questions and Responses:

CHAIRMAN DEBRUYCKER inquired as to what happened to the funds on paid-up loans.

Mr. Peck replied that the money goes back to the program to be re-loaned.

EXHIBIT 4. Department of Agriculture Marketing Program.

EXHIBIT 5. Department of Agriculture Newsletter.

Testimonials in support of the Growth Through Agriculture Program:

Tom Stelling, Cascade County Conservation District.
John Rauser, Montana Pork Producers Council
Sharon Kendle, Farm Economics
Randy Johnson, Montana Grain Growers
Bob Stearns, Montana Grain Growers

EXHIBIT 6. Thomas Dooling, Professional Cashmere Association.

EXHIBIT 7. Richard Potter, Nurture, Inc.

{Tape: 1; Side: A; Approx. Time Count: 8.5; Comments: .}

EXHIBIT 8 and 8A. Newell Anderson, Administrator Montana Coal Board reviewed the functions of the Montana Coal Board and a proposed Bill.

{Tape: 1; Side: A; Approx. Time Count: 16.0; Comments: None.}

REP. LILA TAYLOR, HD 5, DECKER, MONTANA reviewed the condition of the road due to heavy impact of coal trucks, etc. A bill last session for funding was vetoed.

Discussion:

{Tape: 1; Side: A; Approx. Time Count: 29.0; Comments: None.}

Mr. Anderson reviewed the expenditures from the Coal Tax.

EXHIBIT 9. Gavin Anderson, Community Technical Assistance with the Department of Commerce reviewed that program.

Questions and Responses:

{Tape: 1; Side: B; Approx. Time Count: 21.8; Comments: None.}

Additional testimony in support of Growth through Agriculture:

Jim Peterson, Montana Stock Growers
Bob Gilbert, Montana Wool Growers Association

EXHIBIT 10. Dennis Cash, Montana State University Extension Service

EXHIBIT 11. Ronald Mohn, Owner Mountain Lake Fisheries

EXHIBIT 12. Mike Carlson, Vice President Paddlefish Caviar Committee said a press release on Glendive's Paddlefish Caviar broke the one million dollar mark in sales and continues to grow due to the Growth through Agriculture program.

EXHIBIT 13. Ike E. Lynch, President Centennial Foods, Inc., Dillon, Montana said his company participated in the Growth through Agriculture Program and was awarded a \$6,500 grant to develop a high fiber breakfast bar from waxy barley.

EXHIBIT 14. Ron Behrendt, President Positive Systems, Whitefish, Montana

EXHIBIT 15. Gordon Morris, Executive Director Montana Association of Counties

Tape 2,A

EXHIBIT 16. Mr. Lloyd reviewed the Conservation District Coal Tax appropriations.

EXHIBIT 17, Page C-170. Mr. Lloyd reviewed the LFD Issues and made a change in the first paragraph from \$571,000 to \$596,000.

EXHIBIT 18, Page C-171. Mr. Lloyd reviewed some language recommendations.

EXHIBIT 19, Page C-172. Mr. Lloyd explained that Coal Tax money must be distributed to the conservation districts on the basis of need.

{Tape: 2; Side: A; Approx. Time Count: 6.4; Comments: .}

Ray Beck, Director of Natural Resources and Conservation Districts reviewed the Salinity Control program. See EXHIBIT 16.

He explained the mill levies that conservation districts receive and the increased grants.

EXHIBIT 20. HB 223 Program.

EXHIBIT 21. Increase on 310 Activity and 310s reported to date.

{Tape: 2; Side: A; Approx. Time Count: 18.4; Comments: .}

Mr. Beck continued testimony on the Conservation Districts appropriations. See **EXHIBIT 16**.

Tom Stelling, Montana Association of Conservation Districts supports the proposal.

Gala Paul, Lewis and Clark Conservation District and represent the 310 law Steering Committee said in Lewis and Clark County the number of 310 permit applications increased by 64% over the last two years. She urges the increase of funding for the program.

Julia Bitz, Montana Envirothon Program explained that the program is supported by the 58 conservation districts. The funding would provide the resources for the Envirothon Program.

Gerald Mueller, Private Citizen from Missoula supports the use of Coal Tax funds for Watershed Planning.

Tape 2,B

Mike Valesky representing the 58 Conservation Districts supports continued funding for the program.

Randy Johnson, Montana Grain Growers Association supports the use of Coal Tax money for conservation districts.

Questions and Responses:

Tape 3,A

EXHIBIT 22. **Mr. Lloyd** explained the language issue 2) on Page C-171 was moot. The Finance Committee is against any language appropriations. One option available is to appropriate the \$100,000 in HB 2 by increasing the \$100,000 to \$200,000.

Discussion:

{Tape: 3; Side: A; Approx. Time Count: 5.3; Comments: None.}

Questions and Responses:

REP. WISEMAN inquired as to why the department needs \$400,000 for Salinity Control.

Mr. Peck responded that those funds were passed through their budget to the Montana Salinity Control Association. He would prefer that the association respond to that issue. The town of Havre has a problem with saline seepage due to the new shopping mall. The water is running off the parking lot and contaminating the water wells. They have had to boil their drinking water because of the salinity problem.

{Tape: 3; Side: A; Approx. Time Count: 11.8; Comments: .}

Mr. Tallerico gave an overview on the State Library.

Discussion:

EXHIBIT 23. Karen Streege, State Librarian gave an overview on the State Library.

Testimony:

Jim Heckel, Director Great Falls Public Library and President of the Montana Library Association reviewed the funding needed for the Federation of Libraries.

Gayle Shirley, Board of Trustees, Great Falls Public Library explained that she was an author and a writer and uses the library extensively for research and supports the funding.

Tape 3,B

Continued Testimony:

Questions and Responses:

Kris Schmitz, Accountant State Library explained they did not have legislative spending authority for the cash balance.

{Tape: 3; Side: B; Approx. Time Count: 5.7; Comments: .}

Questions and Responses:

REP. WISEMAN inquired as to why the Coal Tax fund was going down.

EXECUTIVE ACTION STATE LIBRARY

Motion/Vote: SEN. KEATING MOVED TO RECOMMEND TO THE EDUCATION COMMITTEE TO APPROVE A LINE-ITEM OF \$33,000 AS A ONE-TIME ONLY APPROPRIATION. Motion carried unanimously.

EXECUTIVE ACTION GROWTH THROUGH AGRICULTURE

Motion/Vote: SEN. KEATING MOVED TO RESCINDING PREVIOUS ACTION ON GROWTH THROUGH AGRICULTURE WHICH WAS TO ACCEPT THE BASE.
(There was no second to the motion so it failed)

EXECUTIVE ACTION CONSERVATION DISTRICTS

Motion/Vote: SEN. KEATING MOVED TO APPROVE \$100,000 PER YEAR FOR 1998 AND 1999 FOR THE CONSERVATION DISTRICTS AND ELIMINATE THE LANGUAGE APPROPRIATION OF \$100,000 FOR EACH AND REDUCE THE TOTAL TO \$605,898 THE FIRST YEAR AND \$600,892 THE SECOND YEAR. Motion carried unanimously. See EXHIBIT 1.

Motion/Vote SEN. KEATING MOVED TO APPROVE THE APPROPRIATION FOR THE CONSERVATION DISTRICTS AS AMENDED. Motion carried unanimously.

Motion/Vote: SEN. KEATING MOVED TO APPROVE THE EXECUTIVE BUDGET IN GROWTH THROUGH AGRICULTURE. Motion carried unanimously. See EXHIBIT 2.

Discussion:

Tape 4,A

Discussion Continued:

Questions and Responses:

SEN. WISEMAN asked Mr. Anderson what the \$500,000 request was for.

Mr. Anderson responded that was to fund Local Impacts.

Motion/Vote REP. WISEMAN MOVED TO FUND LOCAL IMPACTS FOR \$500,000 BIENNIAL APPROPRIATION. Motion carried 3-1 with SEN. NELSON voting no.

Motion/Vote: REP. WISEMAN MOVED TO APPROVE \$201,761 FOR 1998 AND \$200,456 FOR 1999 FOR COUNTY LAND PLANNING. Motion carried 3-1 with CHAIRMAN DEBRUYCKER voting no.

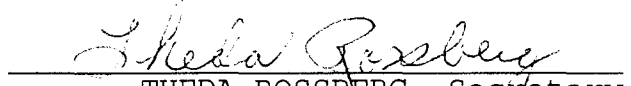
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ADJOURNMENT

Adjournment: 12:00 P.M.


REP. ROGER DEBRUYCKER, Chairman


THEDA ROSSBERG, Secretary

RD/TR