

## MINUTES

### MONTANA HOUSE OF REPRESENTATIVES 55th LEGISLATURE - REGULAR SESSION

#### JOINT SUBCOMMITTEE ON LONG-RANGE PLANNING

**Call to Order:** By CHAIRMAN ERNEST BERGSAGEL, on January 13, 1997, at 8:00 a.m., in Room 317 of the State Capitol.

#### ROLL CALL

**Members Present:**

Rep. Ernest Bergsagel, Chairman (R)  
Rep. Matt McCann (D)  
Rep. Tom Zook (R)

**Members Excused:** Sen. John "J.D." Lynch (D)  
Sen. Thomas A "Tom" Beck, Vice-Chairman (R)

**Members Absent:** none

**Staff Present:** Nan LeFebvre, Legislative Fiscal Division  
Debbie Rostocki, Committee Secretary

**Committee Business Summary:**

Hearing(s) & Date(s) Posted: **HOUSE BILLS 10 and 12** - Oil Overcharge Program and State Building Energy Conservation Program, 1/6/97

Executive Action: none

**CHAIRMAN BERGSAGEL** opened the meeting by entertaining a motion to amend Section 1 (4) of **HB 9** to state that upon receiving ownership of the barrel vault and the chandeliers originally located in the State Capitol, the \$95,000 appropriation be used for restoration of those items. There was general agreement to make the amendment in the full Appropriations Committee.

#### HEARING ON HOUSE BILL 10

**Ms. Jane Hamman**, Governor's Office of Budget and Program Planning, distributed revised recommendations for the appropriation of Stripper Well Oil Overcharge monies. **EXHIBIT 1**

**Opening Statement by Sponsor:** **REP. JOE QUILICI**, HD 36, gave a short introduction to the bill. Amendments reflecting a revised allocation of oil overcharge funds were offered. **EXHIBIT 2**  
**{Tape: 1; Side: a; Approx. Time Count: 2.2-5.3}**

**Proponents' Testimony:** **Mr. Van Jamison**, Administrator of the Planning, Prevention and Assistance Division of the Department of Environmental Quality (DEQ), rose in support of the bill as

amended. He discussed HB 10's relationship to the Microbusiness Loan Program.

**{Tape: 1; Side: a; Approx. Time Count: 5.4-10.4}**

Mr. Jim Nolan, Department of Public Health and Human Services (DPHHS), spoke in support of the bill. Questions were asked.

**{Tape: 1; Side: a; Approx. Time Count: 10.5-14.6}**

Mr. Brian Taylor, Energy Share of Montana Treasurer, rose in support of the bill. Two handouts showing how past funding was utilized were distributed. EXHIBITS 3 and 4

**{Tape: 1; Side: a; Approx. Time Count: 14.7-17.9}**

Mr. Alan Nicholson, a member of the Governor's Low-Income Energy Advisory Council, explained what the Council had proposed and rose in support of the bill. Questions were asked.

**{Tape: 1; Side: a; Approx. Time Count: 18.0-22.7}**

Ms. Traci Ulberg, on behalf of the Western Transportation Institute, rose in support of Section 8 of the bill, to provide the Institute with funding for the remainder of the local match needed to receive earmarked federal funds for research and development of advanced transportation technologies in the Yellowstone Park area.

**{Tape: 1; Side: a; Approx. Time Count: 22.8-24.8}**

Ms. Shirley Ball, Executive Director of Ethanol Producers And Consumers (EPAC), rose in support of the bill. Questions were asked. EXHIBIT 5

**{Tape: 1; Side: a; Approx. Time Count: 24.9-30.1}**

Mr. Mike Allen, Allen Oil, rose in support of the bill. Questions were asked.

**{Tape: 1; Side: b; Approx. Time Count: 0.0-3.6}**

Mr. John O'Donnell, Montana Power Company Director of New Business Development, spoke up in support of the bill; questions were asked. Mr. Jamison discussed energy efficiency retrofitting.

**{Tape: 1; Side: b; Approx. Time Count: 3.7-14.9}**

Mr. Tim Tolman, owner of Facilities Improvement Corporation, rose in support of (new) Section 5 of HB 10, the recommissioning of state-owned buildings. He contrasted the State Building Energy Program with the proposal in new Section 5, which will do the same thing on a smaller scale. Questions were asked.

**{Tape: 1; Side: b; Approx. Time Count: 15.0-21.5}**

Former SEN. CECIL WEEDING, representing EPAC, rose in support of HB 10.

**{Tape: 1; Side: b; Approx. Time Count: 21.6-28.3}**

Mr. Gene Lewwer, Executive Director of the Rocky Mountain Development Council, spoke in support of the bill.

Ms. Elissa Mitchell, Human Resources Council, Dist. 12, spoke in support of the bill as amended. Questions were asked. Mr. Jamison spoke about the support for the Rural Intelligent Highway System concept in the Yellowstone area. Future funding sources were discussed.

{Tape: 1; Side: b; Approx. Time Count: 28.4-Tape 2:a:12.2}

Mr. Jamison explained how the Small Business and Tribal Environmental Compliance Loan Fund Program would work. Mr. Mark Lambrecht, DEQ's Small Business Assistance Program Coordinator, provided additional information.

REP. QUILICI closed.

{Tape: 2; Side: a; Approx. Time Count: 12.3-19.2}

Mr. Jamison distributed a handout on DEQ's Small Business Compliance Program. EXHIBIT 6

{Tape: 2; Side: a; Approx. Time Count: 19.3-Tape 2:b:6.0;

Comments: recorder malfunction - committee went on break but the recorder kept recording.}

#### HEARING ON HOUSE BILL 12

Opening by Sponsor: REP. JOE QUILICI, HD 36, opened. He passed out information documenting energy cost reduction in state-owned buildings. EXHIBIT 7

{Tape: 2; Side: b; Approx. Time Count: 6.1-8.0}

Proponents' testimony: Mr. Tom Livers, DEQ, explained the provisions of HB 12. He stated that the Law Enforcement Academy project was well underway and no longer needed to be in the bill. EXHIBIT 8 A summary of the projects under the bill was passed out. EXHIBIT 9 How the bill related to coordination of preventive maintenance at state-owned buildings was addressed. A letter from MSU-Northern in support of performance contracting was submitted. EXHIBIT 10 Questions were asked. How the savings to the state were measured was discussed.

Ms. Hamman stated that projected savings were taken out of the agencies' base budgets by the Governor's Office when preparing the budgets. Discussion took place regarding the outstanding bonds on the program and options on what to do when the bonds were retired.

{Tape: 2; Side: b; Approx. Time Count: 8.1-26.6}

Ms. Beth Baker, Department of Justice, rose in support of the bill and reviewed the Law Enforcement Academy project.

{Tape: 2; Side: b; Approx. Time Count: 26.7-28.8}

Mr. Tolman spoke about the MSU-Northern contract and rose in support of performance contracting but cautioned that it was not the cure-all for deferred maintenance.

{Tape: 2; Side: b; Approx. Time Count: 28.9-end of side b}

**Mr. Tom O'Connell**, Architecture and Engineering Division Administrator, Dept. of Administration, rose in support of the bill.

**Mr. John O'Donnell**, Montana Power Company, spoke in support of **HB 12**. Questions were asked. Discussion took place regarding the funding in **HB's 10 and 12**. **Mr. Jamison** explained the savings MSU-Northern was able to retain in the auxiliary part of the budget.

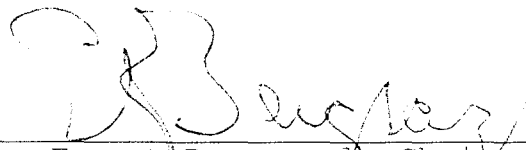
*{Tape: 3; Side: a; Approx. Time Count: 0.0-9.7}*

Closing by Sponsor: REP. QUILICI closed.

*{Tape: 3; Side: a; Approx. Time Count: 9.8-10.7}*

ADJOURNMENT

Adjournment: 10:10 a.m.



Rep. Ernest Bergsagel, Chairman



Debbie Rostocki, Secretary

EB/DR

This meeting was recorded on three 60-minute audiocassette tapes.