

MINUTES

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

JOINT SUBCOMMITTEE ON NATURAL RESOURCES

Call to Order: By **CHAIRMAN ROGER DEBRUYCKER**, on January 13,
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)
Rep. John Johnson (D)
Sen. Linda J. Nelson (D)
Rep. William R. Wiseman (R)

Members Excused: None

Members Absent: None

Staff Present: Roger Lloyd, Legislative Fiscal Division
Theda Rossberg, Committee Secretary

Committee Business Summary:

Hearings: FISH, WILDLIFE AND PARKS
Parks Division
DEPARTMENT OF AGRICULTURE
Agricultural Science
Division
DEPARTMENT OF ENVIRONMENTAL
QUALITY
Executive Action: AGRICULTURAL SCIENCE
DIVISION
SUPPLEMENTAL - DEQ

Tape 1,A

HEARING DEPARTMENT OF ENVIRONMENTAL QUALITY

Roger Lloyd, Legislative Fiscal Division reviewed the global issues that were approve in Present Law Adjustments, except the 3% Vacancy Savings proposed by the Governor. The Joint Committee met again and reversed its' decision on the Vacancy Savings.

SEN. KEATING said that **REP. ZOOK** made the statement subsequent to the passage of that motion that it was optional.

CHAIRMAN DEBRUYCKER said that they would defer the Vacancy Savings issue until he could check with **REP. ZOOK**.

Mr. Lloyd explained that the Department of Environmental Quality reorganized internally and decided how they wanted to do their budget. We don't know what the base is, because they set the base. Therefore, the committee may want to be thinking about that when the department comes in for their hearings.

Another budgeting item is that the EPA is considering Performance Partnership Grants, which is basically a Block Grant. They will award their grants to the department categorically and be able to move funds to other categories.

Mr. Lloyd stated that he contacted the EPA person that would be overseeing that and he would be willing to come in when their budget is heard.

SEN. KEATING reminded the committee that there was a lot of RIT interest income and tax money flowing into that. Due to the recommendations of the Task Force he was drafting some legislation to appropriate the RIT funds more toward recreation. **REP. RANEY** is also drafting legislation along those same lines.

HEARING AGRICULTURAL SCIENCE DIVISION

EXHIBIT 1. **Mr. Gingery** reviewed the programs in the Agricultural Sciences Division.

EXHIBIT 2, Page C-205

Mr. Gingery reviewed budget figure changes that show in **EXHIBIT 1**.

Questions and Responses:

SEN. KEATING inquired as to the funding source from each of the programs.

Mr. Gingery replied that they were all special revenue funds except for the Karnul Bunt Program which was federal funds.

Tape 1,B

BUDGET ITEMS: **EXHIBIT 2, Pages 205, 206, 207 and 208.**

EXECUTIVE ACTION AGRICULTURAL SCIENCES DIVISION

Motion/Vote: **REP. WISEMAN MOVED TO APPROVE \$123,072 IN FY98 AND \$123,067 IN FY98.** Motion carried unanimously.

Mr. Lloyd explained that the committee already approved \$10,000 for the Mint Program and the department was requesting another \$10,000.

{Tape: 1; Side: B; Approx. Time Count: 2.2; Comments: .}

Mr. Gingery responded that the mint growers were having problems with winter hardiness. The first \$10,000 request was for a research on varieties, fertilization, irrigation, pests, etc. The second \$10,000 request is for winter hardiness research.

Questions and Responses:

7) Montana Mint Program

Motion/Vote: SEN. KEATING MOVED TO APPROVE ITEM NO. 7. Motion carried unanimously.

8) Groundwater SMPS

Discussion:

Motion/Vote: SEN. KEATING MOVED TO APPROVE ITEM 8. Motion carried unanimously.

9) Noxious Weed Seed Free Forage

Motion/Vote: SEN. NELSON MOVED TO APPROVE ITEM 9. Motion carried unanimously.

10) Pesticide Equipment Replacement

11) Noxious Weed Trust, Equipment Replacement

12) AG Groundwater, Equipment Replacement

13) Produce, Equipment Replacement

14) F&F AA, Equipment Replacement

15) Nursery, Equipment Replacement

Motion/Vote: SEN. JOHNSON MOVED TO APPROVE ITEMS 10 THROUGH 15. Motion carried unanimously.

Other Base Adjustments

Motion/Vote: SEN. KEATING MOVED TO APPROVE OTHER BASE ADJUSTMENTS. Motion carried unanimously.

SEN. KEATING asked what kind of increases were there in processing licenses.

EXHIBIT 3. Mr. Gingery replied they were behind about three months in processing licenses and the reason for the FTE increase.

{Tape: 1; Side: B; Approx. Time Count: 21; Comments: .}

Questions and Responses:

Tape 2,A

Questions and Responses continued:

Pam Langley, Montana Agri-Business said there were different bonding requirements for different licenses and educational training which makes consolidation very difficult. They were considering the bar-code concept for the pesticide education program. Currently every license has to be entered twice, one for the dealer and one for the applicant.

SEN. JOHNSON responded that they definitely need the additional FTE to keep track of all the paper work.

Executive New Proposals: EXHIBIT 2, Page C-207Pesticide and Groundwater Personnel:

Motion/Vote: SEN. JOHNSON MOVED TO APPROVE THE ADDITION OF ONE FTE FOR THE GROUND WATER AND PESTICIDE PROGRAM. Motion carried 4-2 with CHAIRMAN DEBRUYCKER and SEN. BAER voting no.

Quarantines:

Mr. Peck said the department has been faced with a lot of new challenges that they hadn't had before. They were working on the Karnal Bundt disease and Potato Late Blight and others such as the Gypsy Moth. See EXHIBIT 2, Page C-207.

Questions and Responses:

SEN. BAER inquired as to what was required of the department for unfunded federal mandates.

Mr. Peck responded as to some of the mandates and what was happening in other states.

SEN. KEATING inquired as to whether or not the inspections could be done by contracted services.

Mr. Peck responded that it made more sense to have someone in the industry that was available when needed. It would be more expensive because their services would require them to be with the department a lot.

Mr. Lloyd explained that FTE and expenditures were not in the base.

Tape 2,B

{Tape: 2; Side: B; Approx. Time Count: 0; Comments: .}

Quarantines:

Motion/Vote: SEN. NELSON MOVED TO APPROVE QUARANTINES. Motion carried unanimously.

Motion/Vote: REP. WISEMAN MOVED TO APPROVE ITEMS 3, 4, 5 AND 6.
Motion carried unanimously. EXHIBIT 2, Page C-208.

SEN. KEATING ask what the committee had approved in the
Agricultural Sciences Division.

Mr. Lloyd explained that the committee increased the budget by
\$14,500 in fiscal 1998 only of general fund. State special
revenue was reduced and general fund increased by \$93,000 each
fiscal year.

{Tape: 2; Side: B; Approx. Time Count: 16; Comments: None.}

Bob Stevens, Montana Grain Elevators Association thanked the
committee for their openness an allowing outside people to
testify.

Mr. Peck said that SEN. SPOOK STANG will be sponsoring a bill
that contains a minimum of \$232 for fees and a maximum of \$500
and the fees would be set by rule.

Discussion:

CHAIRMAN DEBRUYCKER asked Mr. Peck to let the committee know what
happens with SEN. STANG'S bill as the committee may wish to draft
their own bill.

Motion/Vote: REP. WISEMAN MOVED TO CLOSE THE AGRICULTURAL
SCIENCE DIVISION. Motion carried unanimously.

Tape 3,A

*{Tape: 3,, Side: A; Approx. Time Count: 0; Comments: Fire
Supplements.}*

EXHIBIT 4, Pages C-137 and C-138. Mr. Lloyd reviewed the fire
supplemental appropriations.

Bud Clinch, Director Department of Natural Resources and
Conservation introduced his staff to the committee members.

EXHIBIT 5. Bob Kuchenbrod reviewed HB 3 with the committee.

EXHIBIT 6. He explained the fire supplemental requests.

Discussion:

Don Artley, Administrator Forestry Division explained that the
budget reflects spending authority, but doesn't necessarily
reflect true costs to government.

*{Tape: 3; Side: A; Approx. Time Count: 14.6; Comments: discussion
concerning different fires on different lands and costs paid by
different entities and anticipated expenditures.}*

SEN. KEATING asked the department to furnish the committee with a comparison of costs and revenue from the different fire suppression lands.

Mr. Lloyd stated that in the past the committee didn't make a motion to approve or disapprove the supplemental, but made a motion as a recommendation to the full House Appropriations Committee.

Tape 3,B

Motion/Vote: **SEN. KEATING MOVED TO RECOMMEND TO THE FULL APPROPRIATION COMMITTEE THE APPROVAL OF THE FIRE SUPPLEMENTALS.**
Motion carried unanimously. See **EXHIBIT 6**.

{Tape: 3; Side: b; Approx. Time Count: 2.7; Comments: Mr. Kuchenbrod would like the supplemental request as soon as possible as they are short of funds.}

Mr. Lloyd explained that the Legislature has already appropriated \$10 million dollars to fight fires contingent upon the Governor declaring an emergency. The department testified that they had already used \$2.9 million of that, leaving the balance for fire fighting.

DEPARTMENT OF ENVIRONMENTAL QUALITY

EXHIBIT 7, Pages C-72, C-73 and C-74. **Mr. Lloyd** reviewed the department functions and LFD Issues with the committee.

{Tape: 3; Side: B; Approx. Time Count: 10.2; Comments: Testimony by Denise Mills.}

EXHIBIT 8. **Denise Mills, Administrator Remediation Division, Department of Environmental Quality** testified that under SB 382 in 1996 the DEQ implemented an incentive program involving a partnership to clean up hard rock mine sites with a remediation cost of up to \$300,000 per site for three sites.

Karol Fox, Department of Environmental Quality reviewed some of the cleanup sites and asked for support of the appropriation for that project.

EXHIBIT 9. Letter from **Frank Crowley** urging the committee to support the \$900,000 appropriation for cleanup of abandoned mine sites.

{Tape: 3; Side: B; Approx. Time Count: 20.7; Comments: .}

Questions and Responses:

Tape 4,A

Mr. Lloyd explained that three things have to be present in order to spend money, 1) the funds have to be available, 2) a legislative appropriation is required to spend that money, and 3) the program has to exist.

Since there was no statute that authorizes that expenditure it cannot be made in the next biennium without an extension of the termination date.

Mr. Simonich asked if language could be put into HB 2 authorizing the department spending authority for those funds.

Mr. Lloyd explained that the statute for that program terminates at the end of the current fiscal year. The statute requires that the plan be completed before any reimbursement is made.

Discussion:

{Tape: 4; Side: A; Approx. Time Count: 13.1; Comments: Continued discussion on abandoned sites cleanup.}

EXECUTIVE ACTION SUPPLEMENTAL DEQ

Motion/Vote: SEN. KEATING MOVED TO RECOMMEND TO THE FULL APPROPRIATIONS COMMITTEE THAT THEY APPROVE THE SUPPLEMENTAL OF \$900,000 AND THAT THE COMMITTEE TAKE STEPS TO AMEND STATUTE TO EXTEND THE LIFE OF THE PILOT FOR REIMBURSEMENT OF REMEDIAL COSTS ONLY, BUT DO NOT CONTINUE THE DIVERSION OF THE METALLIFEROUS MINES LICENSE TAX. THE APPROPRIATION IS FOR THE JOSLYN STREET FLATS, CORBIN AND THE BLOCK P. MILL CLEANUP SITES. Motion carried unanimously.

HEARING DEPARTMENT OF FWP
PARKS DIVISION

EXHIBIT 10, Pages G-78 and G-79. Mr. Lloyd said the Parks Division is a proprietary funded program. The legislature no longer appropriates the funds but they set the rate which determines how much money is collected and the division can spend that amount.

Tape 4,B

{Tape: 4; Side: B; Approx. Time Count: 0; Comments: Mr. Lloyd continues review of the Parks Division.}

Mr. Lloyd made a correction on the last paragraph of Page G-79 from 85% to 35% for rate charge increases. See EXHIBIT 10.

Bill Hangas, Administration and Finance Division reviewed the Capitol Grounds Program which include other buildings and the functions the division performs. He said agencies in the complex

are assessed a rate based on the square footage of office space that they occupy. They have a request for \$225,000 for irrigation work which is a one-time only request which would not be funded through user fees. It is funded with Capital Land Grant funds.

Questions and Responses:

{Tape: 4; Side: B; Approx. Time Count: 15.2; Comments: Continued Questions and Responses.}

Mr. Lloyd explained the 2.5% increase in Personal Services and reversing the 4% vacancy savings would increase their budget.

Discussion:

SEN. KEATING asked why they were asking for \$295,000 and what more they were doing for that request.

Mr. Hansas responded that \$11,000 of general fund was appropriated for contracted services and some inflation rates were in addition to that. See EXHIBIT 10, Page G-79 for other expenditures.

Tape 5,A

{Tape: 5; Side: A; Approx. Time Count: 0; Comments: Discussion on Capitol Grounds Maintenance Program.}

Discussion:

Increasing Per Sq. Ft. assessment of office space to .3446.

Questions and Responses:

SEN. KEATING inquired as to their division's cash balance.

Mr. Olsen responded that at the beginning of Fiscal 1998 there will be a beginning balance of about \$20,000. At the beginning of the biennium the balance was 47,000.

{Tape: 5; Side: A; Approx. Time Count: 7.7; Comments: .}

Discussion:

The irrigation system for the Capitol Grounds.


EXECUTIVE ACTION PARKS DIVISION

Motion/Vote: SEN. KEATING MOVED TO APPROVE THE .3446 ASSESSMENT RATE ON OFFICE SPACE IN THE CAPITOL COMPLEX. Motion carried 4-2 with SEN. BAER and CHAIRMAN DEBRUYCKER voting no.

ADJOURNMENT

Adjournment: 12:00


REP. ROGER DEBRUYCKER, Chairman


THEDA ROSSBERG, Secretary

RD/TR