

## MINUTES

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

#### JOINT SUBCOMMITTEE ON NATURAL RESOURCES

Call to Order: By CHAIRMAN ROGER DEBRUYCKER, on February 12, 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:**

Hearing(s) & Date(s) Posted: DEPT. ENVIRONMENTAL QUALITY  
Centralized Services  
Permitting & Compliance  
Community Service Bureau  
Air Hazardous Waste Bureau

Executive Action: DEPT. ENVIRONMENTAL QUALITY  
Permitting & Compliance

Tape 1,A  
Speed 2.4

#### HEARING DEPARTMENT OF ENVIRONMENTAL QUALITY CENTRALIZED SERVICES DIVISION

**EXHIBIT 1.** Mr. Lloyd reviewed the status sheet of actions the committee took as of February 11, 1997.

Judy Hanson, Administrator Centralized Services Division reviewed that program as narrated on Pages G-87 - G-91.

**EXHIBIT 2** - Chart of the functions within the Central Management Program.

{Tape: 1; Side: A; Approx. Time Count: 6.1; Comments: .}

Ms. Hanson referred to Page G-89 as to a change in the indirect rates.

{Tape: 1; Side: A; Approx. Time Count: 12.6; Comments: .}

EXHIBIT 3 - Explanation of the under recovery of 1.34% for the Indirect Cost Pool.

EXHIBIT 4 - Ms Hanson presented written testimony to the committee members.

{Tape: 1; Side: A; Approx. Time Count: 14.9; Comments: .}

Questions and Responses:

{Tape: 1; Side: A; Approx. Time Count: 30.5; Comments: .}

Discussion:

Committee members discussed the indirect rates.

Mr. Lloyd explained that the rates the committee approves decides the amount to be appropriated to the divisions to pay Central Management.

{Tape: 1; Side: A; Approx. Time Count: 40.3; Comments: .}

Questions and Responses:

{Tape: 1; Side: A; Approx. Time Count: 55.4; Comments: .}

Ms. Hanson explained the how they arrived at \$60 million budget.

{Tape: 1; Side: A; Approx. Time Count: 59.1; Comments: .}

Ms. Hanson reviewed State Wide Cost Allocation Plan (SWACAP).

{Tape: 1; Side: A; Approx. Time Count: 63.5; Comments: .}

EXHIBIT 5. FY96 DEQ Budget moved for Internal Reorganization.

{Tape: 1; Side: A; Approx. Time Count: 66.3; Comments: .}

EXHIBIT 6. DEQ - 96 Reverted State Special Revenue Table

Jan Sensibaugh, Administrator Permitting Division gave testimony on the source the fees that were collected.

{Tape: 1; Side: A; Approx. Time Count: 71.7; Comments: .}

Mr. Lloyd stated the committee gave spending authority of \$1.8 million to the Air Quality Program to spend special revenue fees.

{Tape: 1; Side: A; Approx. Time Count: 72.7; Comments: .}

Discussion:

{Tape: 1; Side: A; Approx. Time Count: 80.5; Comments: .}

HEARING PERMITTING AND COMPLIANCE DIVISION

EXHIBIT 7. Jan Sensibaugh, Administrator Permitting and Compliance Division gave an overview on that division.

Tape 1,B  
Speed 2.4

Ms. Sensibaugh's continued overview of the Permitting and Compliance Division.

EXHIBIT 8 - Number of Activities Managed.

EXHIBIT 9 - FTE Distribution to Divisions.

EXHIBIT 10 - Permitting and Compliance Organizational Chart.

AIR AND HAZARDOUS WASTE BUREAU

EXHIBIT 11. Ms Sensibaugh gave an overview on the Air and Hazardous Waste Bureau.

Questions and Responses:

Committee members and Bureau staff.

{Tape: 1; Side: B; Approx. Time Count: 19.4; Comments: .}

Continued overview of the Air and Hazardous Waste Bureau.

Discussion:

Discussion on the air monitor in Great Falls.

{Tape: 1; Side: B; Approx. Time Count: 62.6; Comments: .}

Questions and Responses:

SEN, KEATING asked what they did with their hazardous waste appropriations.

Ms. Sensibaugh responded that those appropriations were used for the compliance activity inspections.

Discussion/Questions:

SEN. KEATING stated they had state mandates above and beyond the federal mandates.

Mr. Simonich responded.

{Tape: 1; Side: B; Approx. Time Count: 70; Comments: .}

Curt Chisholm, Department of Environmental Quality discussed the Montana Refinery problem.

EXHIBIT 12 - Montana Refining Company Position Statement.

{Tape: 1; Side: B; Approx. Time Count: 73.3; Comments: .}

COMMUNITY SERVICE BUREAU

EXHIBIT 13 - Ms. Sensibaugh gave an overview of the Community Service Bureau.

Discussion:

SEN. KEATING and he department.

{Tape: 1; Side: B; Approx. Time Count: 82; Comments: .}

Overview of the Drinking Water Section. EXHIBIT 13.

Tape 2, A  
Speed 2.4

Drinking Water overview continued.

{Tape: 2; Side: A; Approx. Time Count: 1.6; Comments: .}

Overview of the Junk Vehicle Program. EXHIBIT 13.

Discussion:

REP. WISEMAN stated that of the 1,900 water systems, one of the operators was Flathead County and it costs more to monitor and sample the water than the cost of electricity. The people are really upset about that situation.

{Tape: 2; Side: A; Approx. Time Count: 10.4; Comments: .}

EXECUTIVE ACTION PERMITTING & COMPLIANCE DIVISION

Personal Services, Page 105.

Motion: REP. WISEMAN MOVED TO REDUCE THE FTE IN THE PERMITTING & COMPLIANCE DIVISION TO 126 IN FY98 AND FY99.

Discussion:

Committee members and the department staff discussed the FTE reduction.

Vote: Motion carried 4 - 1 with SEN. NELSON voting no.

Motion: SEN. BAER MOVED TO APPROVE THE 1996 BASE WITH THE FTE REDUCTIONS THAT WERE APPROVED. Motion carried 4 - 1 with SEN. JOHNSON voting no.

BUDGET ITEMS - Page C-107.

5) Montana Facility Siting Act:

Mr. Lloyd reviewed the narrative on Page C-107.

Motion/Vote: REP. WISEMAN MOVED TO APPROVE ITEM 5 TO BE RESTRICTED TO THAT PROGRAM. Motion carried unanimously.

6) Base Adjustment:

Mr. Lloyd reviewed the narrative on Page 107.

{Tape: 2; Side: A; Approx. Time Count: 35.9; Comments: .}

EXHIBIT 14 - DEQ Bond Forfeitures.

Ms. Sensibaugh reviewed the bond forfeitures.

Discussion:

Motion/Vote: REP. WISEMAN MOVED TO APPROVE ITEM 6, BASE ADJUSTMENTS FOR \$927,854 BIENNIAL APPROPRIATION FOR BOND FORFEITURES. Motion carried unanimously.

7) Equipment:

Motion/Vote: CHAIRMAN DEBRUYCKER MOVED TO APPROVE ITEM 7, EQUIPMENT. Motion carried unanimously.

8) Grants to County Subdivisions:

Motion/Vote: REP. WISEMAN MOVED TO APPROVE ITEM 8, GRANTS TO COUNTY SUBDIVISIONS. Motion carried unanimously.

Other Base Adjustments:

Motion/Vote: REP. WISEMAN MOVED TO APPROVE OTHER BASE ADJUSTMENTS. Motion carried 4 - 1 with SEN. BAER voting no.

{Tape: 2; Side: A; Approx. Time Count: 46; Comments: .}

NEW PROPOSALS - Page C-109.

1) Air Quality Compliance:

Note: No action was taken on item 1.

2) Subdivision and PWS Technical Staff:

Mr. Lloyd reviewed the LFD Issues on Page C-109 and C-110.

Discussion:

Ms. Sensibaugh reviewed contracting services and FTE'S.

EXHIBIT 15 - Permitting and Compliance Statutes.

EXHIBIT 16 - Balance after deducting expenses and encumbrances,  
July 2, 1996.

ADJOURNMENT

Adjournment: 12:05

  
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REP. ROGER DEBRUYCKER, Chairman

  
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THEDA ROSSBERG, Secretary

RD/TR