

MINUTES

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

JOINT SUBCOMMITTEE ON NATURAL RESOURCES

Call to Order: By **CHAIRMAN ROGER DEBRUYCKER**, on February 19, 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: **DEPARTMENT OF COMMERCE
DEPARTMENT OF ENVIRONMENTAL
QUALITY
Central Management
Planning & Prevention
Enforcement Division
Petroleum Tank Release
Conservation & Resource
Development**

Executive Action: **DEPARTMENT OF COMMERCE
DEPARTMENT ENVIRONMENTAL
QUALITY
Central Management
Planning & Prevention
Enforcement Division
Petroleum Tank Release
Conservation & Resource
Development**

Tape 1,A
Speed 2.4

HEARING DEPARTMENT OF COMMERCE

Motion: SEN. KEATING MOVED TO RECONSIDER PREVIOUS ACTION ON THE DEPARTMENT OF COMMERCE.

Discussion:

Mr. Lloyd explained that if the bill passes it will eliminate the Board of Tramways or their duties. If the funds are taken out of HB 2, there will be no funds to be spent in the next biennium. Any state special revenue eliminated by the legislature goes to the general fund.

CHAIRMAN DEBRUYCKER stated that the way he understood it was that if the bill fails the funds revert back to the department.

EXHIBIT 1. Statutes concerning the Board of Tramways. See Fees and Assessment which was the tax which goes into the state special revenue fund.

EXHIBIT 2. Suggested Language Board of Tramway.

Bill Hoffman stated that there position was if the Board of Tramways was eliminated, the fees would also be eliminated.

Vote: Motion carried unanimously.

EXECUTIVE ACTION DEPARTMENT OF COMMERCE

Motion/Vote: SEN. KEATING MOVED TO REQUEST A BILL DRAFT TO REPEAL THE BOARD OF TRAMWAYS, FEES, INSPECTIONS, TAXES, CERTIFICATES AND PERTINENT THAT WERE SUPERFLUOUS. Motion carried unanimously.

{Tape: 1; Side: A; Approx. Time Count: 11.8; Comments: .}

Testimony: Wade Sikorsky

Motion/Vote: REP. WISEMAN MOVED TO CLOSE THE DEPARTMENT OF COMMERCE. Motion carried unanimously.

HEARING DEPARTMENT ENVIRONMENTAL QUALITY
CENTRAL MANAGEMENT

EXHIBIT 3. Indirect Calculation for DEQ.

Curt Chisholm, DEQ explained the proposed 10% FTE cut. He asked the committee to reconsider their previous action and set the FTE back to 19.5 FTE.

{Tape: 1; Side: A; Approx. Time Count: 21.9; Comments: .}

Questions and Responses:

{Tape: 1; Side: A; Approx. Time Count: 24,7; Comments: .}

Doug Schmitz, Office of Budget and Planning explained the FTE situation.

Discussion:

{Tape: 1; Side: A; Approx. Time Count: 27.0; Comments: .}

EXECUTIVE ACTION CENTRAL MANAGEMENT

Motion/Vote: SEN. KEATING MOVED TO RECONSIDER PREVIOUS ACTION THAT APPROVED 17.5 FTE. Motion carried unanimously.

Motion: SEN. KEATING MOVED TO APPROVE 19.5 INDIRECT COSTS WITH THE RESTRICTION THAT IF FTE'S WERE RESTORED TO THE DEPARTMENT THAT THE INDIRECT COST RATE BE REVIEWED BY THE SUBSEQUENT COMMITTEE ACTION.

Discussion:

Vote: Motion carried unanimously.

Mr. Chisholm reviewed the Major Facility Siting Act, Page C-95.

EXHIBIT 4. Funding Shifts.

Mr. Jamison explained the funding shifts.

{Tape: 1; Side: A; Approx. Time Count: 38.9; Comments: .}

Questions and Responses:

SEN. KEATING asked what the source of the revenue was in the funding switch.

EXHIBIT 5. Judy Hanson, DEQ stated the revenue sources were shown on Page C-91.

Motion/Vote: REP. WISEMAN MOVED TO APPROVE THE FUNDING SWITCH OF \$137,773 IN FY98 AND \$144,694 IN FY99. Motion carried unanimously.

Jan Sensibaugh, DEQ stated they would like to increase the spending authority in their grants to counties to refund up to \$1 per junked vehicle. See Page C-107.

Discussion:

The committee members and the department discussed the junk vehicle program and the fees.

{Tape: 1; Side: A; Approx. Time Count: 51.1; Comments: .}

Motion/Vote: SEN. KEATING MOVED TO APPROVE \$38,434 IN FY98 AND \$57,980 IN FY99 FOR JUNK VEHICLES. Motion carried unanimously.

Discussion:

Discussion on the Hazard Waste fee issue.

Mr. Lloyd reviewed the narrative on Page C-111. He said that the general fund was decreased by \$34,000.

Motion/Vote: SEN. KEATING MOVED TO RECONSIDER PREVIOUS ACTION ON HAZARDOUS WASTE MANAGEMENT FEES. Motion carried unanimously.

Motion/Vote: SEN. KEATING MOVED THE NEW PROPOSAL OF THE FUNDING SWITCH OF \$34,000 BACK TO THE STATE SPECIAL REVENUE FUND. Motion carried unanimously.

{Tape: 1; Side: A; Approx. Time Count: 59.4; Comments: .}

Mr Chisholm reviewed a new proposal on Shallow Injection Well Permits, Page C-112.

He stated that the language that was approved on the fees assumes they could get a federal grant. He suggested that the committee allow the department to use fees for the program until federal funds become available.

Discussion:

Motion/Vote: SEN. BAER MOVED TO MODIFY THE ORIGINAL ACTION AND ALLOW THE DEPARTMENT TO USE FUNDS FROM FEES TO INITIATE THE SHALLOW INJECTION WELL PROGRAM ON CONDITION THEY WOULD USE FEDERAL FUNDS IF THE BECOME AVAILABLE AND ALSO USE FEE FUNDS FOR FEDERAL MATCHES IF NECESSARY. Motion carried unanimously.

{Tape: 1; Side: A; Approx. Time Count: 65.4; Comments: .}

EXHIBIT 6. Comparisons of Contracted Services.

Mr. Simonich stated he would like the committee to reconsider their previous action and approve the proposal on Page C-109.

Discussion:

Mr. Lloyd reviewed the narrative on Page C-110 on the fees for the new proposal.

Motion/Vote: SEN. KEATING MOVED TO RECONSIDER PREVIOUS ACTION AND APPROVE 2 FTE AND \$195,000 PER YEAR FOR PERSONAL SERVICES AND OPERATING COSTS FOR THE SUBDIVISION AND TECHNICAL STAFF. Motion carried unanimously.

EXHIBIT 7. Equipment Analysis.

Tape 1,B
Speed 2.4

Motion/Vote: REP. WISEMAN MOVED TO APPROVE ITEM 6, EQUIPMENT REPLACEMENT. Motion carried 5 - 1 with CHAIRMAN DEBRUYCKER voting no. See Page C-93.

Mr. Chisholm asked the committee to reconsider their action on the Radon Testing program. He stated that it was not their intent to request an additional FTE.

He said they were requesting spending authority for the grant funds to pass through to the local health departments.

{Tape: 1; Side: B; Approx. Time Count: 8.1; Comments: .}

Motion: SEN. KEATING MOVED TO REDUCE THE FUNDING BY THE AMOUNT OF THE FTE AND THE BALANCE TO BE APPROPRIATED FOR PUBLIC INFORMATION.

Amended Motion/Vote: SEN. KEATING MOVED TO AMEND HIS MOTION TO APPROVE \$30,000 FOR FY98 AND \$45,000 FOR FY99 FOR PUBLIC INFORMATION ON RADON. Motion carried unanimously.

Mr. Chisholm asked the committee to reconsider their action on Items 2 and 3. Page C-84.

{Tape: 1; Side: B; Approx. Time Count: 15.1; Comments: .}

Discussion:

Motion: REP. JOHNSON MOVED TO APPROVE ITEMS 1, 2, 3 AND 4 AS SHOWN ON PAGE C-84.

Questions and Responses:

Vote: Motion failed 3 - 3.

Mr. Chisholm explained what each item on Page C-84 was for.

{Tape: 1; Side: B; Approx. Time Count: 29.0; Comments: .}

Mr. Jamison asked the committee to reconsider their action on the FTE in the Planning Division.

Motion/Vote: REP. BAER MOVED TO REINSTATE THE .03 FTE AS REQUESTED BY THE DIVISION. Motion carried unanimously.

Discussion:

Discussion by the department concerning FTE reductions in the Permitting and Compliance program.

John Arrigo, Administrator of the Enforcement Division reviewed their FTE situation.

Mr. Simonich stated with the reduction of 2 FTE they would like to have the flexibility of where to take those reductions.

{Tape: 1; Side: B; Approx. Time Count: 49.1; Comments: .}

Mr. Jamison addressed the reduction of 6 FTE'S in the Planning Division.

Discussion:

Mr. Chisholm addressed the reduction of 2 FTE'S in Central Management.

Mr. Schmitz stated they don't know at this time what specific positions were to be eliminated so the figures can be adjusted accordingly.

Motion/Vote: REP. WISEMAN MOVED TO USE AVERAGE FIGURES IN DECIDING THE REDUCTION IN FTE AMOUNTS. Motion carried unanimously.

{Tape: 1; Side: b; Approx. Time Count: 76.8; Comments: .}

EXHIBIT 8. Claim Reimbursement Summary for the Petroleum Tank Release Compensation Board as requested by REP. WISEMAN.

EXHIBIT 9. Mike Valesky's testimony on Transferring the Nonpoint Source Pollution Program from DEQ to DNRC.

Tape 2,A
Speed 2.4

Testimony: Tom Stelling representing the Conservation Districts testimony on moving the Nonpoint Source Pollution Program from DEQ to DNRC.

Discussion;

Discussion with the department on the proposed move of the Nonpoint Source Pollution Program from DEQ to DNRC and the law suits by the EPA.

Testimony: Bill Engle, Environmental Protection Agency gave testimony on their support of moving the 319 program.

{Tape: 2; Side: A; Approx. Time Count: 28.8; Comments: .}

Discussion:

Discussion on the 319 Program continues.

Motion/Vote: REP. WISEMAN MOVED TO APPROVE THE TRANSFER FROM DEQ TO DNRC 1.5 FTE AND \$770,018 IN FY98 AND \$772,129 IN FY 99


Motion carried 5 - 1 with SEN. JOHNSON voting no.

Motion/Vote: SEN. KEATING MOVED TO ADJOURN. Motion carried unanimously.

ADJOURNMENT

Adjournment: 12:05 P.M.


REP. ROGER DEBRUYCKER, Chairman


THEDA ROSSBERG, Secretary

RD/TR