

## MINUTES

### MONTANA SENATE 55th LEGISLATURE - REGULAR SESSION

#### COMMITTEE ON FISH & GAME

Call to Order: By CHAIRMAN AL BISHOP, on February 13, 1997, at  
3:00 p.m., in Room 402

#### ROLL CALL

##### Members Present:

Sen. Al Bishop, Chairman (R)  
Sen. Loren Jenkins, Vice Chairman (R)  
Sen. Vivian Brooke (D)  
Sen. William S. Crismore (R)  
Sen. Steve Doherty (D)  
Sen. Bea McCarthy (D)  
Sen. Kenneth "Ken" Mesaros (R)  
Sen. Ken Miller (R)  
Sen. Mike Taylor (R)  
Sen. Daryl Toews (R)

Members Excused: None

Members Absent: None

Staff Present: Leanne Kurtz, Legislative Services Division  
Serena Andrew, Committee Secretary

Please Note: These are summary minutes. Testimony and  
discussion are paraphrased and condensed.

##### Committee Business Summary:

Hearing(s) & Date(s) Posted: SB 292, Posted 2/06/97  
Executive Action: HB 175

#### HEARING ON SB 292

Sponsor: SENATOR LORENTS GROSFIELD, SD #13, Big Timber

Proponents: None

Opponents: Jim Richard, Montana Wildlife Federation  
Peter Funk, Montana Council, Trout Unlimited  
Jean Johnson, Executive Director, Montana  
Outfitters & Guides Association  
Jim Bradford, President, Montana Bowhunters  
Association  
Bob Bugni, Prickly Pear Sportsmen, East Helena  
Ken Hoovestall, Walleyes Unlimited

Janet Ellis, Montana Audubon  
Pat Graham, Director, Department of Fish,  
Wildlife & Parks

Opening Statement by Sponsor:

{Tape: 1; Side: A; Approx. Time Count: 3:11}

SENATOR LORENTS GROSFIELD, SD #13, Big Timber, said he carried the bill because of frustration among legislators and Montana people with the Department of Fish, Wildlife & Parks' (DFWP) revenue and funding. He thought there were some programs outside the department that enhance the fish and wildlife resource and are funded by other entities. His bill would require a study to determine whether or not DFWP revenue (sportsmen's license fees) could be used to fund these programs.

Significant federal dollars come to all states from the federal excise tax on sporting goods. They are to be used for fish and wildlife management projects. These funds, however, come only if the dollars are spent on fish and wildlife related projects and purposes. SENATOR GROSFIELD said he had no intention of jeopardizing those federal funds.

An example of the type of program he had in mind was the 310 permitting process administered by local conservation districts with the aid of DFWP fisheries biologists.

Proponents' Testimony: None

Opponents' Testimony:

{Tape: 1; Side: A; Approx. Time Count: 3:17}

Jim Richard, Montana Wildlife Federation, said the sportsmen of Montana pay property taxes and income taxes and are proud to be able to share in funding general government services. In addition, they buy hunting and fishing licenses to fund fish and wildlife programs. They do not approve of attempts to divert monies intended for wildlife management to general government activities. All Montanans, and tourists as well, benefit from Montana's fish and wildlife resource, and he felt that it would be logical to ask these people to help sportsmen fund wildlife conservation. His organization strongly opposed the bill.

Peter Funk, Montana Council, Trout Unlimited, said his organization opposed the bill because federal aid dollars are restricted to spending by DFWP. The fact that programs may be related to fish and wildlife doesn't mean they should be funded with sportsmen's dollars. Those programs were meant to be funded by other sources at the time of their inception.

Sportsmen believe that their dollars should stay within the department and the federal statute refers to the state wildlife agency as well.

*{Tape: 1; Side: A; Approx. Time Count: 3:22}*

**Jean Johnson, Executive Director, Montana Outfitters & Guides Association (MOGA)**, commented that it appeared **SENATOR GROSFIELD** was looking for budget relief. Less than .9% of the DFWP budget comes from the General Fund. The agency operates with a very narrow focus. There is only one place to go for additional funds - back to the nonresident hunter. MOGA was not in favor of diverting funds.

**Jim Bradford, President, Montana Bowhunters Association**, said just under half of Montanans contribute to DFWP funds. The other half still benefits from the use of that money. He thought it would be equitable to give 50% on the dollar from the General Fund to fish and wildlife.

DFWP does not have enough money to take care of all sportsmen's concerns at present. A current House bill calls for a program to teach poachers not to do it again, and other tasks will come from this legislative session that will dip into the budget.

**Bob Bugni, Prickly Pear Sportsmen, East Helena**, was surprised that the sponsor was frustrated with understanding the DFWP budget. Sportsmen know it is funded with their dollars. Also, he felt the bill was vague - no dollar amounts were given. The Prickly Pear Sportsmen strongly oppose SB 292.

**Ken Hoovestall, Walleyes Unlimited and Montana Snowmobile Association**, said the Montana Snowmobilers, although not directly affected, oppose the concept of replacing General Fund monies with sportsmen's dollars. The Montana Boating Association and Walleyes Unlimited flatly oppose using license monies for other purposes.

*{Tape: 1; Side: A; Approx. Time Count: 3:28}*

**Janet Ellis, Montana Audubon**, told the committee fish and wildlife resources are public resources. Every Montanan benefits from these resources. It would be possible to go into every program having to do with sediment and say that it had to do with fish. Audubon doesn't believe fish and wildlife fees should pay for everything related to fish and wildlife.

**Pat Graham, Director, Department of Fish, Wildlife & Parks**, questioned the need for the study - the 1995 Legislature authorized reorganization of state government and took a close look at functions of state agencies. Services and funding sources were part of that study. He was not aware of any services in any other agency that would be eligible for fish and

wildlife funding without endangering federal aid funding.  
**EXHIBIT #1**

Questions From Committee Members and Responses:

*{Tape: 1; Side: A; Approx. Time Count: 3:36}*

**SENATOR MIKE TAYLOR** asked if DFWP would need an FTE to administer the bill if it passed. **Mr. Graham** said it would require an FTE because his staff would not have time to do it. He recommended that the study not be done by DFWP, as he felt the results of a department study would be considered biased. **SENATOR TAYLOR** asked what the DFWP budget was. **Mr. Graham** said about \$40 million/year.

**SENATOR WILLIAM CRISMORE** commented that **Mr. Richard** had said sportsmen were the only people buying hunting and fishing licenses and the only people paying to enhance wildlife. **Jim Richard** replied that he would qualify that statement. Resident and nonresident hunters pay through license fees - the major portion of the DFWP budget. The remainder comes from the federal excise tax on guns, ammunition, fishing equipment, etc. The people who buy those things are sportsmen, too. Landowners also make a contribution.

**SENATOR CRISMORE** agreed that everyone forgets private landowners contribute to wildlife and there would be no hunting without them.

*{Tape: 1; Side: A; Approx. Time Count: 3:39}*

**SENATOR STEVE DOHERTY** commented that he had always been interested in the Departments of Agriculture and Livestock. Farmers and ranchers pay their fees and don't want anyone tampering with that money. He asked **SENATOR GROSFIELD** how he would feel about requiring any money spent by DFWP that in any way benefited livestock should be repaid to DFWP by the Department of Livestock.

**SENATOR GROSFIELD** couldn't think of an example except predator control. If predators are killing wildlife as well as livestock that might be an example.

*{Tape: 1; Side: A; Approx. Time Count: 3:43}*

**SENATOR DARYL TOEWS** asked if hunting and fishing were considered a natural resource. **SENATOR GROSFIELD** said wildlife was a natural resource, but not in the same sense as timber or water.

**SENATOR KEN MESAROS** asked what would be appropriate in the future regarding DFWP land acquisition. He asked if **Mr. Graham** felt the number of acres acquired for wildlife habitat through conservation easements should be unlimited. **Pat Graham** replied that conservation easements leave the title of the land in

private ownership. He didn't see any reason to limit the number of acres covered by conservation easements benefiting fish and wildlife.

**SENATOR MESAROS** commented that if DFWP had funds for unlimited conservation easements, but limited demand, possibly leftover funds could be targeted for another use.

*{Tape: 1; Side: A; Approx. Time Count: 3:47}*

**SENATOR DOHERTY** asked if there were unlimited funds for conservation easements in Montana. **Mr. Graham** said the legislature earmarked about \$2.5 million/year for conservation easements.

**SENATOR VIVIAN BROOKE** asked if **Mr. Graham** thought the bill would require his department to hire an individual to do the study and if the study would prioritize the department's programs. **Mr. Graham** said it would be necessary to reprioritize its programs and drop off current programs in an amount equal to programs being added.

**SENATOR BROOKE** asked what kind of system DFWP had for setting priorities and if programs were eventually evaluated or terminated.

**Mr. Graham** said certain earmarked programs are authorized through the legislature. The department has about 700 workplans covering all the department programs. The workplans are prioritized to determine if any new work needs to be done and that work is weighed against current activities. The department tries to fund as many programs as possible through redirection and requests budget modifications for the remainder.

**SENATOR BROOKE** asked if these programs are ever evaluated to see if they are necessary. **Mr. Graham** said redirection means you quit doing one thing and do something else. Programs are evaluated every biennium.

*{Tape: 1; Side: A; Approx. Time Count: 3:51}*

**SENATOR BROOKE** asked if requests to fund additional activities were accelerating at DFWP. **Mr. Graham** said the legislature doesn't like to deal with increases. Typically, DFWP fees increase about every 8-10 years. Declines in mule deer and antelope numbers have caused a decline in revenue. Fishing revenues have dropped, also. The department must live within the boundaries of its revenue.

*{Tape: 1; Side: B; Approx. Time Count: 3:53}*

**SENATOR CRISMORE** asked what percentage of the DFWP budget comes from nonresidents. **Mr. Graham** said two-thirds of the license dollars come from nonresidents.

**SENATOR CRISMORE** asked what part of the money from outfitter's nonresident clients goes to landowner programs. **Mr. Graham** said Block Management has recently been expanded and that expansion is being funded by the variably priced license. When that money runs out, it will be necessary to seek funding from residents. **SENATOR CRISMORE** commented that perhaps there should be more nonresident hunters who use the services of an outfitter.

*{Tape: 1; Side: B; Approx. Time Count: 3:56}*

**SENATOR LOREN JENKINS** asked **Bob Bugni** if he knew where DFWP spends its money. **Mr. Bugni** said he didn't have a DFWP budget with him.

**SENATOR JENKINS** said that was part of the problem. Most legislators don't know and when they go home they are asked. He thought the bill was trying to identify the DFWP budget.

**SENATOR JENKINS** asked if **Mr. Bugni** knew how much money came in from licenses. **Mr. Bugni** said he didn't have any figures.

**Dave Mott, Administrator, Administration & Finance Division, DFWP**, said about \$28 million/year comes in from licenses. **SENATOR JENKINS** asked how much DFWP receives from Long-Range Building. **Mr. Mott** said the department's building funds come from fishing and hunting license revenues and federal dollars. DFWP doesn't get any of the state's Long-Range Building dollars.

The department's total budget is about \$40 million/year and that includes federal dollars, parks dollars and hunting and fishing dollars. The DFWP's long-range building budget request is found in HB 5. It is about \$10.5 million per year (federal dollars) and some park fees.

**SENATOR JENKINS** asked if there were any other funding sources. **Mr. Mott** said parks get 6.5% of the state's bed tax. **SENATOR JENKINS** asked if there were any coal tax monies. **Mr. Mott** said yes. **SENATOR JENKINS** asked if there were any gas tax monies. **Mr. Mott** said the department receives .9 of 1% of the total fuel tax. This money must be spent in the parks program for projects related to use by motor boats.

**SENATOR JENKINS** asked if funding is received through the Department of Transportation from the snowmobile gas tax. **Mr. Mott** said that money is used for roads in the State Parks System.

**SENATOR JENKINS** asked if the DFWP annual budget is over \$40 million/year. **Mr. Mott** said there is about \$40 million in HB 2 and \$10.5 in HB 5. The bed tax, however, is a statutory appropriation.

**SENATOR JENKINS** said it was his understanding that DFWP pays the Department of Livestock for predator control and Livestock adds

some of its funds and passes the total along to the federal government for predator control. **Mr. Mott** said that was correct.

*{Tape: 1; Side: B; Approx. Time Count: 4:04}*

**SENATOR JENKINS** said he thought the department had received an increase in nonresident fees from the last legislative session. **Mr. Mott** said that was the variably priced license for hunter access. It came to roughly \$2 million/year.

**SENATOR JENKINS** commented that in reading SB 292 he saw the legislature's frustration in looking at spending by DFWP and whether or not money had been spent as the legislature had thought it should be.

**Mr. Graham** said it had been spent in a way that did not jeopardize federal funding.

*{Tape: 1; Side: B; Approx. Time Count: 4:07}*

**SENATOR JENKINS** commented that he knew **Jim Richard** had worked at DFWP and been interested in wildlife management for years, and asked if he had ever listened to a DFWP budget discussion. **Mr. Richard** said yes, he did follow the appropriations process and looked at the budget and had a general idea where the money goes.

**SENATOR JENKINS** said he sat on that committee for two terms and didn't remember seeing much of **Mr. Richard**. **Mr. Richard** said he sat in on the 1993 and 1995 sessions and this one. He also attended some of the joint subcommittee meetings. In all three sessions he has attended detailed discussions of the budget. At times he was in disagreement, but thought he had a fair understanding.

**CHAIRMAN AL BISHOP** asked what would happen if SB 292 should pass. He didn't think anyone had any idea how much money was involved. He asked where replacement money would be obtained for operating expenses. **Mr. Graham** said that within current spending authority, it would mean the department would have to reprioritize and terminate programs.

**SENATOR BISHOP** said he understood agriculture was the No. 1 industry in Montana, and asked where outdoor recreation ranked. **Mr. Graham** said tourism was second, but he didn't know how much of the tourism dollar was spent on outdoor recreation.

**SENATOR BISHOP** commented to **SENATOR GROSFIELD** that it was obvious **SENATOR GROSFIELD** had been thinking about this for a long time. He asked which programs were being funded by other agencies that **SENATOR GROSFIELD** thought should be funded by DFWP.

**SENATOR GROSFIELD** said he wasn't sure there were any, but one example was Conservation Districts. Another was the Department

of Transportation purchasing wetlands in conjunction with highway construction. He didn't know if these things would qualify, but the object of the study was to find out. He knew some gas tax money is used on roads from primary highways to fishing access sites or state parks. He knew federal funds couldn't be used for parks, but there are some wildlife-related parks like the Prairie Dog Town State Park.

SENATOR BISHOP asked if SENATOR GROSFIELD thought DFWP had been funding unnecessary programs. SENATOR GROSFIELD said he thought there were other bills that were trying to make that point. Are there programs that DFWP could or should fund? There might be millions of dollars involved. It probably isn't that much, but the legislature should know.

*{Tape: 1; Side: B; Approx. Time Count: 4:16}*

SENATOR DOHERTY asked why the bill wasn't a resolution. If it were just an idea, he wondered why it should be a statute.

SENATOR GROSFIELD said interim studies often end up on the shelf. He thought any kind of study was more effective if it could be mandated in a stronger sense.

Closing by Sponsor:

SENATOR GROSFIELD said he thought DFWP would be fair if the legislature directed them to do a study. He thought they should do it because they know the programs and the dollars.

He emphasized the words "without jeopardizing federal funds" that appear in the bill. The federal funding mentioned in the bill is to be spent only for fish and wildlife purposes.

He thought DFWP was a very professional department, but there has always been some controversy about what they do. It is also possible that there are some programs in other agencies that should be in DFWP, and that is part of the purpose of the bill. He thought a study was necessary before budget suggestions were made for the next legislature.

*{Tape: 1; Side: B; Approx. Time Count: 4:27}*

SENATOR GROSFIELD commented that his SB 91 for volunteer park rangers was still on the table in the committee. He encouraged the committee to revisit that bill with the amendments furnished by DFWP.

*{Tape: 2; Side: A; Approx. Time Count: 4:35}*

EXECUTIVE ACTION ON HB 175

Motion: SENATOR JENKINS said he would move to TABLE HB 175.



**Discussion:** SENATOR BISHOP suggested the committee discuss the bill before he recognized the motion.

SENATOR MESAROS commented that in reviewing the hearing he had specifically asked if the bill repealed a statute that says it is unlawful to hunt deer within city limits. If that statute were repealed, he had asked if would be lawful to hunt within cities and towns as long as all other laws were observed. He hesitated to support the bill because the inverse should be true - hunting within city limits should be closed unless a city wants to open it.

SENATOR CRISMORE said he had received calls from Missoula saying they didn't want it.

SENATOR MCCARTHY said she was totally opposed. She didn't want deer killed in front of her grandchildren. She thought there should be other ways to control deer populations - like perhaps opening a season in adjacent areas.

**Motion/Vote:** SENATOR JENKINS moved to TABLE HB 175. The MOTION CARRIED with the vote left open for SENATOR BROOKE who had gone to another hearing. She later voted aye.

ADJOURNMENT

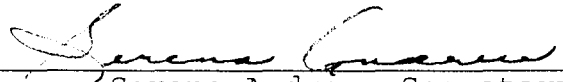
Adjournment: 4:42 p.m.

*{This meeting was recorded on a Lanier recorder.}*



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Sen. Al Bishop, Chairman



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Serena Andrew, Secretary