MINUTES

MONTANA SENATE 55th LEGISLATURE - REGULAR SESSION

COMMITTEE ON FINANCE & CLAIMS

Call to Order: By CHAIRMAN CHUCK SWYSGOOD, on February 17, 1997, at 5:08 p.m., in Room 108.

ROLL CALL

Members Present: Sen. Charles "Chuck" Swysgood, Chairman (R) Sen. Thomas F. Keating, Vice Chairman (R) Sen. Larry Baer (R) Sen. Thomas A. "Tom" Beck (R) Sen. James H. "Jim" Burnett (R) Sen. B.F. "Chris" Christiaens (D) Sen. Eve Franklin (D) Sen. Loren Jenkins (R) Sen. Greq Jergeson (D) Sen. Ken Miller (R) Sen. Arnie A. Mohl (R) Sen. Linda J. Nelson (D) Sen. Daryl Toews (R) Sen. Mignon Waterman (D) Members Excused: Sen. John "J.D." Lynch (D) Sen. Dale Mahlum (R) Sen. Mike Taylor (R)

Members Absent: None

- Staff Present: Taryn Purdy, Legislative Fiscal Division Sharon Cummings, Committee Secretary
- **Please Note:** These are summary minutes. Testimony and discussion are paraphrased and condensed.
- Committee Business Summary: Hearing(s) & Date(s) Posted: SB 267, 2/12/97 Executive Action: None

HEARING ON SB 267

Sponsor: SEN. TOM KEATING, SD 5, BILLINGS

<u>Proponents</u>: Stanley Lund, Montana Board of Oil & Gas Dave Ballard, Montana Board of Oil & Gas George Galuska, Great Northern Drilling Company Gail Abercrombie, Montana Petroleum Association

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Angela Janacaro, Montana Mining Association

<u>Opponents</u>: Robert Goffena, Dead Man's Basin Water Users Association Terry Hice, Deadman's Basin Water Users Association Lloyd Allen, Nilian Water Users REP. TONI HAGENER, HD 90, HAVRE Jamie Doggett, Resource Conservation Advisory Council Jill Scheel, Montana Association of Conservation Districts Dan Keil, Montana Rural Water Systems Bud Clinch, Department of Natural Resources and Conservation

Opening Statement by Sponsor:

SEN. TOM KEATING, SD 5, BILLINGS SB 267 is a revision of Resource Indemnity Trust taxation and funding. SEN. KEATING explained the packet of information pertaining to SB 267.

- Memo explaining recommendations of the interim task force that reviewed RIT funding and appropriations (EXHIBIT #1)
- Copy of Constitution of Montana (EXHIBIT #2)
- Resource Indemnity Tax Receipts pie chart (EXHIBIT #3)
- Policy for the indemnity trust as established by the legislature in 1973 (EXHIBIT #4)
- Policy changed in 1987 (EXHIBIT #5)
- Legislature added to the policy in 1991 (EXHIBIT #6)
- Allocation of RIT proceeds and interest as now being distributed and programs using RIT funds (EXHIBIT #7)
- How the distribution will look with SB 267 if approved (EXHIBIT #8) & (EXHIBIT #9)
- Table 2 is the projections for the 1999 biennium (EXHIBIT #10)
- HB 6 Renewable resource grant and loan program, most of this is for water (EXHIBIT #11)
- HB 7 Reclamation and development grants program, includes \$3 million of RIT funds (EXHIBIT #12) HB 267 repeals the reclamation and development grants program.
- This bill also repeals the appropriation of \$240,000 per year to MSU-Northern for a sanitation program.

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The idea behind SB 267 is to have everyone understand the source and use of these funds so we can prioritize to better utilize this money.

{Tape: 1; Side: A; Approx. Time Count: 5:28; Comments: None.}

Proponents' Testimony:

Stanley Lund, Montana Board of Oil & Gas The idle well situation is being corrected slowly and it would be appreciated if the process was speeded up. There are a number of wells that need attention. It is my feeling that the Board of Oil & Gas could effectively spend the dollar level described in SB 367. I urge your support particularly for the part of the bill that pertains to funding for the Board of Oil & Gas.

Dave Ballard, Montana Board of Oil & Gas I am co-chairman of the committee on orphan well evaluation. In May 1995 the committee was formed after the board became aware of a state auditor's report stating the State of Montana had a \$125 million liability for the plugging of orphan wells. That number was an estimate derived from a statement that there are 5,000 wells unaccounted for with the maximum cost to plug a well at approximately \$25,000. This report caused considerable alarm for the state, the Board of Oil & Gas and the industry as they had been paying the Resource Indemnity Tax since the early 1970's strictly for the purpose of covering any liability for orphan wells. We researched the true liability and came up with a plan to arrest that liability. Using estimates it was determined there were approximately 900 orphan wells which would cost varying amounts to plug. Approximately 1½ years ago we arrived at a total liability figure of \$6.75 million. The number is becoming more clear as staff checks these locations in the field. We now have a firm number of 300 wells that need to be plugged and 1,700 wells to be checked. The cost estimate for the 300 wells will be approximately \$3.5 million which causes us to believe the \$6.75 million total is reasonable. We made a plan to disburse the \$6.75 million liability over a 10 year period allocating \$600,000 per year which is a reasonable amount for our staff to be able to spend wisely. We need to give staff a predictable amount of money every year. If the full \$600,000 is not used in one year it will be available for other uses under SB 267. We envision this fund will be used less and less as time goes on. This problem was identified in the last 5 years or so because of increasing awareness of the orphan wells, increasing interest in getting these locations reclaimed and increasing RIT funds used by state government for various other projects. We are trying to balance all the needs with SB 267 and guarantee the state that there would not be a large amount of money sitting idle in that account.

George Galuska, Great Northern Drilling Company I am here to support SB 267, especially the request for allocation of \$1.2 million to the Board of Oil & Gas to plug and reclaim orphan oil SENATE FINANCE & CLAIMS COMMITTEE February 17, 1997 Page 4 of 13

and gas wells. About 65% of the funds in the RIT originate from the producers and royalty owners in the production of oil and gas. Orphan wells are mostly those wells that were drilled from 1915 to 1950, the pre-regulatory years before the establishment of the Oil and Gas Conservation Commission. Since this bill is in the best interest of the State of Montana I urge the committee do pass SB 267.

Gail Abercrombie, Montana Petroleum Association This reallocation of the Resource Indemnity Trust fund has come up many times in other committees. It is interesting that this bill was brought before this committee because you see the people who ask for the revenues from this fund. We're here to ask that you consider this type of distribution so the funds can go to the orphan wells. This is a good approach. After the orphan wells are taken care of the fund interest will go to other projects. We'd like the problems we've been paying for taken care of. If there is interest left it is up to you to decide how it is used.

Angela Janacaro, Montana Mining Association We would like to voice our support for this concept as it follows the purpose for which the RIT was created, to remedy environmental damages.

{Tape: 1; Side: A; Approx. Time Count: 5:42; Comments: None.}

Opponents' Testimony:

Robert Goffena, Dead Man's Basin Water Users Association Years ago an off-stream reservoir was built with canals to the Musselshell River and Careless Creek. Years of high flow have eroded the gravel and caused damage to Careless Creek. The association built a second canal, Barber Canal, in the 1950's to carry part of the flow straight to the river. We applied for a grant and loan from RIT funds and are now using it to rehabilitate Barber Canal to carry most of the high flow to the Musselshell River directly, thereby limiting flow along Careless Creek. Another grant and loan by the conservation district is going to undo 50 years of damage to Careless Creek. Without these funds these areas could not be returned to a clean and healthy environment. There has been talk about the unfairness of this, it is also not fair that landowners pay property taxes which mostly go for schools, it is not fair that irrigation associations pay for all the expenses on projects providing recreational opportunities for fisherman, boaters and swimmers. There is also the increased tax base of all the irrigated land to the counties. The irrigation associations are in trouble, their projects are aging, the cost to rehabilitate dam structures and canals has skyrocketed. Since so much depends on irrigation projects, the State of Montana can't afford to let us down. The grants and loans we get from the funds are the only thing saving us from shutting down irrigation associations. Please look at the benefits to the whole rather than the part and defeat this bill. (EXHIBIT #13)

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Terry Hice, Deadman's Basin Water Users Association I'd like to hand out and explain this example of the expenses we have incurred since 1993. (EXHIBIT #14) Everything listed is basically reclamation of 50 years of damage from soil erosion that has occurred on Careless Creek. Our goals are to avoid further environmental damage and improve the water quality. There are 39 state owned projects with dams like ours and 300 miles of canals. These grants have been a real benefit, they have helped our water users be able to pay for these projects that they couldn't pay for otherwise.

Lloyd Allen, Nilian Water Users Nilian is a state owned multiuse project where everyone benefits but the water users maintain. There is 10,000 acre feet of water in Nilian and 8,500 of it is We have used RIT funding to line between 3 and 4 miles of sold. canal delivering water from the dam to the river to supply our customers. We had a water loss of about 44% before this project and have dropped the water loss to 5% since. To do this project we used RIT funds, cost sharing, our own money and a small loan. My biggest concern is the lack of funding for the potential problems with these state projects. Nilian has two dams, one, the North Dam, is on the DNRC hazardous dam list. If the North Dam fails the 10,000 acre feet of water would fall into Willow Creek Reservoir and possibly onto Great Falls. I don't think we need to limit our access to funding to cure the states problems regarding this. I strongly urge you not to pass this bill but take a bigger and broader look at all of this and come up with something more reasonable.

REP. TONI HAGENER, HD 90, HAVRE I would like you to look at the fiscal note and particularly numbers 20-23 that refers to the removal of the money for the MSU-Northern water quality program. Water is our most valuable resource and the quality of that water is important. It is a rare source of water that does not enter the human water supply. The quality and testing of that water is important. People trained to do the testing and having sophisticated equipment to do the testing is important. The elimination of this program would produce a gap in the supply of individuals that are able to do water quality testing. Numbers 24-26 refers to the Natural Resource Information System (NRIS) which is extremely valuable. Page 3, number 1 refers to the effect on county and local revenues. Our local governments are already under the impact of 105, they are already restricted as to what sources of funding they have available. To remove this source of funding would be particularly damaging. I hope you will look at the three sections I have mentioned.

Jamie Doggett, Resource Conservation Advisory Council The Resource Conservation Advisory Council is a governor appointed committee that acts in an advisory capacity to the Department of Natural Resources and Conservation (DNRC). I am here to speak in opposition to SB 267. The potential impacts this bill could have on the DNRC and its programs are significant. As an advisor, I have knowledge of the department's programs, they are extremely SENATE FINANCE & CLAIMS COMMITTEE February 17, 1997 Page 6 of 13

beneficial to the state's natural resources and local communities. We are concerned with the elimination of the renewable resource development grant program and the reclamation development grant program. These programs have funded many essential natural resource projects in the past and will be valuable in the future. Projects such as abandoned mine reclamation, acid mine drainage control and treatment, soil and water non-point source pollution control, abandoned oil well plugging and restoration, etc. All are beneficial projects in improving Montana's natural resources. The potential impact on DNRC funding is also a major concern. The department provides valuable assistance to many local governments. With the passage of time, the elimination of the water storage account is of major concern considering the aging of many storage facilities.

Jill Scheel, Montana Association of Conservation Districts We are not able to support the cuts suggested in this bill. SB 267 eliminates \$2 million of RIT interest appropriated to the renewable resource grants program and \$3 million to the reclamation and development grants program. These programs are two of the few sources of reliable funding the conservation districts can count on for their natural resource projects. Some of these projects include stream civilization projects, demonstration projects for agricultural best management practices, natural resource education programs, saline seep reclamation and repairing and management projects. Conservation districts have also made application to the reclamation and development grants program for clean-up of abandoned mine land.

Our second concern with this bill is the possible loss of federal grants to Montana. Without these state project grant dollars many of these projects would not exist but they almost surely will not exist if these state dollars are not available to provide matching funds for federal grant dollars for natural resource projects.

Thirdly, we'd like to point out the legislative policy stated in Title 15, Chapter 38, Part 1 of the Montana Code. It states, "it is the policy of the State of Montana to indemnify its citizens for the loss of long term value resulting from the depletion of its mineral resource base." This policy of indemnification is achieved by establishing a permanent resource indemnity trust. In addition to protecting and restoring the environment from damages resulting from mineral development, it goes on to say that the policy of the state is "to support a variety of development programs that benefit the economy of the state and the lives of Montana's citizens." In other words, the legislature thought it was appropriate to tax the state's nonrenewable resources to supplement the state's future in renewable resources. Conservation district supervisors also believe it is appropriate and that the renewable resource grants program achieves the desired result.

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The final item that greatly concerns conservation districts is the elimination of funding for the natural resource agencies and providing no alternative funding for them. This concerns us because districts receive an incredible amount of technical and administrative support from DNRC. Without this support the conservation districts would find it impossible to get voluntary non-regulatory conservation measures on the ground.

Because of these concerns Montana's 58 conservation districts would like to go on record in opposition to SB 267.

Dan Keil, Montana Rural Water Systems For the various reasons that have been explained, our association which is made up of over 400 water and waste water systems in the State of Montana goes on record as opposing SB 267.

Bud Clinch, DNRC I reluctantly appear before you as an opponent of SB 267. I feel compelled to come forth on behalf of the department as well as the other six agencies heavily funded through RIT appropriations. A number of the opponents have talked about the various grant programs and the water storage project. I think it is also important for you to know that a significant amount of money, \$500,000 per biennium, has been tagged to be matched for the rehabilitation of the Tongue River project. Four special revenue accounts exist totaling over \$12 million that fund six agencies. Talking about agency funding may be the type of input that brings passage of this bill but the legislature has found it compelling in the past to fund these agency programs. What is before you today to debate is, if this source of RIT is directed into another avenue what is the source of funding that will backfill for these other projects that are extremely important for Montana. I hope, in your deliberations, you are fully cognizant of the impacts of the other programs that have become dependent on this source of revenue.

{Tape: 1; Side: B; Approx. Time Count: 6:02; Comments: None.}

Informational Testimony:

Tom Richmond, Board of Oil & Gas Conservation I'm here to answer questions on orphan wells and their plugging.

Bruce Loble, Montana Water Court Judge The water court is funded out of some of these funds. I am neither an opponent nor a proponent but am interested in this bill. I have a map and video available for you.

{Tape: 1; Side: B; Approx. Time Count: 6:04; Comments: None.}

Questions From Committee Members and Responses:

SEN. CHRIS CHRISTIAENS Which is the correct number 5,000 or 900 orphan wells, and why the discrepancy? Mr. Richmond We started out about 5 years ago with 5,000 wells of unknown status. Most

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of them very old wells. In the process we have looked at all but 1,700 of those wells and found approximately 300 orphan wells. It is fair to assume we will have approximately 600 orphan wells in the next 1,700 to be checked.

SEN. TOM BECK The committee just finished working on some of these Montana Oil & Gas Board grants. There was a fairly substantial figure that hasn't been appropriated from the last biennium. Do you recall what that figure is? John Tubbs, DNRC The Board of Oil & Gas has approximately a \$1 million unspent balance in current grants.

SEN. BECK In this bill there is a large amount of money going back into the oil & gas board and yet we have \$1 million unspent. Can you explain why you need more money when you can't spend what you already have? Mr. Richmond One of the problems we have with the grant process is that it is a two year cycle. We have to develop projects two years in advance. The funding does not come immediately on July 1st, it is built up from the interest income over a period of time. The work we do is seasonal, we try to maximize the state's spending by plugging wells during the late spring, summer and early fall. Assuming a project is funded on July 1st, we are required to advertise and go through a bid selection process which takes up to 70 days. We can very seldom commit to a large part of that expenditure in the first year of the biennium since the bid process ends in early fall. Most of the expenditures come during the summer of the second year of the biennium. There is a cash flow difference from when the committee approves a grant, the time we get the money, to the time we can get into the field and spend it.

SEN. BECK Do you expect any of this \$1 million to be reverted into the next biennium. Mr. Richmond I believe we will have all of the money committed to be spent within the next 6 months. I would expect to have none of it revert this biennium.

SEN. BECK MSU-Northern is making debt service payments with some of the money they receive. The outstanding debt on June 30, 1997 is still \$509,000. In the event this money is taken away, are you going into the General Fund to take care of that debt service? SEN. KEATING The bill removes the statutory appropriation, the money for the debt service can be appropriated out of the interest account or the General Fund if the legislature approves it. They could also look at the university budget for this as it is a university course and probably is the responsibility of the university for funding.

SEN. BECK Do you plan to eliminate the Montana Water Court or do you have suggestions on how to fund the water court? SEN. KEATING I don't plan to do anything because I'm not the legislature. I'm presenting a plan to reform the appropriation process for RIT funds. There is \$20 million per year that has to be distributed, some is statutorily appropriated, some wiggles its way through on hidden bills and legislators, as a whole, SENATE FINANCE & CLAIMS COMMITTEE February 17, 1997 Page 9 of 13

don't realize where the money is going. This bill is to try to make it easier to track the dollars to see where they are going. In general, I would respond by saying there is \$8 million interest income from the RIT trust fund. Under my proposal, \$2 million of that is statutorily appropriated for orphan wells, orphan mining and groundwater assessment. The other \$6 million is in the interest account to be distributed to whatever program the legislature decides has priority and should receive appropriation. I presume the water court and the water compact commission would be funded out of RIT interest. I have not repealed the renewable resource grants and loans that go to the conservation and irrigation districts. I'm saying, that instead of having 36% of the interest income being statutorily appropriated, a program would have to get its money from the interest income account left over after the statutory appropriations. I've eliminated reclamation and grants because it is a duplication, the money for oil and gas reclamation is in HB 7 under the reclamation program. There is no reason to have one department approve an application for money for another department. The legislature decide reclamation should occur and appropriated the money. I'm not taking any money away from anyone, I'm saying there is an interest account holding \$6-7 million per year that will have to be distributed by the legislature through the appropriations process for those programs they think have priority.

CHAIRMAN SWYSGOOD This bill becomes effective July 1, 1997, we've been through a subcommittee budgeting process where all funds have been examined and acted upon. How do you anticipate this bill will work on the funding mechanism for the \$5-6 million in interest? SEN. KEATING The reason I drafted the bill with that effective date was so we could see the ramifications in the appropriating process. It would become very obvious to everyone how much of this money is scattered throughout the system. My proposal is to say that if the committee agrees that there should be reformation, we set an effective date in the next biennium so we don't disrupt the budget process in this biennium. That way everyone would have time to prepare for budgeting for the next biennium and the legislature would have a better idea of how to appropriate the funds.

CHAIRMAN SWYSGOOD Is the environmental contingency account a biennial appropriation? **SEN. KEATING** The \$175,000 is a biennial appropriation with a limit of \$750,000.

CHAIRMAN SWYSGOOD I've heard two different figures regarding the amount of money available, \$1.2 and \$1.8 million. I see \$1.8 million for orphans and \$1.2 million for the oil and gas mitigation account. What is right? SEN. KEATING I have arbitrary figures in the bill except for the oil and gas which is a \$1.2 million biennial appropriation subject to the balance of the fund. If there is an unappropriated fund balance, the \$1.2 million is reduced accordingly so that in any biennium there is never more than \$1.2 million for expenditure in that biennium in

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that account. The \$900,000 in the mining account is an arbitrary figure which is approximately a \$1.8 million expenditure anticipated for the cleanup of mines. That figure can be adjusted by the committee.

CHAIRMAN SWYSGOOD Have any of these accounts gone before long range planning for the grant process to get more money? SEN. KEATING Yes, both the orphan wells and mining has the bulk of the money from HB 7.

CHAIRMAN SWYSGOOD Does HB 7 address both the orphan share and the oil and gas mitigation account? On (EXHIBIT #9) what does the orphan share account refer to? SEN. KEATING There are two orphans, orphan oil and gas wells and orphan mining clean-ups. The bottom box on (EXHIBIT #9), orphan share account refers to the hard rock mining clean-up. The mitigation account is the orphan oil and gas wells.

CHAIRMAN SWYSGOOD On the mitigation account, the orphan wells, what bill in long range addresses this and how much did they ask for? SEN. KEATING HB 7, I believe they asked for \$954,000 per biennium for the approved applications.

CHAIRMAN SWYSGOOD What was asked for on hard rock mining? SEN. KEATING \$1.355 million for mining which is also in HB 7. There are two old refinery locations that total close to \$600,000.

CHAIRMAN SWYSGOOD The groundwater assessment and contingency account has been right around this figure for awhile, hasn't it? SEN. KEATING Yes.

CHAIRMAN SWYSGOOD As I understand it when orphan mines and orphan wells go before the committee they get what they are asking for. If that is the case, why is it necessary to change the procedure to satisfy this amount without having to go through the grant process? SEN. KEATING Both the mining and the oil and gas commission spend time preparing applications. Then the department spends time reviewing applications. This is a waste of time. The legislature has made reclamation a priority under policy and statute and the purpose of the fund is reclamation. We're giving priority to what was given priority in the constitution and statute. You heard in testimony that the process slows down the operation. Neither department knows whether the applications will be approved so they have to wait until they get the appropriation through our process before they know they have any money available.

CHAIRMAN SWYSGOOD How long would it take the board to plug the orphan wells? SEN. KEATING We estimate we can spend about \$600,000 per year plugging wells effectively and efficiently. The caveat is if they can't spend the money in the biennium and it is carried over, their appropriation is reduced in the next biennium so they never have more money than they might be able to spend. SENATE FINANCE & CLAIMS COMMITTEE February 17, 1997 Page 11 of 13

CHAIRMAN SWYSGOOD Some development grants don't get up and running within the biennium they are appropriated in and a fund re-authorization is asked for. How will this bill affect those? SEN. KEATING There is a couple of million dollars that has been spoken for which is held in abeyance until people come in to use the money. If the money is appropriated in one biennium and they don't use it, the money stays in the trust. There is no provision for reversion of that money to the General Fund or the interest account. If their grant has been approved and they don't spend it, it can be carried over into the next biennium if the legislature so decides.

CHAIRMAN SWYSGOOD Is the bottom block of (EXHIBIT #10) a list of all the agencies currently funded out of RIT funds? SEN. KEATING Yes.

SEN. BECK Isn't the \$600,000 statutorily appropriated? SEN. KEATING There is a \$50,000 statutory appropriation for the oil mitigation account with a \$250,000 cap.

SEN. BECK We are always appropriating \$600,000 per year for some reason, was that just the committee's decision? Mr. Tubbs There is a \$600,000 priority for oil and gas projects. They simply need to apply for it and the DNRC will rank it as the top priority.

CHAIRMAN SWYSGOOD How long does it take to do this paperwork? Mr. Tubbs Their last application was a photocopy of their previous biennial application with a new set of wells.

CHAIRMAN SWYSGOOD When you get their paperwork is it automatically ranked #1 as long as it is within the \$600,000 limit? Mr. Tubbs That's right.

{Tape: 1; Side: B; Approx. Time Count: 6:07; Comments: None.}

Closing by Sponsor:

SEN. KEATING I've used parts of my closing explaining that the interest income is still available for whatever water projects anybody wants to fund through the legislative process. I'd like to point out a couple of things to give the committee some sense of why we are doing this.

Under the water storage program the state owns approximately 40 dams. There is tremendous liability with that and we have to keep fixing them. At one time the Tongue River Dam put a claim on about \$8 million through the RIT system for two reasons: 1) the dam needed to be repaired because it was dangerous; and +2) the level had to be elevated in order to bring the federal government and the Cheyenne reservation to the table on a water compact. The money was used primarily for a water compact agreement. Now the dam is up and running and high and it is a recreation area but the irrigators who benefit from this dam pay

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\$150,000 per year toward the dam and there is a \$5 million loan. The cost of the loan for the repair of that dam is less than what is being paid by the irrigators.

I want you to get some idea of how this money shifts around. We don't get to look at it as a legislative body, we see bits and pieces of it in our subcommittees. The people who really dole out the money are the staff in the various departments. There are statutes they abide by and different subcommittees approve these projects. We've looked at what is being appropriated in the executive budget and there is approximately a \$1 million shortfall (EXHIBIT #10) which has to be backfilled with General Funds. If you don't want to spend General Funds you have to go through this and prioritize what programs you think ought to be funded and which are not worthy of General Fund money. We need to repeal the statutory appropriations so the money doesn't flow automatically to something that has less priority than some other project we want to fund.

The real purpose of this bill is to get a better handle on appropriations. I don't repeal any department or program other than the reclamation and development grants program. I don't even get rid of the curriculum at MSU-Northern, I just say there is no more statutory appropriation for that. If you want to fund them out of RIT, that is fine and is up to the legislature. The one recommendation I would make is to spend less on groundwater assessment and use some of that money for the state library. It takes legislators in appropriations making clear decisions on where the money is going to go. If you don't do it that way you are looking at spending General Fund money for programs that appear to have priority but could be paid for out of RIT, consequently reducing General Fund spending.

I ask the committee to take a hard look at this proposal and where we are spending our hard earned tax dollars. I'm in favor of postponing the effective date so it isn't disruptive. I'd ask the chairman to appoint a subcommittee that may come up with some recommendations. SENATE FINANCE & CLAIMS COMMITTEE February 17, 1997 Page 13 of 13

ADJOURNMENT

Adjournment: 6:35 p.m.

SGOOD \ SEN. CHARLES "CHUĆK" Chairman

Maran CUMMINOS, Secretary SHARON

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