

MINUTES OF THE MEETING
NATURAL RESOURCES SUBCOMMITTEE
MONTANA STATE
HOUSE OF REPRESENTATIVES

February 4, 1985

The meeting of the Natural Resources Subcommittee was called to order by Chairman Rex Manuel on February 4, 1985 at 8:05 a.m. in Room 132 of the State Capitol building.

ROLL CALL: All members were present.

DEPARTMENT OF COMMERCE

(Weights and Measures)

Termination Pay: Discussion was held on the Termination Pay.

Representative Nathe made a motion to approve the Governor's recommendation of \$10,500 for termination pay. Senator Smith seconded. A Voice vote was taken. The motion carried with Representative Swift and Chairman Manuel voting no.

Vacancy Savings: Vacancy Savings is about \$12,000 per year.

Discussion was held.

Representative Spaeth made a motion to disallow Vacancy Savings but allow transfers within the Department.

Discussion followed.

Senator Boylan made a motion to allow Vacancy Savings for \$12,000 per year. Senator Smith seconded. A Voice vote was taken. The motion carried with Representative Spaeth voting no.

Equipment: Representative Nathe made a motion to approve the Governor's budget for Equipment.

Senator Boylan made a motion to approve all the Governor's recommendations in this Department. Senator Smith seconded. A Voice vote was taken. The motion did not carry with Representative Spaeth, Representative Nathe and Representative Swift voting no.

Senator Boylan seconded the original motion to use the Governor's budget for \$5298 on equipment in FY '87. A Voice vote was taken and the motion carried unanimously.

Gasoline: Representative Spaeth made a motion to approve the Governor's budget of an additional \$6442 in FY '86 and \$6469 in FY '87. Senator Boylan seconded. A Voice vote was taken and the motion carried unanimously.

Administrative Charges: The Committee decided to come back to this when all the budgets have been worked.

Miscellaneous: Representative Spaeth made a motion to approve the LFA's budget of \$2,944 in FY '86 and \$2,906 in FY '87 less than the Executive Budget. Representative Nathe seconded. A Voice vote was taken and the motion carried unanimously.

(Milk Control Bureau)

Legal Fees: These are legal fees paid by the Department to their Legal Services Division for help.

Discussion was held.

Senator Boylan made a motion to approve the Governor's Budget on all of the issues in this program.

Discussion was held.

Senator Boylan made a motion to not take the 2% reduction out of this program. Senator Smith seconded. A Voice vote was taken. The motion carried with Representative Nathe voting no.

Increased Travel: Discussion was held.

Representative Swift made a motion to approve the Governor's Budget of an additional \$6589 in FY '86 and \$6589 in FY '87 for this travel. Representative Nathe seconded. A Voice vote was taken and the motion carried unanimously.

Miscellaneous and Inflation: Representative Nathe made a motion to approve the Governor's budget of \$19 less in Miscellaneous and \$244 less in Inflation in FY '86 and \$29 less in Miscellaneous and \$1565 less in Inflation in FY '87 than the LFA current level. Senator Boylan seconded. A Voice vote was taken and the motion carried unanimously.

Legal Fees: Discussion was held.

Representative Swift made a motion to approve the LFA's budget of \$5124 per year for legal fees. Senator Boylan seconded. A Voice vote was taken and the motion carried unanimously.

Modified:

Expert Witness: The Department is requesting \$6,000 per year for expert witnesses.

Senator Boylan made a motion to approve \$6,000 per year for expert witnesses and line item this money so it can only be spent for that purpose. Representative Swift seconded. A Voice vote was taken. The motion carried with Senator Smith voting no.

(Financial Institutions Division)

Travel Increase: In FY '84 the Department spent \$108,717 on travel. Discussion was held.

Senator Smith made a motion to approve the additional request for \$10,833 each year for travel. Representative Nathe seconded. A Voice vote was taken and the motion carried unanimously.

Miscellaneous/Inflation/2% reductions: Representative Nathe made a motion to approve the Governor's budget of \$16,733 less in FY '86 and \$18,683 less in FY '87 than is included in the LFA current level. Representative Swift seconded. A Voice vote was taken and the motion carried unanimously.

Modified:

Add 2 Bank Examiners: Discussion was held.

Senator Smith made a motion to not allow the 2 FTE's and \$63,506 in FY '86 and \$62,620 in FY '87. Senator Boylan seconded. A Voice vote was taken. The motion carried with Chairman Manuel voting no.

(Aeronautics Division)

Discussion was held on House Bill 420, House Bill 421 and the Gas Tax increase.

Senator Boylan made a motion to approve the Governor's budget for issues 1-8. See Exhibit "TTT". Representative Swift seconded. A Voice vote was taken and the motion carried unanimously.

Modified:

License Airports: They are requesting 1 FTE and \$53,473 in FY '86 and \$53,625 in FY '87. Discussion was held.

The Committee decided to take action after Legislation on the Bills is completed.

(Transportation)

Private Legal Council: Discussion was held on this.

Representative Nathe made a motion to approve the Governor's budget and not allow the \$15,000 the LFA had in their budget. Senator Smith seconded. A Voice vote was taken and the motion carried unanimously.

HB 815/Maritime Study Costs: This is a study on abandoned lines and lines up for abandonment.

Discussion was held on this.

Senator Smith made a motion to approve \$23,318 in FY '86 and \$23,327 in FY '87 for this study. Senator Boylan seconded. A Voice vote was taken and the motion carried unanimously.

Word Processing Operator: Curt Nichols (41:B:175) said the LFA's budget had the word processor at a Grade 8 Step 1. The word processor is actually a Grade 8 Step 2.

Discussion was held.

Representative Nathe made a motion to approve \$2,718 in FY '86 and \$2,724 in FY '87 for the word processor. Representative Swift seconded. A Voice vote was taken and the motion carried unanimously.

Inflation: Discussion was held.

Representative Nathe made a motion to approve the LFA's budget of \$2,144 less in FY '86 and \$232 less in FY '87 than was included in the Executive budget. Senator Boylan seconded. A Voice vote was taken and the motion carried unanimously.

Representative Nathe made a motion to approve the 2% reduction of \$8,172 in FY '86 and \$8,084 in FY '87. Senator Boylan seconded. A Voice vote was taken and the motion carried unanimously.

Miscellaneous: Discussion was held on this.

Representative Nathe made a motion to approve the LFA's budget of \$1,716 in FY '86 and \$2,083 in FY '87 more than was included in the Executive budget. Senator Boylan seconded. A Voice vote was taken and the motion carried unanimously.

Modified:

McCarty Farms/Staggers 229 Litigation: Representative Nathe made a motion to approve \$100,000 in FY '86 and \$100,000 in FY '87 for this. Senator Smith seconded. Representative Nathe added that the money be repaid plus 10% interest if the case is settled in this motion. Senator Smith seconded. A Voice vote was taken and the motion carried unanimously.

Passenger Transit/Carryover of Maritime Study/Loan Repayments on BNRR Case: \$3,416,760 was taken in from the BNRR Case and the Department is requesting authority to loan this money out.

Discussion was held.

Representative Nathe made a motion to approve \$88,112 in FY '86 and \$44,000 in FY '87 for Passenger Transit, \$18,518 in FY '86 for the Carryover of the Maritime Study and \$3,416,760 in FY '86 for loans. A Voice vote was taken and the motion carried unan-
imously.

(Housing)

Contracted Services: Discussion was held.

See Exhibit "UUU".

Senator Boylan made a motion to approve \$70,058 in FY '86 and \$100,555 in FY '87 for Contracted Services. Representative Nathe seconded. A Voice vote was taken and the motion carried un-
animously.

Travel Increase: Discussion was held.

Representative Swift made a motion to approve \$15,440 in FY '86 and \$15,440 in FY '87 for travel increases. Senator Boylan seconded. A Voice vote was taken. The motion carried with Representative Spaeth voting no.

Miscellaneous: Discussion was held.

Representative Nathe made a motion to approve the LFA's budget of \$1,413 less than the Governor's budget in FY '86 and the Governor's budget of \$3,043 less than the LFA's current level in FY '87. Representative Spaeth seconded. A Voice vote was taken and the motion carried un-
animously.

Inflation: Representative Nathe made a motion to accept the LFA's budget of \$19,633 less in FY '86 and \$18,650 less in FY '87 than the Executive budget. Senator Boylan seconded. A Voice vote was taken and the motion carried un-
animously.

2% reduction: Representative Nathe made a motion to approve the Governor's budget reduction of \$24,327 in FY '86 and \$26,762 in FY '87. Senator Boylan seconded. A Voice vote was taken and the motion carried un-
animously.

Modifieds:

Home Improvement Program: This would be a new program funded out of the Board of Housing's State Special Fund.

Discussion was held.

Representative Spaeth made a motion to disallow this request for 1 FTE and \$47,431 in FY '86 and \$46,849 in FY '87. Representative Swift seconded. A Voice vote was taken. The motion carried with Representative Manuel voting no.

Sale of Tax Exempt Bonds: Jay McLeod (42:A:061), Administrator, Housing Division, said they anticipate to issue \$400,000,000 in tax exempt bonds to fund mortgages in the next biennium. For each \$200,000,000 they issue in bonds they anticipate 4,000 mortgages. They are requesting an additional 2 FTE's to handle the work load.

Discussion was held.

Senator Boylan made a motion to approve 1 FTE and figure the costs proportionately. Representative Swift seconded. A Voice vote was taken. The motion carried with Representative Spaeth and Representative Nathe voting no.

Single Family Tax Credit: The Federal Government proposes changes so the individual that buys a home receives a tax credit rather than sell tax exempt bonds.

Discussion was held.

Senator Boylan made a motion to approve 1 of the 2 FTE's requested and figure the costs proportionately. Representative Swift seconded. A Voice vote was taken. The motion carried with Representative Nathe voting no.

Relocate to DNRC Building: When the Governor's Budget was done the Board of Housing was going to move into the Department of Natural Resources and Conservation building. Now they are not moving into this building and they do not have any rent in their budget.

Discussion was held.

Representative Nathe made a motion to approve \$19,182 in FY '86 and \$26,400 in FY '87 for rent. Representative Swift seconded. A Voice vote was taken and the motion carried unanimously.

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Rental Rehabilitation Program: There is an additional \$345,156 per year added to the current figure of \$1,022,133 in FY '86 and \$1,022,141 in FY '87.

This money would be used in the rehabilitation of substandard units with participating landlords. These landlords may receive a grant up to \$5,000 per unit on a matching basis. They anticipate rehabilitating between 110 and 120 units in the biennium. This is Federally funded.

Discussion was held.

Representative Spaeth made a motion to approve the request for 1 FTE and \$1,367,289 in FY '86 and \$1,367,297 in FY '87. Senator Boylan seconded. A Voice vote was taken. The motion carried with Representative Nathe voting no.

The meeting adjourned at 11:25 a.m.



Representative Rex Manuel
Chairman

SUBCOMMITTEE ACTION

Agency: Commerce

Program: Aeronautics

	FY 1984 Actual	Executive(rev)	Current Level	Difference	Executive(rev)	Current Level	Difference	FY 84-86 % Change
FTE	12.84	12.84	12.84	0.0	12.84	12.84	0.0	---
Personal Services	338,238	\$338,146	\$338,557	\$ (411)	\$338,702	\$339,129	\$ (427)	.1
Operating Expenses	263,374	307,292	268,589	38,703	295,980	268,970	27,010	2.0
Equipment	50,834	23,400	48,200	(24,800)	23,200	33,200	(10,000)	(5.2)
Non-Operating	50,940	10,940	16,500	(5,560)	10,940	16,500	(5,560)	(67.6)
Total	<u>\$703,386</u>	<u>\$679,778</u>	<u>\$671,846</u>	<u>\$ 7,932</u>	<u>\$668,822</u>	<u>\$657,799</u>	<u>\$ 11,023</u>	<u>(4.5)</u>
State Special Revenue	\$631,645	\$589,396	\$584,508	\$ 4,888	\$578,415	\$572,339	\$ 6,076	(7.5)
Proprietary	<u>71,741</u>	<u>90,382</u>	<u>87,338</u>	<u>3,044</u>	<u>90,047</u>	<u>85,460</u>	<u>4,947</u>	<u>21.7</u>
Total Funding	<u>\$703,386</u>	<u>\$679,778</u>	<u>\$671,846</u>	<u>\$ 7,932</u>	<u>\$668,462</u>	<u>\$657,799</u>	<u>\$ 11,023</u>	<u>(4.5)</u>

Add to (Subtract From)

JFA Current Level

Fiscal 1987

Fiscal 1986

Committee Action

Fiscal 1987

Fiscal 1986

1. Printing-Aeronautical Chart/Airport System Plan
2. Airport Supplies for Resale
3. Flight Plan Filing--Weather Information assumed by federal government
4. Equipment
5. Administrative Charges
6. Miscellaneous
7. Inflation
8. 2% Reductions

Modified Budgets

1. License Airports--1 FTE

\$25,835	\$16,135		
10,000	10,000		
(7,900)	(7,900)		
(24,800)	(10,000)		
7,681	10,034		
(2,350)	(1,166)		
(534)	(6,080)		
(15,365)	(15,149)		
\$53,473	\$53,625		

Exhibit "TTT"

VISITORS' REGISTER

NATURAL RESOURCES SUB COMMITTEE

BILL NO. _____

DATE February 4, 1985

SPONSOR _____

NAME (please print)	RESIDENCE	SUPPORT	OPPOSE
Keith L. Colbo	Helena - Commerce	✓	
William E. Row	Helena - Milk Bureau	✓	
Gary Delano	Helena - Commerce	✓	
Essie Sinstabek	EAST HELENA - Commerce	✓	
Steve Hunsford	Helena - Commerce	✓	
William J. Frazier	Helena - Commerce	✓	
Dave Kraft	Helena - Pol of House		
Larry McLean	Helena - Pol of House		
Linda Forney	" "	✓	

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR WITNESS STATEMENT FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.