

**MINUTES**

**MONTANA SENATE  
53rd LEGISLATURE - SPECIAL SESSION**

**COMMITTEE ON FINANCE & CLAIMS**

**Call to Order:** By Senator Judy Jacobson, Chair, on December 10, 1993, at 8:30 a.m., Room 108.

**ROLL CALL**

**Members Present:**

Sen. Judy Jacobson, Chair (D)  
Sen. Eve Franklin, Vice Chair (D)  
Sen. Gary Aklestad (R)  
Sen. Tom Beck (R)  
Sen. Don Bianchi (D)  
Sen. Chris Christiaens (D)  
Sen. Gerry Devlin (R)  
Sen. Gary Forrester (D)  
Sen. Harry Fritz (D)  
Sen. Ethel Harding (R)  
Sen. Bob Hockett (D)  
Sen. Greg Jergeson (D)  
Sen. Tom Keating (R)  
Sen. J.D. Lynch (D)  
Sen. Chuck Swysgood (R)  
Sen. Daryl Toews (R)  
Sen. Larry Tveit (R)  
Sen. Eleanor Vaughn (D)  
Sen. Mignon Waterman (D)  
Sen. Cecil Weeding (D)

**Members Excused:** None.

**Members Absent:** None.

**Staff Present:** Clayton Schenck, Legislative Fiscal Analyst  
Lynn Staley, Committee Secretary

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

**Committee Business Summary:**

Hearing: HB 43, SB 43, SB 44  
Executive Action: HB 43, SB 38, SB 32

**HEARING ON HB 43**

**Opening Statement by Sponsor:**

Rep. Jim Rice, House District 43, sponsor, said HB 43 would make an adjustment in purchasing statutes to create more competition and cost saving efficiencies to the state when purchasing office supplies and materials. Currently, Central Stores purchases the office supplies on the open market and resells them to state agencies; their operation is run with the profit from those sales. HB 43 would make purchases competitive between the state, central store, and private vendors. The private vendors would be allowed to offer the state a discount price or competitive packages based on volume purchases by state agencies.

Rep. Rice stated that Marvin Eicholtz, director of Central Stores, is available to answer committee questions.

**Proponents' Testimony:**

Brad Griffin, Director, Montana Retail Association, presented testimony in support of HB 43 (Exhibit 1).

James Tutwiler, Montana Chamber of Commerce, testifying in support of HB 43, said the bill would allow for competition as well as a potential to provide savings to the state and an incentive for the private sector to build in the area of office supplies.

Bob Billings, owner of CSI Office Products, stated his support of HB 43 as giving an opportunity for businesses such as his to compete with Central Stores.

**Opponents' Testimony:**

None.

**Questions From Committee Members and Responses:**

None.

**Closing by Sponsor:**

Rep. Rice closed.

*Note: This page was missing when the microfiche copy of these minutes was printed for reference purposes in Oct. 1994 from the store computer file and may differ from the original as signed by the Chair.*

*Beth Furbush, MT Legislative Council  
Library 10/17/94*

**HEARING ON SB 43**

**Opening Statement by Sponsor:**

Senator Harry Fritz, Senate District 28, Missoula, sponsor, said SB 43 deals with gasoline tax money currently earmarked for a snowmobile grooming and safety program in the state. Current law sets aside 1/2 of 1 percent of the gas tax of all gas sold in Montana and allocates it to the Department of Fish, Wildlife and Parks (DFWP) to maintain and groom snowmobile trails and conduct snowmobile safety programs. According to figures from the Legislative Fiscal Analyst (LFA), 1/2 of 1 percent would produce

\$571,000 for the snowmobile program in fiscal year '94 and \$646,000 in fiscal year '95. In 1979 when the program began, the gas tax was 9 cents; by next July 1, it will be 27 cents, so the program has benefitted from successive increases in the gas tax. The original program was estimated to bring in approximately \$200,000 to run a program for an estimated 30,000 Montana snowmobilers. Last year there were 13,000 snowmobiles registered in the state, while the program has grown to three times its original size. He stated that SB 43 would scale back the percent of the gas tax for the snowmobile program from 1/2 of 1 percent of 1/4 of 1 percent. That is calculated to raise slightly less than \$300,000 yearly for the program.

**Proponents' Testimony:**

Mary Kinsey, Montana Operating Engineers State Branch, testified in support of SB 43. She said while she does not begrudge the snowmobiler's desire to have groomed trails or safety programs, when matching federal funds are being dealt with, there is the issue of jobs, livelihood, taxes and not just the convenience for some recreation.

Mike Ford, Whitefish, a member of Local 400, Operating Engineers, said a lot of money is given back to the communities when contractors live on the road doing their job. The money allocated for the snowmobile fund would serve a much better purpose being put back into the highway fund where improvements and repairs are needed. He concluded it is ludicrous to spend money grooming snowmobile trails for recreational toys when people need the jobs which this money would provide in highway construction. SB 43 is necessary to put the program back into perspective.

Jim Emerson, Helena, testifying in support of SB 43 said it is wrong to reward wasted fuel used in transporting and using snowmobiles when people going over 65 miles an hour on the highway are fined \$5 to conserve fuel. Although he did not think snowmobiles should be banned, using them on groomed trails is wasteful. They should be policed and regulated because they are dangerous.

Chris Dorsi, building contractor and private home inspector, Helena, testifying in support of SB 43, said there is an inherent conflict in snowmobile fees that are generated from a gas tax that could be used for other needed state programs. He concluded there are better places to put the 1/4 of 1 percent of money than to snowmobile development, trails and safety programs.

Russ Ritter, representing Washington Contractors, Missoula, said he is concerned about the inability to trigger the amount of federal funds that would be utilized for highway construction. The dollars should be put back into highway construction for the betterment of all Montanans. He distributed to the committee a newspaper article regarding the highway system (Exhibit 2).

Ron James, business agent, Iron Workers Local 841, testified in support of SB 43, stating his union does considerable highway construction work.

Mike Murray, a member of the Lewis and Clark County Commissioners, testified in support of SB 43. He said while the Commissioners support snowmobiling, they are waiting for hard to get funding on an interchange in the Helena valley. Funding should be returned to the Department of Transportation for needed highway construction.

George Ochenski, representing Montana Wilderness Association, testifying in support of SB 43, said the bill is not an attack on recreational lifestyle but rather a review of spending within a program, where money is going and how well it is being spent. He said there is a stable snowmobile population in Montana and with increases in gas tax, the revenue goes up. He concluded it should be kept in line and the money put someplace better.

**Opponents' Testimony:**

Ken Hoovestal, Montana Snowmobile Association, testifying in opposition to SB 43, presented a document relative to the Montana state snowmobile grant program (Exhibit 3). He said the 1979 legislature increased refunds to 1/2 of 1 percent because the program was controlled, handled and managed properly. He added there was the incorrect myth that it was a diversion of highway funds. It is a true refund as provided for in Article 8, Section 6 of the Montana Constitution and specifically stated in the Montana statute 15-70-221. It is not a grant and it is not a gift; the money is paid in. Increases in the gas tax do not provide them with a "windfall" but rather a refund of the additional monies that are paid in. He said that 90 percent of the monies go to the grooming program and 10 percent is safety education programs. Statistics show that funding has been flat for the past few years and programs in most areas have been cut back due to less gas being burned in the state. He noted their program is a strong supporter of enforcement and registration and they continue to push for that. He said they have figures showing sizable usage in the state. In order to get a count on Montana usage, they are requiring that all machines be titled whether used on private lands or not. They also had an economic impact study done of snowmobiling in the state. Those figures showed a \$15 million impact to the state. Another study is being done to update the figures and go beyond the previous research done. An environmental impact statement done on the statewide trail system showed many things had to be changed. He indicated the program has no impact on the general fund. SB 43 does not downsize government but shifts money within the government itself. He concluded that SB 43 should be Tabled until the 1995 legislative session when there will be factual data to work with.

Dennis Ogle, President of Montana Snowmobile Association, testifying in opposition to SB 43, stated the bill was introduced

as an attempt by the wilderness advocates to limit motorized use. The gas tax refund given the snowmobile program is the same refund others receive and he said the snowmobile program should not be penalized. Snowmobilers pay the tax every time they buy fuel for their machines. He presented a letter from John Semple, President, Helena Snowmobile Club, who asked that they convey their opposition to SB 43. Mr. Semple in his letter concluded that they are not funded by the general budget but rather by themselves.

Bill Howell, West Yellowstone, Montana. He said about 90 percent of their business is snowmobiling and 10 percent is cross country skiing and snow coach tours. In the 1987 to 1988 winter months, the resort tax collected was \$163,479. In the 1992-93 winter months, the resort tax collected was \$314,814. He said they currently have about \$30 million of nonresident economic impact to the state. About 80 percent of that money comes into West Yellowstone and added the snowmobile trail program is bringing much revenue to the state. Groomed trails has become an important tourism impact to Montana's winter economy, which means jobs in the state, income and property taxes. He concluded that the future of Montana's winter economy should be considered with this program.

Alan D. Brown, President, Missoula Snowgoers, presented testimony in opposition to SB 43 (Exhibit 4), stating that this bill would hurt tourism in the state and limit competition with other states in tourism. He added that increased funding would bring money into Montana, and he hoped funding would be restored to the present level.

Pat Graham, Director, Department of Fish, Wildlife and Parks, presented testimony in opposition to SB 43 (Exhibit 5).

Stuart Doggett, representing Montana Innkeepers Association and Montana Tourism Coalition, stated their opposition to SB 43 because of concern that it will have a negative impact on a unique recreational opportunity. There is a need to provide recreational activities in Montana.

Bob Bushnell, a member of Ponderosa Snow Warriors, Lincoln, Montana, stated his opposition to SB 43 and added that Montana's economy is enhanced because groomed trails draw people from Canada and other states to Montana.

#### Questions From Committee Members and Responses:

Senator Swysgood said with regard to the highway program, there are other user fees coming from this tax money listed in SB 43 that were not attacked for matching funds, and he asked Mr. Ochenski why they were interested only in one group.

Mr. Ochenski said the reason they came in with SB 43 is that they

did the study on this specific program. The program is now 22 percent administrative cost and is projected to go to 26 percent administrative costs which is high. Their suggestion does reduce government and would downsize the program, putting good dollars to better use. He said they are not zeroing out the program but feel it should be downsized to the user population. The state should not be subsidizing the program, and he concluded it is obvious that the program is overfunded for the amount of users.

Senator Keating asked if the distributor's gasoline tax is on all gasoline sold in the state.

Mr. Hoovestall said that was correct. It is 1/2 of 1 percent of the highway tax paid on all gasoline sold in the state. When snowmobiles are filled up with gas, 1/2 of 1 percent of what is used in those machines is used for their program, and the other 99 percent goes to highway usage.

Senator Keating asked Mr. Hoovestall how much gasoline is burned in snowmobiles in Montana in proportion to the total gasoline on an annual basis.

Mr. Hoovestall stated that the '79 legislature determined that 1/2 of 1 percent of all gasoline consumed in Montana was consumed in snowmobiles.

When asked by Senator Keating if there was any credit received from towing machines used to get the snowmobiles to their destination, Mr. Hoovestall said no credit was received.

Senator Keating said the snow machine money is off road use and there is no damage being done to highways and added that the other portion goes into the highway fund for building highways. The percentage of the tax paid that goes to highways is considerably greater in ratio than what is kept for snowmobile grooming; the grooming brings in more gasoline sales for both on and off road vehicles to the extent they actually help build the highway fund account for operating engineers, contractors, et cetera. He asked Mr. Ritter to respond to that.

Mr. Ritter said they were led to believe that the necessity of the 4 cent and 3 cent tax was to trigger federal funding. If a portion of that tax is redistributed into other areas, that entire tax and any diversion of those funds would be going in the wrong direction.

When asked by Senator Keating if Mr. Ritter would agree to reducing money to the state parks account and the off vehicle account, Mr. Ritter said yes.

In questioning from Senator Keating if Mr. Ritter would agree that the purpose of the increased tax benefit to agriculture should be rescinded as well, Mr. Ritter said he would concur with that.

Senator Weeding asked regarding the total snowmobile funds collected through the gas tax and what percent of that usage was on groomed trails.

Arnie Olsen, Department of Fish, Wildlife and Parks, said although he could not answer the total usage on and off groomed trails, there is a considerable amount of ungroomed trails the snowmobilers can use. The grooming program makes accessible a large amount of public land that would otherwise not be accessible. In response to Senator Weeding, Mr. Olsen said most of the trails are on U. S. Forest Service and Bureau of Land Management land. They have written agreement with those agencies where the trails go and it is where there is safe passage.

Senator Weeding asked if there was a fund balance in that account at the present time.

Mr. Olsen said although he cannot tell the current fund balance, there is some fund balance. The expenditures depend on the snow year. In a heavy snow year, there is more grooming; in a lesser snow year, some of the funds are held in reserve.

When questioned by Senator Weeding regarding the current level funding, Mr. Olsen said the current revenue stream is about \$571,000. SB 43 would take the increase from the 7 cent gas tax with what there currently is and cut it in half. The total effect would be about a 40 percent decrease if SB 43 went through in the current level program. It would have to be increased to make it even to current level.

Senator Devlin questioned the 26 percent administrative cost alluded to by Mr. Ochenski.

Mr. Ochenski referred to a programmatic environmental impact statement dated September 1993 which said costs associated with the administration of the grant program would increase. Current administrative costs withdrawn from the state special revenue fund total 22 percent; 10.6 percent overhead, 11.5 percent parks administration of the program funding. He said the statement also said that assuming administrative costs would total 26 percent, the funding for direct grants would be reduced by \$17,000 under current funding.

Senator Devlin said he would like clarification from Mr. Graham of DFWP why it was that much of an administrative cost.

Mr. Graham said 10.6 percent overhead is an overhead charge assessed to all earmarked accounts which is based on their assessment of what it costs to operate the administration. The 11.5 percent for parks administration includes the time that regional park managers spend on the snowmobile and the person in charge of developing the snowmobile safety programs.

When questioned by Senator Devlin if there are personnel involved

in the 11.5 percent, Mr. Graham said it is work that people do within the parks division to implement safety. Part of it is the safety programs, and part is time spent by park managers working on the snowmobile grant program and working with clubs and organizations.

Senator Hockett said Mr. Bill Howell from West Yellowstone mentioned the importance of this winter program for tourism. He asked if the money from the resort tax contributed toward this activity.

Mr. Howell said the majority of the resort tax in West Yellowstone is earmarked for 20 year bonds. These include a street project that went in and a storm sewer project, and other portions of the revenue go to infrastructure projects. The community donates in excess of \$50,000 yearly into the program which is more than the match from the snowmobile program. Of all 28 projects in the state, every community that receives a grant must match that with either cash or in kind services or they don't receive a grant.

Senator Hockett asked for clarification of the proposed savings of \$295,000 which would go back into the highway account.

Bill Salisbury, Department of Transportation, said the money would go back into the highway earmarked revenue account which is used for matching the federal aid program, the 100 percent reconstruction trust fund program, maintenance program, and the operations program. When questioned by Senator Hockett if it would be matched by federal funds, Mr. Salisbury said it may or may not, depending on the cash balance that was in the account.

Senator Christiaens said he would like clarification on an amendment made during HB 2 testimony dealing with \$250,000, and how it would impact SB 43.

Mr. Salisbury said any reduction out of the account reduces the amount available for the various programs, whether it be matching federal aid, secondary road program or the maintenance program.

Senator Jacobson said the amendment offered by Senator Fritz in HB 2 deliberations reduced their spending authority but it left the money in the account.

Senator Jergeson said he would like to know the expenditures in this program in fiscal year '93.

Mr. Arnie Olsen said the expenditures were approximately \$450,000 annually for the entire program. When asked by Senator Jergeson if that included the overhead charges, Mr. Olsen said it did include overhead charges.

Senator Jergeson said regarding the \$450,000, the gas tax increase that went into effect following '93 legislative session

action increased the revenue to \$528,000 for the current fiscal year. He asked Mr. Olsen if they were estimating that the revenue in the next fiscal year would be \$627,000.

Mr. Olsen said they are dealing with their actual expenditures versus the revenue that comes in. They do not have authority to spend all the revenue that comes in. If the gas tax increase continues to this session, there would be an additional amount that would come into the program. Projections vary from the highway department from year to year, so they have to make an educated guess on how much revenue they will get.

When questioned by Senator Jergeson if the 10.6 percent overhead charge is a charge to all divisions, Mr. Graham said yes. He added there is a higher rate assessed to federal accounts.

Senator Jergeson questioned the charge to the wildlife division.

Mr. Graham said the department has 42 different funding sources, and they are not all assessed the same. The federal accounts are assessed approximately 19 percent administrative. The pass through acquisition account is assessed in the neighborhood of 10.6 percent.

Senator Jergeson said relative to running 22 percent overhead for a \$450,000 program, if SB 43 did not pass and Senator Fritz' amendment were reduced and the program was allowed to go to a \$627,00 program, he asked Mr. Graham if they still needed 22 percent of the larger number or would it go to 27 percent of the larger number for administration; as the program got bigger, he questioned if the administrative costs as a percentage would be declining.

Mr. Graham said 10.6 percent is recalculated annually based on all the accounts. The overhead charges are taken for the entire department and then they factor in based on all funds. Regarding the 11.5 percent for the parks administration part and their implementation, the projection for the increase had a lot to do with increased review and mitigated measures and other areas the department expected they would have to do as a result of implementing the criteria established in the programmatic environmental impact statement.

Senator Jergeson said he would like clarification if the increase from 22 percent to 26 percent is a function of the change in the 11 percent.

Mr. Graham said that is correct, and he added it is an estimate.

Senator Jergeson said he is concerned that the expenditures are growing so fast.

Mr. Graham said he is not sure if the 26 percent increase was factored on a growing account or factored on the base account.

At the time this was prepared, they were operating on the same based budget.

Senator Beck said he would like clarification if the administrative fee would be 50, 52 or 54 percent after half of the money was taken away.

Mr. Graham said he could not tie himself down to percentages without having his staff calculate this. To the degree that the snowmobile grooming program was reduced, he expected that the regional costs could be reduced and the 11.5 percent would go down. He did not think the 10.5 percent would change appreciably because it is based on a percentage of a larger pool of funds. He would expect that the 11.5 percent would probably be higher than it currently is because they would be working on a smaller fund base.

Senator Beck said funding for trail grooming was being reduced more than 50 percent. In his opinion there is no way the administrative cost will come down; the percentage has to go up. Snowmobilers trying to groom the trails on a voluntary basis will be those most affected.

When asked by Senator Bianchi for clarification on bulk rebate, Mr. Ochenski said people getting gas in bulk document how much they get and the amount they use. They apply to the Department of Transportation on a standard form, and then are sent a gas tax rebate check.

Chair Jacobson said Mr. Hoovestall would like to make an additional comment.

Mr. Hoovestall said due to a misunderstanding, he thought that any snowmobile user applying for a refund would get the money first and the balance would be sent to the Department of Fish, Wildlife and Parks. They now find out that is wrong. The refund being discussed is over and above that. He said he probably will have a bill introduced in the '95 legislative session to eliminate that refund potential because of their misunderstanding as to where it went.

**Closing by Sponsor:**

Senator Fritz closed, saying the program is not a self-funded program; it is funded by every gasoline purchaser in the state and does not affect the rebate program for off road vehicle use that big rental companies in West Yellowstone and throughout western Montana take advantage of in applying for that type of rebate. SB 43 would restore a program to its original intent. He concluded that the bill is not an attack on snowmobiles or motorized recreation and does not negatively affect snowmobilers.

**EXECUTIVE ACTION ON HB 43**

**Motion/Vote:** Senator Vaughn moved that HB 43 BE CONCURRED IN.  
Motion CARRIED UNANIMOUSLY.

**EXECUTIVE ACTION ON SB 38**

**Discussion:** Chair Jacobson said SB 38 was introduced in the Senate and is a statutory appropriation. The statutory appropriation will be taken out in the Senate and then the bill will be sent to the House, allowing them to put the statutory appropriation back into the bill.

**Motion/Vote:** Senator Lynch moved the amendment to SB 38 (Exhibit 6). Motion CARRIED UNANIMOUSLY.

**Discussion:** Senator Beck asked Mr. Leo Berry to explain a proposed amendment to change the date from June 1 to July 1.

Leo Berry said an amendment was proposed by the Department of Administration to change internal dates of reporting to various boards. It would change the effective date of SB 38 from May to June. The bill has to become effective so they have the authority to send reports to each other. The payment date and impact from a fiscal standpoint is unchanged.

**Motion/Vote:** Senator Weeding moved the proposed amendment to change the date from June 1 to July 1. MOTION CARRIED UNANIMOUSLY.

**Motion:** Senator Lynch moved that SB 38 AS AMENDED DO PASS.

**Discussion:** Senator Aklestad said he would like to know what the numbers would look like in the '95 legislative session.

Leo Berry said he did not know what the exact numbers would be in '95. By eliminating the '94 payment and delaying the '95 payment which is what SB 38 does, there would be \$8.1 million picked up in this biennium or a little over \$4 million a year. There would need to be \$8 million plugged into the next biennium.

Senator Aklestad said he would like clarification on where the money would come from for the next biennium.

Leo Berry said SB 38 was part of another bill which equalized all taxation on various retirees, both federal and state. State retirees formerly had a benefit exempting their retirement package from taxation. That was taken away from them so they are paying more in taxes over the \$8 million. In order to compensate

for the benefit taken away by the legislature and to tax the federal retirees, they gave the state retirees a 2-1/2 percent increase in their benefit. State retirees are actually paying the money in the form of taxes.

When questioned by Senator Aklestad regarding the state match, Mr. Berry said there is no match.

**Vote:** Senator Lynch's motion that SB 38 AS AMENDED DO PASS CARRIED with Senators Aklestad, Swysgood, Toews, Tveit opposed.

#### EXECUTIVE ACTION ON SB 32

**Motion:** Senator Lynch moved to amend SB 32 (amendments shown on Exhibit 7, Exhibit 8).

**Discussion:** Chair Jacobson said Exhibit 7 amendment would cap the award at \$17,000. Exhibit 8 is clarifying the idea of the group or team of employees getting an award, and indicating that they can be from more than one agency.

Senator Waterman questioned the present cap.

Chair Jacobson said it is still the same.

**Vote:** Senator Lynch's motion to amend SB 32 (Exhibits 7, 8) CARRIED UNANIMOUSLY.

**Discussion:** Chair Jacobson said another proposed amendment (Exhibit 9) would take out nonemployees.

Senator Aklestad asked if the present bill would allow non state employees to participate in the award.

Chair Jacobson said that was correct, and the amendments (Exhibit 9) would remove that.

Senator Devlin, testifying in opposition to the amendment (Exhibit 9), said it would also be taking out past employees of the state, and past employees might be a lucrative source in finding savings.

Senator Waterman said she would like to have SB 32 read in such a way that state employees or agencies are not obligated to make excessive efforts to accommodate people that may have an idea. There is a difference between an idea and someone coming in and redoing the agency.

**Motion:** Senator Jergeson moved to amend SB 32 (amendment shown on exhibit 9).

**Discussion:** Senator Weeding stated that it should be limited at this time to employees and adjustments could be made later.

Senator Bianchi questioned if administrative rules could be developed to deal with employees or nonemployees being eligible for an award.

Judy Browning, Governor's Office, said rules could be established to require reasonable restrictions on how it would operate.

Senator Hockett said that nonemployees, particularly retired employees, may contribute significant thoughts to this process.

Senator Waterman stated there are internal inconsistencies in SB 32 relating to nonemployees and that a workable proposal should be adopted.

**Vote:** Senator Jergeson's amendment motion (Exhibit 9) FAILED on a roll call vote.

**Motion:** Senator Waterman moved to amend SB 32 where the phrase reads "employee incentive award program" be changed to read "incentive award program".

**Vote:** Senator Waterman's amendment motion CARRIED UNANIMOUSLY.

**Motion/Vote:** Senator Franklin moved that SB 32 AS AMENDED DO PASS. Motion CARRIED with Senator Swysgood opposed.

#### **HEARING ON SENATE BILL 44**

##### **Opening Statement by Sponsor:**

Senator Greg Jergeson, Senate District 8, sponsor, said SB 44 is a reorganization bill that would provide savings to taxpayers and continued delivery of services in an efficient and effective manner. The bill would create a Department of Resource Management by combining 3-1/2 departments of state government into one; Department of Natural Resources, Department of State Lands, Department of Fish, Wildlife and Parks, and the Environmental Sciences Division of the Department of Health and Environmental Sciences. Savings would be generated by requiring agencies to reduce the cumulative number of divisions and bureaus among the 3-1/2 agencies by 25 percent from the number in existence January 1, 1993. The new agency would be required to provide an additional 25 percent reduction in submission of their budget to the 1995 legislative session. He concluded that a single agency responsible for resource issues in Montana where all interested and competing groups would work together might produce a greater opportunity to achieve accommodation on some of the difficult issues and controversies in recent years.

**Proponents' Testimony:**

None.

**Opponents' Testimony:**

Judy Browning, Governor's Office, testified in opposition to SB 44 on behalf of Governor Racicot. She said while she did not want to diminish the sponsor's intent to streamline government or undertake reorganization efforts, a task force of independent citizens would be looking at those issues. The Governor wanted the task force to have the opportunity to look at the agencies relative to reorganization, streamlining and downsizing management and felt that would be a more deliberate and orderly way of approaching the subject. She concluded that a technical point that needs addressing would be that SB 44 decreases the number of bureaus and divisions by 25 percent effective January 1, 1993.

Senator Jergeson said he meant the base from which to calculate the reductions being January 1, 1993.

Ms. Browning said SB 44 also states that another 25 percent would take effect in 1995 which would be 50 percent reduction not necessarily in the number of people in those agencies but numbers of bureaus and divisions which the departments are organized in. Even though the departments are stricken in the statutes, the advisory councils and boards which are assigned to various departments would remain, as well as a director with the nearly impossible task of attending and serving on the councils and boards. The Department of Resource Management in SB 44 would be serving three different boards that would remain in existence. She concluded that the Governor's office has directed all department directors to work together in developing ideas to streamline government and those efforts will continue in spite of the task force's work.

**Questions From Committee Members and Responses:**

None.

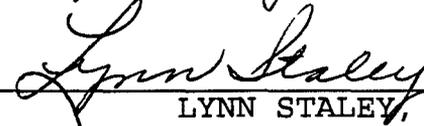
**Closing by Sponsor:**

Senator Jergeson closed, stating he appreciated the remarks of Ms. Browning. He noted there are many difficult problems with the scheme existing in SB 44, and he was trying to educate the public to the idea that it is not possible to easily achieve the re-invention of government; it is difficult and time consuming. He added his concern that the task force, while making good recommendations, may have trouble implementing them.

ADJOURNMENT

Adjournment: 11:45 a.m.

  
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JUDY JACOBSON, Chair

  
\_\_\_\_\_  
LYNN STALEY, Secretary

JJ/LS

# ROLL CALL

SENATE COMMITTEE FINANCE & CLAIMS      DATE 12/10/93

NAME	PRESENT	ABSENT	EXCUSED
SENATOR JACOBSON	✓		
SENATOR FRANKLIN	✓		
SENATOR AKLESTAD	✓		
SENATOR BECK	✓		
SENATOR BIANCHI	✓		
SENATOR CHRISTIAENS	✓		
SENATOR DEVLIN	✓		
SENATOR FORRESTER	✓		
SENATOR FRITZ	✓		
SENATOR HARDING	✓		
SENATOR HOCKETT	✓		
SENATOR JERGESON	✓		
SENATOR KEATING	✓		
SENATOR LYNCH	✓		
SENATOR SWYSGOOD	✓		
SENATOR TOEWS	✓		
SENATOR TVEIT	✓		
SENATOR VAUGHN	✓		
SENATOR WATERMAN	✓		
SENATOR WEEDING	✓		

Attach to each day's minutes

SENATE STANDING COMMITTEE REPORT

Page 1 of 1  
December 10, 1993

MR. PRESIDENT:

We, your committee on Finance and Claims having had under consideration House Bill No. 43 (third reading copy -- blue), respectfully report that House Bill No. 43 be concurred in.

Signed: Judy H. Jacobson  
Senator Judy H. Jacobson, Chair

M - Amd. Coord.  
SB Sec. of Senate

Fritz  
Senator Carrying Bill

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SENATE STANDING COMMITTEE REPORT

Page 1 of 2  
December 11, 1993

MR. PRESIDENT:

We, your committee on Finance and Claims having had under consideration Senate Bill No. 32 (first reading copy -- white), respectfully report that Senate Bill No. 32 be amended as follows and as so amended do pass.

Signed: Judy H. Jacobson  
Senator Judy H. Jacobson, Chair

That such amendments read:

1. Page 1, line 21.

Following: "president"

Insert: "or other person in charge"

2. Page 2, lines 18 and 19.

Strike: "equitably" on line 18 through "program" on line 19

Insert: "implement this part"

3. Page 2, line 23.

Strike: "the program"

Insert: "this part"

4. Page 3, lines 11 and 12.

Strike: "incentive" on line 11 through "program" on line 12

Insert: "operation of this part"

5. Page 4, line 19.

Following: line 18

Insert: "(3) Suggestions relating to an agency are eligible for an award from that agency's agency head even if the employee or group or team of employees, or one or more members of the group or team, do not work for that agency."

6. Page 5, line 3.

Following: "outcomes"

Insert: "in the agency"

7. Page 5, line 4.

Following: "2-18-1105."

Insert: "An employee or a member of a group or team of employees need not be employed by the agency that benefits from the achievement or outcome and whose agency head grants the award in order to be granted an award."

M -Amd. Coord.  
SB Sec. of Senate

120853SC.Sma

8. Page 5, line 25.

Following: "2% of"

Insert: "the next \$100,000 of"

Strike: "in excess of \$200,000"

9. Page 6, lines 1 and 2.

Strike: ", but" on line 1 through "\$17,000" on line 2

-END-

SENATE STANDING COMMITTEE REPORT

Page 1 of 1  
December 10, 1993

MR. PRESIDENT:

We, your committee on Finance and Claims having had under consideration Senate Bill No. 38 (first reading copy -- white), respectfully report that Senate Bill No. 38 be amended as follows and as so amended do pass.

Signed: Judy H. Jacobson  
Senator Judy H. Jacobson, Chair

That such amendments read:

1. Title, lines 7 through 9.  
Strike: "PROVIDING" on line 7 through "MCA;" on line 9.
2. Page 1, line 19.  
Strike: "May 15"  
Insert: "June 1"
3. Page 2, line 5.  
Following: "eligibility -- "  
Strike: "statutory appropriation -- "
4. Page 2, line 21 through page 3, line 4.  
Strike: subsection (4) in its entirety.
5. Page 3, line 11.  
Strike: "May 15"  
Insert: "June 1"
6. Page 3, line 24.  
Following: "eligibility -- "  
Strike: "statutory appropriation -- "
7. Page 4, lines 13 through 21.  
Strike: subsection (4) in its entirety.
8. Page 4, line 22 through page 6, line 20.  
Strike: section 5 in its entirety.  
Renumber: subsequent sections
9. Page 7, line 5.  
Strike: "May"  
Insert: "June"  
Following: "1995"  
Insert: ", unless specifically superseded by legislation enacted prior to that date"

-END-

M- Amd. Coord.  
SB Sec. of Senate

111608SC.Sma

# ROLL CALL VOTE

SENATE COMMITTEE FINANCE AND CLAIMS

BILL NO. SB 32

DATE 12/10/1933

TIME \_\_\_\_\_

A.M. P.M.

NAME	YES	NO
SENATOR JACOBSON		✓
SENATOR JERGSON	✓	
SENATOR AKLESTAD		✓
SENATOR BECK		✓
SENATOR BIANCHI		✓
SENATOR CHRISTIAENS		✓
SENATOR DEVLIN		✓
SENATOR FORRESTER		✓
SENATOR FRANKLIN		✓
SENATOR FRITZ	✓	
SENATOR HARDING		✓
SENATOR HOCKETT		✓
SENATOR KEATING		✓
SENATOR LYNCH		✓
SENATOR TOEWS	✓	
SENATOR SWYSGOOD		✓
SENATOR TVEIT		✓
SENATOR VAUGHN	✓	
SENATOR WATERMAN		✓
SENATOR WEEDING	✓	

Lynn Staley  
SECRETARY

\_\_\_\_\_  
CHAIR

MOTION: Sen Jergson moved amendments (Exhibit 9) to SB 32.

*Amended*



December 10, 1993

Executive Office  
318 N. Last Chance Gulch  
Helena, MT 59601  
Phone (406) 442-3388

SENATE FINANCE AND CLAIMS

SENATE NO. 1

DATE 12/10/93

BILL NO. HB 43

For the record, my name is Brad Griffin with the Montana Retail Association. Part of the MRA is the Montana Office Machine Dealers, and this Bill seeks to remedy a problem concerning them. I support HB43, because I believe it serves the best interest of the taxpayers of Montana as well as office supply vendors. HB43 simply allows Montana's private office supply vendors to go after the state's supply needs in the same manner that they go after any other large amount. That is, the Bill allows them to offer the state agency a published discounted price list based on their higher volume. Currently, vendors must give the agency established catalog price. This requirement flies in the face of current realities in the office supply business, because the catalog price is the manufacturer's suggested retail price(MSRP).

Ladies and Gentlemen, the MSRP is a price we only wish we could get. In fact, it is a common business practice to calculate discounts based on volume. To require private vendors to only give an agency the publicly available catalog simply does not allow Montana's vendors to offer a discounted price, saving the state money.

Please help us to put the state's business on the same playing field as all businesses.

# Montana stands to gain from new National Highway System

From staff and wire reports

Almost 4,000 miles of highways in Montana — including the stretch between Great Falls and Billings — are proposed for inclusion in a new National Highway System announced Thursday in Washington, D.C.

The Transportation Department unveiled its plan to designate about 159,000 miles of American highways as key roads, qualifying them for billions of dollars in federal aid for maintenance and construction.

The designated roads, about 4 percent of the nation's 3.9 million miles of highways, carry more than 40 percent of the nation's traffic.

## ■ Proposal greeted enthusiastically / 2A

Montana's 3,859 miles represents 2.4 percent of the nationwide total.

Sen. Max Baucus, D-Mont., chairman of the Senate Environment and Public Works Committee, which must approve the plan, said it recognizes the needs of rural Montanans and ensures that most major Montana highways will get needed maintenance money.

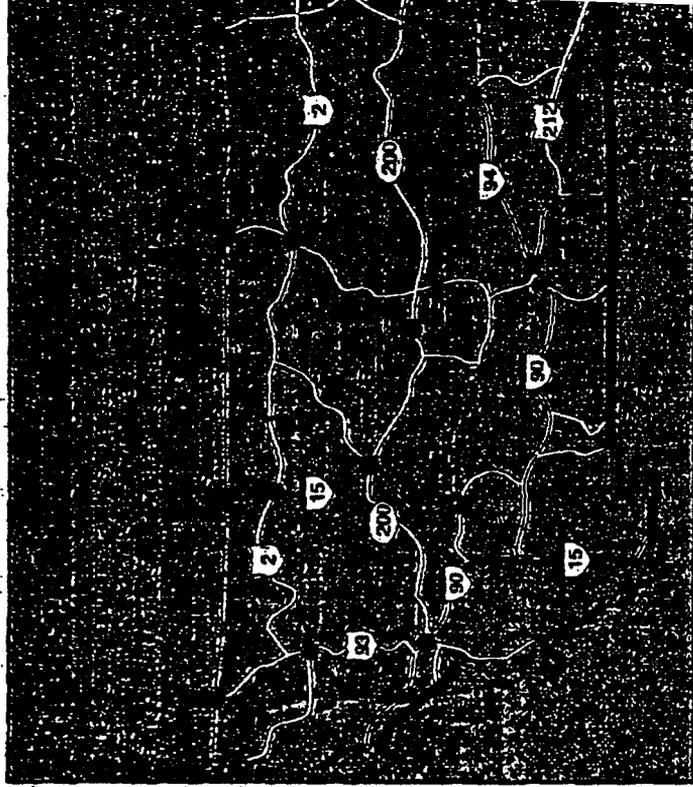
The National Highway System was first proposed by the Bush administration in 1969, Baucus said.

But as proposed then, it was too limited in coverage of Montana roads, he said.

It then included the interstate system, plus U.S. 2 across the Hi-Line; U.S. 93 in western Montana; U.S. 89 and 191 south of Interstate 90; U.S. 87 from Great Falls to Havre, and Montana 200 from Great Falls to Moore.

Also, Montana 16 from Glendive to Canada; U.S. 12 from Missoula to Lolo Pass; U.S. 310 from Billings to Wyoming; Montana 3 from Billings to Laramie; U.S. 12 from Laramie to Harlowton, and U.S. 191 from Harlowton to Moore.

See HIGHWAY, 2A



Source: U.S. Department of Transportation

# Highway plan pleases Montana researcher

By Tribune Staff

Larry Swanson, a University of Montana research economist who played a major role in studies that led to a National Highway System proposal, said the Treasury State should benefit from the plan.

He said the proposal — announced Thursday — allows for good north-south traffic flows, not only from Calgary and Edmonton

north of Great Falls, but also from major cities in Saskatchewan to the east.

The ports of Morgan north of Malta and Raymond north of Plentywood "are particularly important because they connect Saskatchewan and Regina into that Rocky Mountain Trade Corridor."

The corridor is an emerging region of international trade that Swanson believes will become even

more significant now that the North American Free Trade Agreement among Mexico, Canada and the United States has been enacted.

In Malta, news of the NITS proposal was greeted enthusiastically.

But Anne Boothe, who heads the Phillco Economic Growth Council, which lobbied hard to get the Port of Morgan on the list, said, "We're not done by any means."

First, she said, the proposal must

get through Congress. "I think our next step will be promotion for the Port of Morgan — hoping to expand it to more of a commercial port," she said.

She noted that the route through Malta to Billings is fairly direct, but that it involves five different highways. She said her group hopes to get the hodgepodge renamed as Highway 4 — the number of its extension in Canada — Saskatchewan's longest highway.

# Highway: Transportation planning revised

FROM IA

Baucus said his committee rejected that plan and directed the committee to deal "with legitimate transportation needs of Montana and other rural states."

"This original proposal would have isolated and devastated Montana," Baucus said. "It would have made it virtually impossible for the state of Montana to maintain our

existing road network."

He said the revised version unveiled Thursday adds 869 miles of Montana highway — a 23 percent increase.

"This new map is good news for a number of Montana communities whose main highways were not included on the original map," he said. "It assures that these roads will be well-maintained."

Additions to the original plan in-

cluded: Montana 200 between Great Falls and Missoula and from Moore to Glendive; U.S. 12 between Helena and Garrison Junction; U.S. 287 between Helena and Three Forks; U.S. 212 between Crow Agency and Alzada; Montana 59 between Miles City and Broadus; U.S. 87 between Billings and Grassrange, and U.S. 191 between Grassrange and Malta.

Federal Highway Administrator

Rodney Slater outlined the proposed highway system at a ceremony in Washington Thursday morning.

It includes all of the 45,000-mile interstate highway system; 4,500 miles of congressionally designated high priority corridors; 15,700 miles of roads identified by the Pentagon as strategically important; and 91,000 miles of key roads such as those that provide connections to major seaports and airports.

12-10  
SB 43

MONTANA STATE SNOWMOBILE GRANT PROGRAM

EXHIBIT NO. 3

FUTURE NEEDS

DATE 12/10/93BILL NO. SB 43

Montana's State Snowmobile Grant Program has been a tremendous success since its inception in the mid 1970s. Through cooperation among the state legislature, snowmobile clubs, Montana Snowmobile Association (MSA), federal, state and local land management agencies and the Department of Fish, Wildlife and Parks, Montana now provides 3,700 miles of quality and safe snowmobile trails for residents and non-residents that are funded from the state snowmobile special revenue fund.

The source of dollars for the special revenue fund come from two sources: 1) registration decal fees paid by snowmobilers who ride on public lands (presently \$5/machine/year, 50% for law enforcement and 50% for the program), and 2) refund of state gas tax dollars paid by snowmobilers for gas used in snowmobiles (1/2 of 1% of unrefunded state gas tax dollars). This pays for the entire program including grants to sponsors, trail development, trail maps, equipment, safety education, law enforcement, administration and overhead.

The Department of Fish, Wildlife and Parks, in cooperation with the State Snowmobile Advisory Committee and MSA, have expended much time in trying to satisfy the needs and demands of this successful program. However, with increasing federal and state safety and environmental mandates, inflation, and especially increased equipment costs, it has become increasingly difficult to maintain the program at it's current level.

#### SNOWMOBILE TRAIL GRANT PROGRAM

Grants to snowmobile sponsors are primarily associated with trail grooming and maintenance costs. This includes groomer operator wages; gas, oil, maintenance and minor parts for groomers; labor associated with trail maintenance and some trail-head signing. Although prices have increased through inflation and rising costs for gasoline, oil and equipment parts, the amount of funds available for grants have remained essentially constant. This has forced reduced grooming of trails, less than adequate replacement of trail-head signing and lack of funding for such things as bridges for crossing of tributaries.

More funds will be needed in the future to increase the regularity of grooming which results in higher quality and safer snowmobile trails. More funds will be needed for improved trail-head signs and interpretive signs which inform the users of laws, rules, groomed trail locations, safety information, and advisories about unique natural and cultural resources that should either be avoided or appreciated for their educational values. More funds will be needed to incorporate bridges at certain tributary crossings where fords are not appropriate either from safety or resource impact standpoints.

## SNOWMOBILE TRAIL GROOMER AND EQUIPMENT REPAIRS

The primary future need of the program is equipment upgrade. We currently have fourteen full size trail groomers. These machines are necessary to maintain larger trail systems (50 - 300 miles) in our mountainous terrain. Presently these machines cost between \$90,000 - \$120,000 each and expected life span is 6 - 10 years, depending on annual hours of use and terrain. It is possible in certain conditions, such as the current funding shortfall, to maintain groomers for longer periods of time. However, more and more dollars are needed on older groomers for major repairs which is at best a band-aid approach and financially inefficient in the long run. This year, 1993, we have expended \$27,000 strictly on major repairs before the season gets underway. Those machine that break-down during the upcoming snow season will likely be parked and grooming terminated resulting in poor and less safe trails and a very unhappy snowmobile public.

For an effective and quality grooming program for Montana, we need enough funds to purchase no less than two groomers per year or a minimum of \$180,000 per year (at current prices). In addition, we must maintain funds for major repairs. Immediately, this requires no less than \$28,000 per year. As the groomer fleet is renewed, this could be reduced to \$15,000 - \$20,000 per year.

Finally, smaller, less heavily used trail systems can be maintained with smaller grooming equipment such as the Ski-Doo Alpine which cost \$8,000 - \$9,000 per machine. We currently have six such machines in the grooming fleet. These should also be replaced every 6 - 8 years.

Table 1 is an inventory of existing trail groomers and their year of manufacture. This table shows Montana's rapidly aging inventory. We must initiate replacement of the older machines as soon as possible!

## SAFETY EDUCATION, TRAIL SIGNS AND MAPS

The snowmobile safety program currently provides Instructor Guides to volunteer safety instructors and manuals for students. Also, videos are purchased for classes and survival kits for instructors. There is an increasing demand for safety classes by the snowmobile public, schools and youth groups. The safety program is paramount in ensuring safe experiences for all of the snowmobile public and other individuals who use snowmobile trails.

Increased classes and students require an increased investment in student manuals and instructional videos. An additional \$3,500 per year is needed for such materials. We hope to provide an annual school for safety instructors to keep them up-to-date on new information which will cost \$2,000 per year. Finally, we hope to produce placemats, brochures and displays that stress the need for safety and user ethics which would cost \$2,500 annually.

Quality snowmobile trail maps must be produced for all funded trail systems. These maps not only direct snowmobilers to safe trails but also provide information about potential resource impacts, sensitive areas to avoid, avalanche danger, hypothermia, and rules and regulations. Maps must be updated every two to three years. In order to adequately address this need, the safety budget should be increased by \$8,000 per year.

Finally, signs are necessary along trails to reassure users of their location, inform about possible hazards and site-specific regulations. The cost of signs has skyrocketed in the past five years. Plastic signs are made from petroleum products so as such prices have increased, so has the cost of signs. Given current cost of signs and the need for adequate signing, the sign budget should be increased by \$5,000 per year.

TABLE 1. SNOWMOBILE EQUIPMENT INVENTORY - December, 1993

EQUIPMENT (Groomer)	YEAR MFG'D	LOCATION	MILES OF TRAIL
Bombardier 252	1977	Eureka	41.0
LMC 1450	1978	Anaconda	106.0
LMC 3300	1980	Libby	150.0
PB 170D	1982	Seeley Lake	218.0
PB 200D	1984	West Yellowstone	207.0
PB 200D	1984	Kalispell	210.0
PB 130 D	1985	Hobson	86.0
Tucker 1642	1986	Missoula	398.0
Tucker 2000	1987	Bozeman	350.0
PB 240D	1987	West Yellowstone	207.0
Tucker 2000	1987	Lincoln	220.0
PB 200D	1987	Great Falls	175.0
LMC 1800	1993*	Helena	245.0
LMC 1800	1993*	Dillon	184.5

\*Lease/Purchase acquisitions.

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Ski Doo Alpine	1979	Livingston	85.0
Aktiv Grizzly	1985	Anaconda	106.0
Ski Doo Alpine	1988	Wisdom	86.0
Ski Doo Alpine	1988	Virginia City	97.0
Ski Doo Alpine	1989	Wise River	175.0
Ski Doo Alpine	1989	Big Timber	34.0

## LAW ENFORCEMENT

Adequate law enforcement is necessary to protect human and natural resources and to improve compliance with state and federal laws. 50% of snowmobile registration decal fees is set aside for this program. Presently, this has provided for minimal enforcement with budgets of \$13,800 to \$17,000 per year. The 1993 general session of the Montana legislature increased the registration decal fee from \$2.00 to \$5.00, thus increasing the dollars for law enforcement by 250%.

FW&P law enforcement will spend more time in known problem areas and work cooperatively with other enforcement agencies to increase saturation law enforcement efforts in problem areas. Increased funding will also allow for more interaction in the field with the snowmobile public to inform them of laws and safety measures that will benefit all winter trail users.

## ADMINISTRATION

The Department of Fish, Wildlife and Parks (FW&P), administers the funds in the snowmobile special revenue account. This includes the grant program, equipment, safety education program and law enforcement. The State Parks Division, State Trails Program Coordinator and Region Park Managers, work with snowmobile clubs, land management agencies and the Snowmobile Advisory Committee with grant review, compliance and long range planning. The Conservation Education Division, Recreational Vehicle Safety Coordinator, coordinates and plans for safety education programs, sign inventory and acquisition and design and provision of trail maps. The Law Enforcement Division enforces snowmobile laws in cooperation with other local, state and federal law enforcement officials.

Administration cost will increase with the implementation of the Snowmobile Grant Programmatic Environmental Impact Statement, increased law enforcement activities and safety education programs.

MONTANA STATE SNOWMOBILE GRANT PROGRAM

FINANCIAL PROPOSAL

1995 - 2000

I. Snowmobile Trail Grooming, Maintenance, Development Grants Expenditures.

A. FY 1991 - 1994 Grooming Expenditures

FY 1991 ----- \$212,922  
FY 1992 ----- \$219,449  
FY 1993 ----- \$210,086  
FY 1994 ----- \$228,628 (budgeted)

B. Needs, FY 1995 - 1999.

FY 1995 ----- \$228,628 (budgeted)  
FY 1996 ----- \$308,000  
FY 1997 ----- \$308,000  
FY 1998 ----- \$317,000  
FY 1999 ----- \$317,000

II. Groomer Replacement and Repairs.

A. FY 1991 - 1994 Equipment and Repairs Expenditures.

FY 1991 ----- \$106,475  
FY 1992 ----- \$ 12,139\*  
FY 1993 ----- \$104,941\*\*  
FY 1994 ----- \$ 90,000 (budgeted)

B. Needs, FY 1995 - 1999.

FY 1995 ----- \$ 90,000 (budgeted)  
FY 1996 ----- \$218,000  
FY 1997 ----- \$228,000  
FY 1998 ----- \$232,000  
FY 1999 ----- \$235,000

\* Saved funds to help pay for PEIS.

\*\* Expenditures to complete PEIS and major equipment repairs.

III. Safety Education and Trail Signs.

A. FY 1991 - 1994 Safety Education and Signs Expenditures.

FY 1991	-----	\$36,857
FY 1992	-----	\$41,900
FY 1993	-----	\$41,410
FY 1994	-----	\$40,000 (budgeted)

B. Needs, FY 1995 - 1999.

FY 1995	-----	\$
FY 1996	-----	\$58,000
FY 1997	-----	\$61,000
FY 1998	-----	\$62,800
FY 1999	-----	\$64,700

IV. Administration/Overhead.

A. FY 1991- 1994 Administration/Overhead Expenditures.

FY 1991	-----	\$117,054
FY 1992	-----	\$121,857
FY 1993	-----	\$ 99,480
FY 1994	-----	\$107,356 (budgeted)

B. Needs, FY 1995 - 1999.

FY 1995	-----	\$109,500 (budgeted)
FY 1996	-----	\$114,750
FY 1997	-----	\$122,750
FY 1998	-----	\$126,450
FY 1999	-----	\$128,950

# Missoula Snowgoers

3320 Big Flat Road  
Missoula, Montana 59801



December 9, 1993

The Honorable Harry Fritz Seat #35

RE: Senate Bill #43.

Dear Mr. Fritz:

*Alan Brown*

SENATE FINANCE AND CLAIMS

EXHIBIT NO. 4

DATE 12/10/93

BILL NO. SB43

I am president of the Missoula Snowgoers snowmobile club. Our club consists of 150 family memberships which translates into 486 individuals, in whose behalf I am writing you to voice our opposition your Senate Bill #43. We would hope that you would reconsider your bill and withdraw it from consideration.

The monies spent on the snowmobile program by the State are not tax dollars, instead they are a refund or a rebate of gasoline taxes for off road gasoline consumption by snowmobiles. This is no different from the monies that are rebated to farmers and ranchers for the fuel that they consume in their business. When this fund was originally established there was sound documentation to support the 1/2 of one percent rebate. Since that time the numbers of snowmobiles, and the amount of gas they consume, has only grown larger. Additionally the refund of money is protected by the Montana Constitution. Were it not for the operation of snowmobiles this money would not be collected in the first place.

Another issue that you should consider is the effect that cutting the funding would have on the tourism industry. Currently the Missoula Chamber of Commerce is actively promoting winter snowmobiling recreation in the area with Missoula as the snowmobiling hub. Your bill directly affects this effort to bring additional tourist dollars to Missoula. As president of the snowmobile club I receive daily enquires from persons from out of state about our snowmobile trails and the recreational opportunities available in the Missoula area. Instead of cutting the funding for our grooming program you should be pursuing additional funding to enable us to do an even better job with our trails, thus increasing tourist revenue for Missoula and the State.

I urge you to reconsider your bill and remove it from consideration.

Sincerely,

*Alan D. Brown*

Alan D. Brown

SB 43  
December 10, 1993

SENATE FINANCE AND CLAIMS

EXHIBIT NO. 5

DATE 12/10/93

Testimony presented by Pat Graham,  
Dept. of Fish, Wildlife & Parks  
before the Senate Finance & Claims Committee BILL NO. SB 43

The snowmobile program was established by the Legislature in 1977 and funded with gas tax rebates for the purpose of providing a statewide program to develop, operate and maintain a groomed trail system and to promote user safety. Surveys at the time indicated that the amount of total fuel purchased by snowmobilers was at least one half of one percent of the total. Since this fuel is purchased at the gas pumps but not burned on the state highway system, users are provided a collective refund for purposes which enhance snowmobiling opportunities.

If SB 43 is passed, local organizations would have half the funding that would otherwise be available as a result of high fuel taxes. This bill would result in almost a 40 percent decrease in the current funding level. This would obviously result in a large decrease in currently groomed trails on public land. Trail riding conditions would be less safe. There are also many miles of ungroomed trails on federal land which are only accessible as a result of our grooming program.

There may be a misperception that an increase in funding, as provided by past fuel tax increases, would result in a proportional expansion of new groomed trails in the state. Although there may be some new trail connections, requests to groom existing trails and replace equipment exceed the money currently available.

The attachment indicates the organizations directly impacted, user demand and the amount of volunteer contributions and donations raised annually to supplement this program which saves state costs and FTEs.

The Snowmobile Program has raised issues of environmental sensitivity related to stewardship of other natural resources we manage. Our department and the snowmobilers have taken several steps to help assure a responsible program. These include the recent completion of a programmatic E.I.S. on our grant program which establishes strict criteria for new and existing trails. This was paid for by snowmobile funds and is the most comprehensive programmatic review of snowmobiling currently in the country. Other measures include: 1) adding an environmental representative to the statewide snowmobile advisory board which makes recommendations on grant disbursements, 2) requiring the regional wildlife biologist and landowner to sign-off before any grooming funds are allocated, 3) implementing trail mitigation measures as appropriate (including signage to prohibit off trail use, re-routing trails, implementing season use restrictions, and increasing law enforcement), and 4) providing a requirement in grooming contracts that allows withholding dollars if measures are not followed by the local clubs.

For these reasons, we oppose SB 43.

12-10-93  
SB 43

# 93-94 Snowmobile Grant Recipients

Sponsor	Location	Miles of Groomed Trails	'92-'93* # of Users	Trail		Groomer/ Replaces/Maint. \$ Requested**	Club's Private Contribution	Approved '93-'94***
				Grooming \$ Requested '93-'94				
Flathead Snowmobile Assn	Kalispell	210	15,500	\$35,000.00		\$90,000	\$19,130.00	\$13,776.00
Lincoln County Sno-Kats	Libby	150	488	\$4,320.00		\$3,500	\$1,409.00	\$2,911.00
Ten Lakes Snowmobile Club Inc.	Fortine	41	4,852	\$1,455.00		\$90,400	\$9,306.00	\$1,940.00
Anaconda Snowmobile Club	Anaconda	106	3,097	\$11,500.00			\$3,500.00	\$6,791.00
Seeley Lake Drift Riders	Seeley Lake	218	12,759	\$14,700.00			\$1,825.00	\$9,895.00
Bitterroot Ridge Runners	Hamilton	157	2,000	\$14,000.00			\$9,580.00	\$4,500.00
Ponderosa Snow Warriors	Lincoln	220	12,683	\$24,000.00	\$7,000		\$7,893.00	\$13,570.00
Garnet Preserv Assn & BLM	Drummond	110	2,500	\$16,237.15	\$15,000		\$31,429.60	\$3,880.00
Montana Nightriders Snowmobile Club	Plains	76	5,200	\$6,000.00	\$90,000		\$1,434.00	\$4,268.00
Missoula Snowgoers	Missoula	398	2,910	\$26,140.00	\$90,000		\$18,000.00	\$10,672.00
Deer Lodge Snowmobile Club	Deer Lodge	69	1,200	\$4,567.00	\$90,000		\$1,250.00	\$1,892.00
Big Sky Snowriders	Livingston	97	898	\$5,062.00	\$90,000		\$2,000.00	\$3,105.00
Wise River Jackpine Savages	Wise River	90	600	\$2,337.00	\$90,000		\$2,000.00	\$2,328.00
West Yellowstone Chamber	W. Yellowstone	207	81,500	\$60,000.00	\$90,000		\$20,000.00	\$38,805.00
Beaverhead Sno-Riders	Dillon	185	7,295	\$14,522.00	\$90,000		\$7,736.00	\$94,922.00
Upper Yellowstone Snowmobile	Cooke City	60	25,074	\$25,300.00			\$5,628.66	\$21,343.00
Vigilante Snowmobilers	Virginia City	97	2,295	\$11,800.00			\$5,750.00	\$7,761.00
Madison Valley Snow-Snakes	Ennis	35	5,000	\$2,084.00			\$1,041.00	\$1,892.00
Big Hole Snowmobile Club	Wisdom	86	1,513	\$6,100.00	\$90,000		\$5,600.00	\$2,911.00
Outback & Beyond Trail Club	Ennis	75	6,500	\$11,067.00			\$6,246.00	\$1,500.00
Gallatin Valley Snowmobile Assoc.	Bozeman	350	3,053	\$26,000.00			\$21,000.00	\$16,492.00
Cut Bank Snowgoers	Cut Bank	45	5,335	\$13,256.00			\$3,136.00	\$10,260.00
Little Belt Snowmobile Club	Lewistown	86	5,560	\$8,994.00	\$90,000		\$5,855.00	\$7,761.00
Teton County Sportsmen	Choteau	6	250	\$500.00			\$150.00	\$485.00
Great Falls Snowmobile Club	Great Falls & WSS	175	20,277	\$15,550.00			\$5,500.00	\$14,067.00
Sweet Grass County Recreation Assoc.	Big Timber	34	534	\$2,150.00	\$90,000		\$2,700.00	\$1,940.00
Midland Empire Snowgoers	Billings	6	900	\$2,500.00			\$2,450.00	\$2,500.00
Helena Snowdrifters	Helena	245	38,107	\$18,500.00	\$90,000		\$3,383.00	\$11,157.00
<b>Totals</b>		<b>3,634</b>	<b>252,380</b>	<b>\$370,385.15</b>	<b>\$1,015,900.00</b>		<b>\$204,932.26</b>	<b>\$313,924.00</b>

\*Based on representative trail use counts done by snowmobile clubs for one winter.

\*\*Average groomer replacement cost is \$90,000. \$15,000 requested by Garnet Club to purchase 2 snowmobiles (\$7,500 each) for enforcement purposes.

\*\*\*Other annual program expenses besides groomer repair and replacement include Safety -- \$40,000; Regional Assistance -- \$40,357; Overhead -- \$45,151; Program Oversight -- \$17,406.

Amendments to Senate Bill No. 38  
First Reading Copy

For the Committee on Finance and Claims

Prepared by Clayton Schenck  
December 10, 1993

SENATE FINANCE AND CLAIMS  
EXHIBIT NO. 6  
DATE 12/10/93  
BILL NO. SB 38

1. Title, lines 7 through 9.  
Strike: "PROVIDING" on line 7 through "MCA;" on line 9.
2. Page 2, line 5.  
Following: "eligibility -- "  
Strike: "statutory appropriation -- "
3. Page 2, line 21 through page 3, line 4.  
Strike: subsection (4) in its entirety.
4. Page 3, line 24.  
Following: "eligibility -- "  
Strike: "stautory appropriation -- "
5. Page 4, lines 13 through 21.  
Strike: subsection (4) in its entirety.
6. Page 4, line 22 through page 6, line 20.  
Strike: section 5 in its entirety.  
Renumber: subsequent sections

{Office of Legislative Fiscal Analyst

444-2986}

Amendments to Senate Bill No. 32  
First Reading Copy

Requested by Sen. Brown  
For the Committee on Finance and Claims

Prepared by John MacMaster  
December 7, 1993

SENATE FINANCE AND CLAIMS

EXHIBIT NO. 7

DATE 12/10/93

BILL NO. SB 32

1. Page 1, line 21.

Following: "president"

Insert: "or other person in charge"

2. Page 5, line 25.

Following: "2% of"

Insert: "the next \$100,000 of"

Strike: "in excess of \$200,000"

3. Page 6, lines 1 and 2.

Strike: ", but" on line 1 through "\$17,000" on line 2

Amendments to Senate Bill No. 32  
First Reading Copy

Requested by the Department of Administration  
For the Committee on Finance and Claims

Prepared by John MacMaster SENATE FINANCE AND CLAIMS  
December 8, 1993

EXHIBIT NO. 8  
DATE 12/10/93  
BILL NO. SB 32

1. Page 4, line 19.  
Following: line 18

Insert: "(3) Suggestions relating to an agency are eligible for an award from that agency's agency head even if the employee or group or team of employees, or one or more members of the group or team, do not work for that agency."

2. Page 5, line 3.

Following: "outcomes"

Insert: "in the agency"

3. Page 5, line 4.

Following: "2-18-1105."

Insert: "An employee or a member of a group or team of employees need not be employed by the agency that benefits from the achievement or outcome and whose agency head grants the award in order to be granted an award."

Amendments to Senate Bill No. 32  
First Reading Copy

Requested by Sen. Brown  
For the Committee on Finance and Claims

Prepared by John MacMaster  
December 7, 1993

SENATE FINANCE AND CLAIMS

EXHIBIT NO. 9

DATE 12/10/93

BILL NO. SB 32

1. Title, lines 7 and 8.  
Strike: "AND TO" on line 7 through "NONEMPLOYEES" on line 8
2. Page 3, line 18.  
Strike: "a"  
Insert: "or"
3. Page 3, line 19.  
Strike: ", or a nonemployee"
4. Page 4, line 3.  
Strike: "or nonemployee"
5. Page 4, line 16.  
Strike: "or nonemployee's"
6. Page 5, lines 1 and 2.  
Following: "requirements" on line 1  
Strike: "a"  
Insert: "or"
7. Page 5, line 2.  
Strike: ", or a nonemployee who has"  
Insert: "who have"
8. Page 5, line 12.  
Strike: "or nonemployee"

*failed*

DATE 12/10/93

SENATE COMMITTEE ON Finance & Claims

BILLS BEING HEARD TODAY: SB 43 SB 43 SB 44

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Check One

Name	Representing	Bill No.	Support	Oppose
Chris Dorsi	self	SB 43	X	
Bill Howell	self	SB 43		X
DEWIS OGLE	MT Snow ASSOC	SB 43		
Beverly Magley	self	SB 43	X	
Alan Brown	Missoula Snowgoers			X
Ken Hooestol	MT Snowmobile Assn.	43		X
Bob Bushnell	Lincoln snow roller	SP 43		X
Brad Griffin	MT Retail	HB 43	X	
Bob Billings	CSI OFFICE PRO	SB 43	X	
Mauri KILHOLTZ	DOA	WB 43		
Mary Kasey	Mt Oper Eng State Be	HB 43	X	
Kay Spraff	Self	HR 43		X
Pat Graham		SB 43		X
Keith L. Colbo	MT Tourism Coalition	SB 43		X

VISITOR REGISTER

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DATE 12/10/93

SENATE COMMITTEE ON Finance Claims

BILLS BEING HEARD TODAY: SB 43 SB 44  
SB 43

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Check One

Name	Representing	Bill No.	Support	Oppose
GEORGE OCHENSK	MWA	SB43	X	
James Emerson	self, interest	SB43	X	
Ellie Arguimbau	self	SB 43	✓	
PETER J LANGRISH	self	SB43	✓	
Starshine	self	SB43	X	<del>   </del>
MARK SHAPLEY	SELF	SB 43	X	
JOAN BISHOP	SELF	SB 43	X	
Mike Ford	SELF	SB 43	X	
John Vollerstein	SELF	SB43	X	
Jo Gattell	MWA	SB 43	X	
Lisa S. Roe	self	SB 43	X	
Judy Kilmer	self		X	
Tom Kilmer	self		X	
Jim Jensen	MEIC	SB43	X	

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DATE 12/10/93

SENATE COMMITTEE ON Finance & Claims

BILLS BEING HEARD TODAY: SB 43 SB 44 HB 43

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Check One

Name	Representing	Bill No.	Support	Oppose
Russ Ritter	Wash Countr.		<input checked="" type="checkbox"/>	<input type="checkbox"/>
Stan Frosier	Self		<input checked="" type="checkbox"/>	<input type="checkbox"/>
<del>John Brown</del>	<del>Governor</del>	<del>SB 44</del>	<del><input checked="" type="checkbox"/></del>	<del><input type="checkbox"/></del>
Mike Murray	Self	SB 43	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Al Kurki	Self	SB 43	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Ron H. James	IRON WORKERS LO 841 BUSINESS AGENT	SB 43	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Steve Doggett	MT Insurers	SB 43	<input type="checkbox"/>	<input checked="" type="checkbox"/>

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