

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 54th LEGISLATURE - REGULAR SESSION

JOINT SUBCOMMITTEE ON NATURAL RESOURCES

Call to Order: By **CHAIRMAN ROGER DEBRUYCKER**, on January 26, 1995, at 8:00 a.m. in Room 402 of the State Capitol.

ROLL CALL

Members Present:

Rep. Roger Debruycker, Chairman (R)
Sen. Thomas F. Keating, Vice Chairman (R)
Sen. Judy H. Jacobson (D)
Sen. Loren Jenkins (R)
Rep. John Johnson (D)
Rep. William R. Wiseman (R)

Members Excused: Rep. Johnson excused 8:00 a.m. - 10:00 a.m.

Members Absent: none

Staff Present: Roger Lloyd, Legislative Fiscal Analyst
Florine Smith, Office of Budget & Program
Planning
Debbie Rostocki, Committee Secretary

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

Committee Business Summary:

Hearing: Department of Fish, Wildlife and Parks
- Department overview
- Wildlife Division
Executive Action: Department of State Lands
- Forestry Division

HEARING ON Department of Fish, Wildlife and Parks Department overview

Mr. Roger Lloyd, Legislative Fiscal Analyst (LFA), gave an overview of the Department of Fish, Wildlife and Parks (FWP) budget, contained on pp. C-4-48. The Transfers portion of the budget concerns Legislative Contract Authority (LCA), which is discussed on p. C-6. LCA is authority the Legislature has given FWP since 1982 for additional private or federal funds the department may get for projects unanticipated during the budget formulation process. LCA is like pre-approved budget amendment authority although much of the LCA activity does not meet budget amendment criteria. He suggested if the Legislature approved LCA

it might consider adopting the language at the bottom of p. C-6 as well.

The General License Account is the department's largest single funding source and the primary source of the revenue is from hunting and fishing license fees.

Regarding the third LFA issue on p. C-9, **Mr. Lloyd** said his analysis had been incorrect. In the past two years the watchable wildlife voluntary income tax check-off has in fact brought in slightly more than \$20,000 per year and therefore will not be discontinued.

Ms. Florine Smith, Office of Budget and Program Planning (OBPP), distributed copies of a letter and resolution from the FWP Commission to the OBPP opposing FWP staff reductions. **EXHIBIT 1** Regarding funding for the Tongue River Dam, the Long Range Building Subcommittee is handling this issue. DNRC is overseeing the \$48 million Tongue River Dam project and FWP is involved only with the habitat enhancement portion of the project.

REP. WILLIAM WISEMAN wanted an update on what the \$17 million capital outlay budget for the 1994-5 biennium was about. **Mr. Lloyd** said a large portion of FWP's total budget is in the capital program, which is heard in the Long Range Building Committee and not in this one. Capital outlay funding is in a separate bill from HB 2.

In response to **REP. WISEMAN**, **Mr. Lloyd** pointed out that the projects listed in Table 1 on p. C-7 were only the ones that had been ongoing for some time. He agreed to provide figures comparing what was appropriated and what was spent for total LCA.

Mr. Pat Graham, FWP Director, then gave an overview of the department. The following administrative staffpersons introduced themselves: **Mike Aderhold**, Northcentral Montana Regional Supervisor; **Stan Meyer**, FWP Commission Chairman; **Jerry Wells**, Administrator of the Field Services Division; **Larry Peterman**, Fisheries Division Administrator; **Arnie Olsen**, Parks Division Administrator; **Dave Mott**, Administration and Finance Division Administrator; **Don Childress**, Wildlife Division Administrator; **Bob Martinka**, Chief of Field Operations; **Ron Aasheim**, Conservation Education Division Administrator; **Beate Galda**, Law Enforcement Division Administrator and **Bill Hangas**, Administration and Finance Division.

Mr. Graham said over the past few years FWP had reaffirmed its mission. Several trends concerning the diversity and specialization of interest groups, increased accountability, more influence from outside of Montana, changing demographics and an increase in the value and the competition for resources have been considered in this process. Responsibilities for the department fall into two main areas: protection and conservation of the resources that FWP manages on behalf of the public and providing

recreational opportunities in those areas. Nearly 80% of FWP staff is located outside of the Helena headquarters, in nearly 30 communities across the state. The department has a commission which has been in existence for 100 years. **Tape No. 1:B:000**

The commission's duties and responsibilities include setting regulations, seasons and land leases. \$152 million is spent annually by hunters, \$105 million by anglers, \$23 million by parks users and \$108 million is spent viewing wildlife and other activities. Recent surveys show that Montana has the second highest per capita participation in both fishing and hunting in the U.S. following only Wyoming in hunting and Alaska in fishing.

In the interests of public accountability and the reinvention of government, department staff has been reduced and the Helena regional office has been downgraded to an area office, leaving the department with seven regional offices. Two Helena FTE were redirected to field work as conservation specialists to address work efforts below the law enforcement or biologist level which no specific person is responsible for, in such areas as game damage and mountain lion tagging. He pointed out that these positions were designed to serve whichever division is experiencing a seasonal increase in its workload.

In 1993 the committee discussed consolidating or eliminating some of its operations in eastern Montana. A proposal was put together detailing all the changes FWP made. As a result of these efforts **Mr. Graham** received a lot of "fan mail." **EXHIBIT 2** FWP decided, based on public input, not to eliminate the regional office in Glasgow. However, changes were made to reduce administrative work and increase field positions (conservation specialists).

The department utilizes the work of volunteers primarily in the Parks Division. In the Great Falls area alone there are 104 volunteers. In total over 22,000 hours of volunteer work has been provided.

FWP proposes to create area offices (New Proposal No. 3, Department Management budget, p. C-47) where people currently working out of their homes could be consolidated into more central locations. Also, several parks were transferred to the federal government during the biennium.

In response to **SEN. LOREN JENKINS**, **Mr. Graham** explained the reasoning behind the proposal to set up area offices. The intention is that these offices would be shared with some other federal or state natural resource organization. These offices would be located in Havre, Lewistown, Butte, Libby, Dillon and Hamilton.

With respect to staffing levels **Mr. Graham** said the FTE count is less than five percent larger than it was in 1980 although many new programs have been added including block management (re:

hunting access on private land), more than 400 habitat acquisition projects, 50-60 river restoration projects, an undercover enforcement unit created in the mid-1980's, 130 more fishing access sites, a \$350,000 per year game damage program, a warm water fish hatchery in Miles City, and others.

Half of the department's funding comes from the license accounts. The federal portion of the budget is 30% and other sources primarily from the Parks Division contribute 10%. Less than 1% of the budget comes from general fund. \$6 million appears to be the increase over the 1994 base but this only translates to a 1.4% increase in the overall budget.

Another budget issue is related to the discovery of whirling disease in trout in the Madison River in December 1994 which will have a significant economic impact in the affected areas which include Ennis and West Yellowstone. **Tape No. 2:A:000**

Another area where there has been considerable public interest concerns river and lake conflicts and the increased use of personal watercraft.

Legislation has been introduced to significantly change the block management program. At the request of the previous Legislature the Governor appointed the Private Lands/Public Wildlife Advisory Council, composed of landowners, hunters and outfitters, to address the issue. Their recommendations are contained in **HB 195** and will provide incentives to private landowners to keep their land open.

Mr. Dave Mott, Administrator of the Administration and Finance Division, then discussed personal services reductions in the department. FWP took the 5% in personal services reductions under the pay plan by removing 12 FTE department-wide amounting to about a \$1.6 million reduction in personal services, funded by 80% state special revenue and 20% federal dollars. Three adjustments in the budget tie to early retirements, which were taken advantage of by 8% of FWP's workforce, one of the largest percentages in state government. **EXHIBIT 3** Cost savings were effected via downgrading nine positions and through vacancy savings. He pointed out that the early retirement costs in the LFA narrative on p. C-8 did not include termination pay. The savings from reorganization and reclassification are projected to result in additional savings over the coming biennium. The department had the option to finance early retirements over a ten-year period but it was decided to do it in the base period. This was done in part by diverting money from the operations budgets in the Parks, Fisheries and Wildlife divisions. These reductions reduce the amounts carried forward into the 1996 base.

The equipment budget for the coming biennium was broken down by division and compared with the figures for the present biennium. **EXHIBIT 4** The net change in the equipment budget is actually a decrease.

Mr. Mott then rose in support of the LCA program. He pointed out that even though FTE have been added through this process they are not "career" positions. If FWP did not have LCA authority they would have had to apply for 85-90 budget amendments in the past year and some of the continuing projects would have not been eligible. Nearly 90% of the total LCA request for the coming biennium is in the Fisheries and Wildlife programs. **EXHIBITS 5 and 6** He did not consider LCA funding to be on an increase. Federal funds are decreasing.

Tape No. 2:B:000

Questions: **SEN. THOMAS KEATING** wanted to know how confident FWP was regarding the expected level of LCA funding from the federal government. **Mr. Mott** said this part of the budget had been quite stable in its fifteen years. A portion of the LCA funds in Fisheries are certain; in Wildlife, Mitigation Trust Account dollars are driving some of the projects and this funding is certain. Less money in this program is speculative than in Fisheries. The LCA request has been carved back by \$1.6 million in response to the committee's past concerns about growing budgets.

In response to **SEN. JENKINS**, **Mr. Mott** explained that dam construction in northwestern Montana resulted in the inundation of some riverbottom wildlife habitat and the Bonneville Power Administration (BPA) via the federal government provided the state with funds for mitigation over the 50-year estimated life of the dam. Interest earnings from this \$12.5 million Mitigation Trust account pay for projects in this area and in the long term the principle will become available as well. The Legislature has the option to switch this funding source from LCA to part of the regular FWP budget but this could lead to staff associated with the projects becoming part of FWP's base budget.

SEN. JENKINS suggested only including the more certain portion of LCA under that category and putting the rest of the request to the budget amendment process. **Mr. Graham** explained that in the past a larger portion of LCA had been speculative due in part to Montana Power's mitigation settlement regarding the relicensing of Kerr Dam projects. This funding did not materialize due to continued litigation. **Mr. Mott** agreed to provide figures on what was actually spend from LCA appropriated levels.

In response to **SEN. KEATING**, **Mr. Lloyd** explained the difference between the \$71 million budgeted for FWP in 1994-5 (not including capital outlay figures) provided in the LFA analysis and the \$77 million shown by FWP. **Mr. Lloyd** said his figures were actual 1994 plus what was appropriated for 1995 while **Mr. Mott's** figures were what was appropriated for both years. **Mr. Mott** pointed out the biggest adjustment to actual expenditures had to do with LCA, which is not included in the LFA figures.

Mr. Stan Meyer, FWP Commission Chairman, then spoke. Montana's sportspersons do not feel FWP should be subjected to downsizing. These people want a lot of services and are well aware that their

license dollars support these services. Three areas where this is evident are disabled sportsmen's needs, hunting access on private lands and water conflicts. **Tape No. 3:A:000**
Regarding the subject of the Tongue River Dam, two commission members resented some other authority telling FWP that \$1,100,000 of FWP's money should be spent on mitigating the habitat damage caused by Tongue River Dam, because FWP had nothing to do with it. The opposing argument states that this money will be matched by \$3 million from federal sources and FWP will have substantial input regarding how the monies are spent. The funding can be utilized for habitat enhancement in eastern Montana.

In response to **SEN. JENKINS**, **Mr. Meyer** stated the commission tried to represent landowners as well as sportspersons. He said that landowners do not show an interest in FWP reducing its staff either.

REP. WISEMAN wanted to know what **Mr. Meyer** predicted in the area of hunting access on Montana's private land. **Mr. Meyer** guessed that what is happening in Texas and other states will happen in Montana as well. 65% of Montana is in private ownership and 75% of the mule deer and antelope harvested are killed on private land. FWP's key challenge is to maintain some semblance of traditional public hunting, which doesn't necessarily have to mean free hunting. Not only does the department and the commission have to manage the wildlife, it has to manage the hunters as well, an "unpalatable" proposition.

SEN. JENKINS said one of his big complaints for the past ten years has been getting the department to visit with the landowners who have game on their property. He submitted that FWP could be getting better information if communications were improved and it would also result in more land being opened for hunting. He stressed the importance of person-to-person communication with landowners. He said he didn't want to see more and more land being locked up and rose in support of block management and not allowing landowners to conduct private hunts unless the public was allowed in during the public hunting season. He added that the commission does not appear to address landowner complaints in a timely way. **Mr. Meyer** said he didn't dispute these allegations and understood what **SEN. JENKINS** was expressing regarding the frustrations of landowners. He agreed that the ranchers needed something in return for allowing hunting on their land.

SEN. KEATING expressed concern regarding the funding. He wanted to know if **Mr. Meyer** felt the public was equating downsizing with downgrading. He disagreed with this view. **Commissioner Meyer** replied he thought it meant at this point cutting specific positions. Possibly other positions can cover the responsibilities left by these cuts.

Mr. Graham agreed with **SEN. KEATING** that the department could achieve efficiencies and still deliver quality of service but

FWP's efforts to convey this to the public may have been more successful in some parts of the state than others. He added the conservation specialists positions were aimed at this effort. In addition, **HB 195** will provide for possibly more than \$1 million in license fees directly to landowners.

In an effort to find out what the public was thinking, in the spring of 1994 **Mr. Graham** made a proposal to offer a 5% rollback in resident license fees over a five-year period. He pointed out that FWP could have just kept these monies and increased its budget. He was surprised to find that 90% of the response he got rejected the idea in preference to more services from FWP. The \$1 million surplus soon became a moot point with the arrival of the Tongue River Dam project, which needed this amount of funding from FWP. He agreed with **SEN. JENKINS** on the importance of communication with landowners being an integral part of the process. Although communication has been on the increase, more work remains.

SEN. JACOBSON said she had heard objections to the \$1 million being spent for the Tongue River project in lieu of a license fee rollback. **Mr. Graham** defended the expenditure in this area as appropriate. It was decided in Congress that this amount should be spent on wildlife enhancement and this was required in the conditions of the matching grant. **Tape No. 3:B:000**

SEN. KEATING wanted to know the degree to which federal funding was specifically earmarked for certain areas. **Mr. Graham** said this depended: all federal money has some constraints on it and there is no such thing as federal general fund. Typically the money is used only in one division. The degree to which the funding is discretionary is limited to the kind of work it is supposed to fund more than the specific project. There is a diversion provision in federal regulations as well, which restricts expenditures. In addition, the federal government will pull its funding if state license fee dollars are not used for hunting and fishing programs.

EXECUTIVE ACTION ON Department of State Lands
Forestry Division

Motion/vote: It was moved and seconded to reopen consideration of the Department of State Lands (DSL) budget. Motion **carried** unanimously.

Discussion: **Mr. Lloyd** explained that DSL's Forestry Division will now be able to use the \$100,000 in federal funds as a result of the committee's action on January 25.

Motion/vote: **REP. WISEMAN** moved and **REP. JOHNSON** seconded to **accept LFA option No. 2 on p. C-74.** The motion **carried** unanimously.

Motion: **REP. WISEMAN** moved to **close the section on DSL.**

Discussion: SEN. JENKINS brought up the subject of wording contingency language so agencies would not be precluded from going in for a budget amendment. Mr. Lloyd said agencies always had the option of requesting a budget amendment but in the case of DSL, most of the contingency contracted services which the department are asking for are state special revenue and in order to request a budget amendment in state special revenue the situation has to be an "emergency." He said another criteria considered in the budget amendment process was whether or not the funds had been under consideration by the Legislature. In the past HB 2 had contained language regarding the definition of "emergency" which was aimed at accomplishing what SEN. JENKINS wanted to do. However, this kind of language in an appropriation bill cannot override the budget amendment criteria which are set in law. There are other avenues by which an agency can get spending authority if the Legislature turns it down such as an appropriation transfer from the second year to the first year of the biennium or a provision in the budget amendment bill. Ms. Smith pointed out that in the case of a biennial appropriation this would not be an option.

Vote: SEN. JENKINS seconded REP. WISEMAN'S motion to close the section. Motion carried unanimously.

HEARING ON FWP Wildlife Division

Mr. Lloyd gave an overview of the division. Regarding Present Law (PL) Adjustment No. 11 (p. C-30), Mr. Lloyd pointed out that LCA was "0-based;" i.e., all LCA spent in 1994 was taken out of the base. PL No. 11 represents the total request for LCA in this division. Tape No. 4:A:000

REP. WISEMAN wanted to know what the base was for funding in the area of wildlife surveys.

Mr. Lloyd stated that the information in the last two sentences of the LFA issue regarding New Proposal No. 6 on p. C-33 was incorrect. The money that was not spent on the EIS work did revert and was not used for early retirements or any other purpose. However, other authority was used in FY 94 to fund the retirement of the person that terminated, which is the reason the EIS was not completed.

Mr. Don Childress, Administrator of the Wildlife Division, then reviewed the division's three main responsibilities: management, habitat protection and enhancement and research and technical services. The division prints and distributes over 500,000 copies of hunting season regulations annually. He related there were 2 million hunter-days and 3,500 trapper-days per year in the state. They have in the Upland Game Bird Program over 575 agreements with private landowners involving 8,900 acres of shelterbelts, 77,000 acres of cover, 10,000 acres of improved lots, 100,000 acres under grazing management practices, etc. There are 170 agreements in place under the Waterfowl Program.

Over 97 stock ponds have constructed in the grazing systems for the benefit of waterfowl. Pretitile acquisition of lands and conservation easements is done under the Capital Program. Currently there are 65 wildlife management areas in the state. These properties require management including weed control and fence construction and maintenance. Currently there are about 1,800 AUM's of lease and 4,500 acres of sharecropping tied to the wildlife management areas. About \$154,000 in taxes was assessed FWP for its land ownership in the past year.

Regarding research, the technical services aspects of this area include annual harvest surveys of all the species currently being managed. Over 110,000 hunters are contacted annually in this effort. He stressed the large amount of time the FWP Commission spends with the public at no charge.

He said that most people were opposed to FWP's being involved in the commercialization of wildlife, redundant research, management season options. In the area of endangered species there is concern that efforts being made in the state are not being duplicated at the federal level.

Regarding funding, the federal Pittman-Robertson (PR) Act is very specific as to how federal firearms and ammunition tax dollars are to be spent. No more than 8% of the tax revenue from this source can be used by the federal government to operate the program. PR dollars are collected by the federal government and allocated to the states on a formula basis which includes a base appropriation depending on the size of the state and the number of licensed hunters. PR dollars comprise about half of the division's funding. Earmarked license dollars make up about 17% of the program's funding. These dollars are for the Upland Game Bird program, bighorn sheep, moose auction funds and a duck stamp program.

Regarding early retirement, for every position that was an early retirement, six months' of vacancy savings was achieved. However, the rest of the employees have an extra burden put on them when this happens.

The Watchable Wildlife program used to be called the Nongame program when it was in this division and will regain that name coming back from the Conservation Education division. He said that putting more energy into threatened nongame species can keep them from becoming listed as endangered.

Approval of PL No. 9 would allow FWP to go from one to two graduate students per biennium.

Tape No. 4:B:000

Mr. Childress discussed the New Proposals on p. C-32. The Environmental Impact Statement (EIS) on black bears identified that the division needs to work on making sure the management criteria established relates specifically to Montana. It was also recommended that habitat criteria be established.

Mr. Childress agreed that the coyote has had a major impact on the reintroduction of black-footed ferrets. FWP has decided they need to be a leader in the responsibility for this project. FWP has spent a number of years working with local landowners and citizens in the Malta area in this effort. He read a letter from the citizens' steering committee stating the involvement of FWP (vs. the U.S. Fish and Wildlife Service) was in the best interest of the local landowners. The funding would be from the PR act. He pointed out the designation of the black-footed ferret to be listed as "experimental/nonessential" was due to FWP's involvement. This means there is an opportunity to work with private landowners to find solutions. Without FWP's involvement the ferrets would be listed as an endangered species.

The possibility of the federal government reducing the number of acres in the Conservation Resource Program (CRP) is still being considered in Congress. It has been reauthorized in a sense but the funding has not been developed. Some options being considered for these lands are easement options and hydrating CRP lands. FWP feels that it should consider managing CRP lands rather than simply setting them aside. Haying and grazing practices could help enhance these lands for wildlife purposes.

Survey and inventory of wildlife is very important to the FWP Commission and the sportspersons of the state. Due to early retirements FWP was forced to cut back its efforts in this area which resulted in having to make conservative estimates in those areas where they were unable to make all the surveys that were necessary. The funding also includes lab work.

He stressed the importance of continued funding for the Wildlife programmatic EIS to give the operation of the Wildlife program a legal standing.

The FTE proposed to be eliminated under PL No. 7 was one of those reclassified from a grade 15 to a grade 12.

Questions: **SEN. KEATING** wanted to have more information on upland game bird habitat enhancement. **Mr. Childress** explained that FWP works with landowners mainly in the eastern 2/3 of the state. Contracts specific to shelterbelt development, planting nesting cover and implementing grazing systems are negotiated. They have 575 such contracts with private landowners as well as contracts with 36 of the conservation districts. The program does not include predator control; that program is in the Director's office budget. If the proper habitat is developed, predators will take some of the birds but the number that will survive outweighs what would be accomplished with the cost of trying to do predator control. Additional funding has been provided for landowners entering the CRP program. In response to **SEN. JENKINS**, **Mr. Childress** said when the bill to set up the program was introduced it mentioned planting pheasants. This is still an opportunity and is first priority in terms of funding.

FWP pays a cost-share for every bird that is planted and about 11,000 have been paid for and planted under this program.

CHAIRMAN DEBRUYCKER wanted to know what the impact would be on FWP from the Yellowstone Park bison issue and from wolf reintroduction. **Mr. Graham** said the decision to reintroduce wolves is made by the federal government through the Endangered Species Program. This program's support of some of FWP's work on several species including black bear, black-footed ferrets and pallid sturgeon has been declining in the Rocky Mountain region. The allocation formula is based on the number of endangered species the state has. Many other places have more endangered species. The formula is not set up to take into consideration the size of the animal even though this affects the cost of management. FWP has the choice of redirecting state dollars to help support this work. FWP's first priority is to try to keep species off the endangered list. There are 55 more species on the "candidate list" in Montana. **Tape No. 5:A:000**

Regarding bison, this issue is more difficult. FWP is trying to leverage two federal agencies to work together and find a solution which would take more of the burden off the state.

CHAIRMAN DEBRUYCKER wanted to know what FWP's position was regarding Lonesome Lake. **Mr. Graham** said there was an Environmental Assessment out looking at the future management and future ownership of Lonesome Lake. FWP did not take a position on the ownership of that property. They identified the important issues in the management of that land. **SEN. JENKINS** requested a copy of their comments.

In response to **SEN. JENKINS**, **Mr. Graham** said FWP's sheep habitat proposal did not include the leasing or acquisition of any land.

Regarding PR funds, **Mr. Graham** pointed out that whatever FWP does not spend must be reverted to the federal government and used in another eligible state. Funding for most of the federal programs in the New Proposals is a 25/75 state/federal match. **SEN. JENKINS** asked for a summary of actual expenditures in the sheep and moose programs since their inception.

ADJOURNMENT

Adjournment: 11:50 a.m.



ROGER DEBRUYCKER, Chairman



DEBBIE ROSTOCKI, Secretary

RD/dr

The meeting was recorded on five 60-minute audiocassette tapes.

1/26/95

Senator Jacobson:

Please vote me with you.

I will be absent for a short
while early in the session.

Rep. John Johnson
HD-2.

NAT. RES. Subcom

EXHIBIT 1
DATE 1/26
HB _____



STATE OF MONTANA
MARC RACICOT, GOVERNOR
FISH, WILDLIFE & PARKS COMMISSION

Stan Meyer, Chairman, Great Falls
James D. Rector, Vice-Chairman, Glasgow

Elaine K. Allestad, Big Timber
David W. Simpson, Hardin

Charles R. Decker, Libby
Patrick J. Graham, Director

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FAX: 406-444-4952
Ref: CL123.94
October 18, 1994

Dave Lewis, Director
Office of Budget and Program Planning
Room 237, State Capitol
Helena, MT 59620-0802

Dear Mr. Lewis:

SUBJECT: Fish, Wildlife & Parks Budget

The Fish, Wildlife & Parks (FWP) Commission appreciates the opportunity we have had to be involved in the FWP Department budget beginning about March, 1994. I understand the proposed budget has already been submitted to your office to meet certain deadlines. It was presented to the Commission for review in Billings September 9, and we gave final approval at our meeting in Great Falls on October 14.

I am writing to express some of the Commission's concerns or objections regarding the budget. These concerns were formally adopted in the form of a resolution (attached) and are as follows:

1. Five Percent Rollback in Personnel Services and Consequent Reduction of 11 FTEs: This is our primary issue. We cannot support the rollback or staff reduction. I understand the basis is to provide money for a pay increase. FWP is unique in not being a general fund agency. Furthermore, I understand the Department has the money to fund a salary increase (general license fund balance chart attached). Sports persons supported the fee increases which provide adequate funding to reinstate the 11 FTEs. Sports persons are demanding more and more services from the Department; given the choice, sports persons would rather pay more to maintain or hire staff rather than endure the consequences of a staff reduction. They want their money spent, not invested. In 1980, FWP had 520 FTEs. Under the proposed budget they would have only 545, a mere five percent increase in 16 years. Arguably, they could use many more employees, given their added responsibilities.


Dave Lewis - CL123.94
October 18, 1994
Page 2

2. Deletion of Water Safety Positions: As an example, the proposed deletion of two Water Safety positions (four half-time FTEs) is included in the reductions described above. The Director felt that rather than piecemeal reduction, the Department would have to eliminate specific responsibilities. We agree. However, given the conflicts over water usage, the Department is being asked by the public to increase management. The public's demand for service from our staff (since no other agency will accept responsibility) suggests the Legislature needs to address a growing need for staffing and not a reduction.

3. Funding (\$1.1 Million) for Tongue River Dam: The Commission believes it is essential that both the Department and Commission have substantial input as to how these funds are spent. We request the Long Range Capital bill be written to reflect this intent.

I would be pleased to discuss this with you at your convenience. My telephone number is 453-1044.

Sincerely,



Stan Meyer
Commission Chairman

Attachments

c: Pat Graham

FISH, WILDLIFE AND PARKS COMMISSION RESOLUTION
TO OFFICE OF BUDGET AND PROGRAM PLANNING

RE: Opposing the staff reductions and payment to Tongue River Dam, incorporated in the Department's FY 96-97 Budget

WHEREAS, the Department of Fish, Wildlife and Parks is not a general fund agency and is funded by users; and

WHEREAS, hunters and anglers have overwhelmingly voiced their opposition to a proposed 5% rollback in hunting and fishing license fees; and

WHEREAS, FWP has sufficient revenue to fund personnel services, including the pay plan proposed by the Governor, and under current projections is financially sound through 1999; and

WHEREAS, FWP has reduced administration and increased on-the-ground activities, including reducing high-level administrative positions in Helena and reorganizing other positions to create better service in the field; and

WHEREAS, sportsmen and -women have supported fee increases which provide adequate funding for FWP; and

WHEREAS, the Commission believes that sportsmen and -women would rather pay to retain staff than endure the consequences of a staff reduction; and

WHEREAS, FWP has increased its full-time equivalents only 5% in 16 years (520 FTEs in 1980 and 545 in the proposed budget); and

WHEREAS, FWP has assumed responsibilities for many new programs such as Block Management, game farm regulation, state lands access and river restoration; and

WHEREAS, FWP funds positions or programs in the Department of Natural Resources and Conservation, Department of Livestock, Historic Preservation and the Heritage Program offsetting the need for general fund expenditures in excess of \$200,000 per year; and

WHEREAS, the public's demand for service from FWP staff is increasing, with one example being the demand for managing conflicts among competing users of water-based recreation; and

WHEREAS, FWP is proposing to spend \$1,150,000 to bring State Park recreational facilities up to standards at Tongue River Dam; and

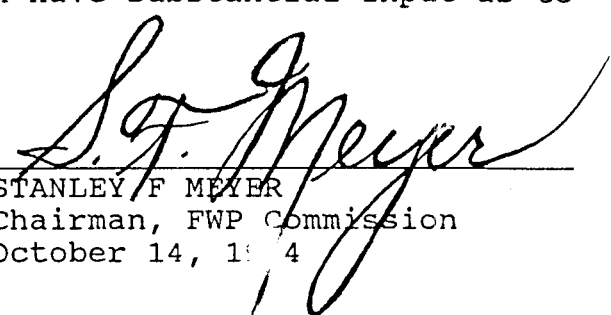
WHEREAS, Congress has directed that the state spend an additional \$1.1 million to enhance fish and wildlife at Tongue River Dam;

NOW, THEREFORE, BE IT RESOLVED BY THE MONTANA FISH, WILDLIFE AND PARKS COMMISSION:

That the Commission in approving FWP's 96-97 biennial budget:

1) Does not support a reduction of approximately 11 FTEs beginning in July of 1995.

2) Does not support the expenditure of 1.1 million license fee dollars for the purpose of fish and wildlife enhancement projects associated with the renovation of the Tongue River Dam unless the Department and Commission have substantial input as to how those funds are spent.


STANLEY F MEYER
Chairman, FWP Commission
October 14, 1994

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1/26

OPINION

Miles City Star

EXHIBIT
The Department of Fish, Wildlife and Parks seems to be headed in the right direction with its plan plan to reduce administration and increase in-the-field specialists.

The plan would consolidate Regions 6 (Glasgow) and 7 (Miles City), along with several other changes in the western part of the state.

We're glad to see the administrative savings in our region will be applied to field specialists. The sheer size of the proposed region will require additional workers.

And we're still a bit troubled by the size of this eastern region as it compares to western regions. But we're willing to see how the plan develops.

The Miles City Star

A Yellowstone Newspaper

Letters policy

Publisher
John Watson
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The Star welcomes letters to the editor from its readers expressing opinions on any issue of public interest. Letters should be signed and include an address, be kept short and be legible. The Star reserves the right to edit letters for length, taste and possible libel.

- Pat Graham

- Al Elsen

8/30

FWP downgrades Glasgow, Helena offices

Garrett 9/26/93

By MARK HENCKEL
Gazette Outdoor Editor

Regional offices in Glasgow and Helena will be downgraded to area offices under proposed changes announced Wednesday by the Department of Fish, Wildlife and Parks.

Regions Six and Seven, headquartered in Glasgow and Miles City, will be combined to form one administrative region. Region Eight, headquartered in Helena, will be handled by Regions Three and Four, headquartered in Bozeman and Great Falls.

FWP Director Pat Graham announced the changes to the regional FWP staff at Glasgow and at a public meeting in Glasgow Wednesday night. A second public meeting is set for 9:30 a.m. Thursday at the FWP regional headquarters in Miles City.

During a telephone interview Wednesday afternoon, he said, "An area office will be something new. I'm leaving the specifics up to the regional supervisors to work through, both for the Region Eight restructuring and the Eastern District restructuring."

"We'll have the same number of people in Eastern Montana," he added. "But how they allocate them is up to the supervisors. We did give them the outside sideboards for the Eastern District."

Under those so-called sideboards, the Eastern District would have one regional supervisor (currently there is authorization for two), one warden captain (currently two), one wildlife manager (currently two), one fish manager (currently two), one parks manager (currently one) and one or two information officers (currently two).

"The new Eastern District will be headquartered and the regional supervisor will be in Miles City," Graham said. "It will be up to the supervisor as to how he staffs the Glasgow office."

He added that retirements and early retirements could solve some of the staffing changes before the plan is fully implemented by Jan. 1, 1995. The supervisor position in Glasgow is currently vacant as are the information officer and warden captain positions in Miles City.

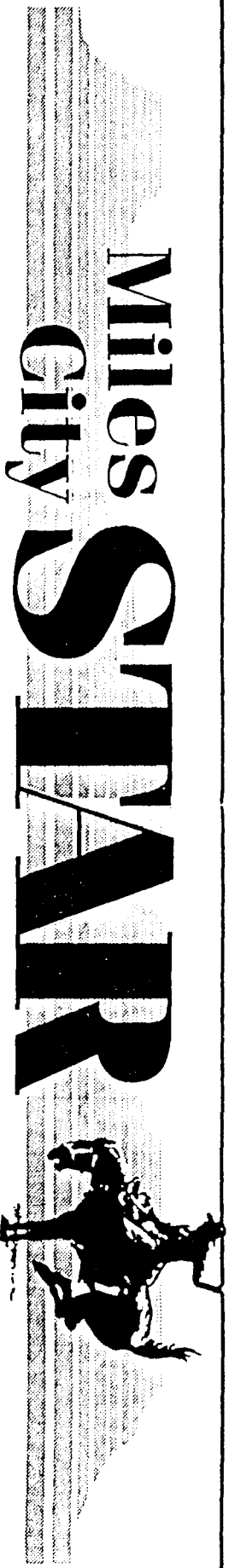
While a Helena area office was mandated to replace Region Eight (whose short life was started less than four years ago by Graham's predecessor, K.L. Cool), no exact manpower stipulations were made.

Other parts of the proposal addressed the earlier elimination of two special assistants to the FWP director in Helena, the creation of a

conservation specialist position to assist field personnel and changing some regional boundaries.

One of the boundary changes would move management of the eastern face of the Crazy Mountains and the Boulder River drainage to Region Three (Bozeman). Another would add eastern Big Horn County, including Tongue River Reservoir, and the Cheyenne Indian Reservation to Region Five (Billings). A third would move Hill and Blaine counties, the north half of Chouteau County and the Fort Belknap and Rocky Boy Reservations to Region Four (Great Falls).

Public comments on the proposed changes will be accepted until Sept. 17. They should be mailed to the Director's Office, Department of Fish, Wildlife and Parks, 1420 E. Sixth Ave., Helena, Mont. 59620.



Tuesday, August 24, 1993 Miles City, Montana 59701

FWP consolidation meetings set

From Staff and Wire Reports

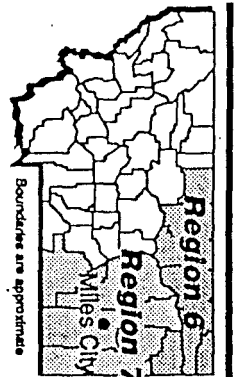
State Fish, Wildlife and Parks Director Pat Graham announced Monday he will hold public meetings in Glasgow and Miles City this week to discuss proposed administrative changes in the agency.

The Miles City meeting will start at 9:30 a.m. Thursday in the meeting room of the new Fish, Wildlife and Parks Region 7 Headquarters west of Miles City. That will follow a meeting in Glasgow at 7:30 p.m. Wednesday at the Cottonwood Inn.

The FWP has been studying whether to consolidate regions 6 and 7, which would put one-third

of Montana under one regional headquarters, presumably in Miles City, while maintaining an office in Glasgow, Region 6's current headquarters.

F W P officials last year, while admitting the geographical area would be huge, said the workload and the number of users in eastern Montana, com-



pared to those in western Montana, may justify consolidation. Graham to announce," he said, adding that he has not seen a copy of the final proposal.

The Montana Fish and Game Commission, a governor-appointed citizen board that sets policy for the department, has no role in the decision, Hyypa said. He added that Graham is "characterizing this as proposed administrative changes," but I have not seen a process as to how this will go forward."

The changes focus on reducing administration and improving service to Montana hunters, anglers and recreationists, said an FWP press release.

Graham also will meet with regional staff in Glasgow and Miles City, as well as Great Falls, Helena and Billings, to discuss the proposed changes.



Thursday, August 26, 1993

Miles City, Montana

FWP director explains changes for Miles City

Administration would be located here; Glasgow retains area office

By JOHN HALBERT
Star Staff Writer

Miles City will be the headquarters of an administrative region covering eastern Montana for the Fish, Wildlife and Parks Department, while the FWP's Glasgow facility will be an area office.

That's one segment of an administrative reshuffling that will reduce the number of FWP regions from eight to six and rework regional borders that have stood since the 1930s.

FWP Director Patrick Graham was in Miles City Thursday morning to outline the plan, first to employees, then to a sparse public audience.

Graham said the public wants government's administrative process streamlined, even if the workload demanded of government is not diminished.

The goal of the plan, he said, is not to reduce the size of the department as much as to take effort out of administration and put it out into the field. And much of the detail for that is being left up to local FWP offices.

"There won't be a lot of specifics because we're leaving the specifics to the regions," Graham said.

"Until we see the implementation plan, we don't know what the actual savings will be. But we are not talking about reducing resources from eastern Montana to western Montana."

Border change plans and workload distribution among the regions is to be worked out by early November. The entire plan is to be implemented by early January 1995.

Graham said Don Hyypya, Miles City's regional supervisor, Thursday committed himself to involving not only FWP employees in the regions but the public as well in the process of working out how to distribute workload within the eastern Montana region and what job will be assigned where.

"We want those decisions made by the people who are closer to the local resources," Graham said.

He said the information-education workload is not really administrative. "I agree it's logical to keep two information officers in eastern Montana."

He noted also that FWP programs on Fort Peck Reservoir will be managed from one office instead of two.

The savings of full-time equivalent employees from administration will be applied to "conservation specialists," Graham said. The term is something of a misnomer, because "conservation generalist" would be more accurate, he added.

Such people would not be tied to any one division within the department but might work in fisheries in one season, wildlife in another and enforcement supervision in another.

Conservation specialists will do jobs now filled by temporary help or by specialists pulled out of their fields to help out with someone else's project. They will work full time and stay where they can become familiar with a region's people and resources.

Because the regional supervisors will allocate the workload of conservation specialists, more decision-making and power will stay closer to the local area, Graham said.

By keeping resources, personnel and decision-making at the regional level, he said, eastern Montana interests should be protected.

"We are not doing this proposal lightly," Graham said. "We're committing to not short-shifting anybody."

Future statewide allocation of resources will be made by a management team made up of the director's office, the division administrators and the regional supervisors. But eastern Montanans should not fear losing a regional supervisor from that group.

"We don't do things by votes. We try to do things on their merits. You could argue that a larger region with more resources has more weight than two small regions with few staff members," Graham said.

"From our perspective, I don't see the balance shifting from what it was to what it will be. We are trying to strengthen our commitment to the field."



GRAHAM: More emphasis on field work

Western regions would be shuffled around, too

GREAT FALLS (AP) — The Department of Fish, Wildlife and Parks' administrative realignment goes beyond eastern Montana. The regional office in Helena will be downgraded to an area office, and the number of administrative jobs at the state headquarters has been cut, under a plan unveiled Wednesday by the agency's director.

"My biggest consideration is public service and how the public will best be served," said Pat Graham.

Under the proposal, the agency's Great Falls region would gain more territory and responsibilities.

Graham's proposal seeks to split the Helena region administratively between Bozeman and Great Falls, and the Havre area probably would be absorbed into the Great Falls region.

The Bozeman and Great Falls regional supervisors will work out between them who will take over high-use territories now controlled from Helena, such as Canyon Ferry, he said.

"The current mood is to see reductions in state government, and this plan does it with some balance," Graham said. "It spreads the reductions around pretty well."

"The primary reason is not to cut the budget, because the workload is there and it's continuing to increase, not decrease," he said.

Of the agency's \$45 million annual budget, only \$300,000 comes from the state's general fund, Graham said. The bulk of the money comes from the sale of licenses, user fees and taxes on sporting equipment.

Even so, he said, the department's wildlife division budget has been cut 20 percent in the past year.

The area offices still would contain some parks, fish and wildlife specialists and possibly some mid-level administrators but would not have regional supervisors.

The biggest round of job cuts would take place in the agency's central administrative offices in Helena, Graham said, where about \$340,000 of the anticipated \$418,000 in total salary savings would come from during a two-year budget period.

Six full-time jobs would be affected, but many of the targeted positions already are vacant, he said.

ALL PAT
D 8/27

Glasgow man argues FWP shakeup is a hatchet job

MARK DOWNEY
Tribune Staff Writer

GLASGOW — The vice-chairman of Montana's Fish, Wildlife and Parks Commission is arguing publicly that a plan to trim the regional FWP office in Glasgow will be more costly than beneficial.

"Is this merely change for the sake of change?" asked James Rector, the commissioner's vice-chairman, who is from Glasgow, in a letter to the editor of the Tribune. His criticism is leveled against a reorganization proposal announced last week by FWP Director Pat Graham.

The proposal would:
• Reduce the regional offices in Glasgow and Helena to area offices,

FWP reorganization

■ **What:** Proposed restructuring affecting several central and eastern Montana offices of the Department of Fish, Wildlife and Parks.

■ **To comment:** Send comments to: Director's Office
Montana Department of Fish, Wildlife and Parks
1420 E. 6th Ave., Helena, MT 59620.

cutting administration.

• Merge the Glasgow and Miles City offices, with Miles City remaining a regional office.

• Split responsibility for the Helena region between the Great Falls and Bozeman FWP offices.

• Make Great Falls' Region 4 office responsible for the Havre area.

• Save \$418,000 in salaries over two years, mostly from the Helena office.

• Affect six full-time positions, most of which are already vacant.

As FWP director, the decision on the plan will be made by Graham, not the Fish, Wildlife and Parks Commission.

Rector is arguing that the plan is more costly than beneficial.

"There is no benefit to be derived from the proposal to the sportsmen, landowners, wildlife or fisheries of eastern Montana or Region 6 (around Glasgow)," he said in his letter.

"The problem with FWP and Region 6 is that we have been suffering from a lack of effective management and supervision," he said. "Firing the boss will simply aggravate the situation and removing the supervisor by 200 miles certainly will not increase the efficiency, services or benefits to the people of eastern Montana."

Graham disagreed Tuesday. "If we were decreasing the num-

ber of employees, it might" reduce service to eastern Montanans, he said. "But it's not going to go down at all."

After attending hearings in eastern Montana, Graham said "there's a perception that there won't be accountability in that (Glasgow) office. And that won't be the case."

"Some individual in that office will be accountable," he added.

But Rector charged that the proposed boundary changes could create one "super region" comprising 40 percent of the state.

"Certainly that can't be effective management," he said. "In fact, I doubt whether we can effectively supervise the resource, much less manage the same."

9-1-93

EXHIBIT 2
DATE 1-26-95

SUMMARY OF EARLY RETIREMENT

DEPARTMENT OF FISH, WILDLIFE AND PARKS

STATISTICS

- * 80 eligible employees
- * 30 employees chose early retirement
- * Average cost - \$23,750 (Includes termination pay and up to 3 years of purchased retirement time).

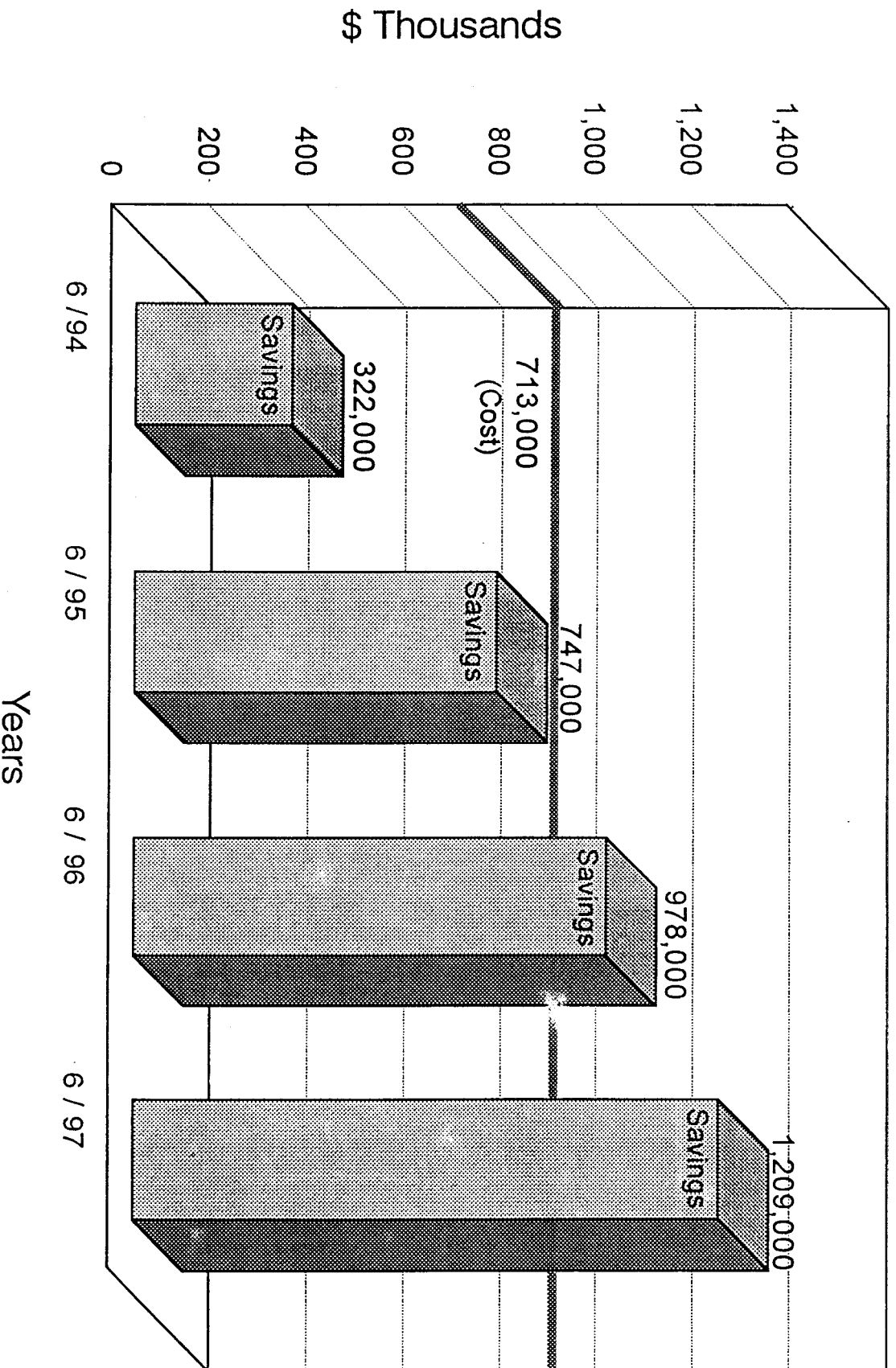
COST EFFICIENCIES AND SAVINGS

- * Department Management Division - Downgraded a deputy director (grade 21) to a grade 17 position.
- * Conservation Education Division - Eliminated two information officers (grade 16) and created 2 conservation specialists (grade 12). Conservation specialists are field positions to assist the public, landowners, wardens and biologists.
- * Wildlife Division - Reorganized the Wildlife Research Unit with one downgrade and downgraded a second field position.
- * Administration and Finance Division - Reorganized the department's print shop and downgraded two positions.
- * Parks Division - Downgraded a bureau chief position.
- * Remaining positions replaced at a reduced hourly rate.

ESTIMATED COSTS AND SAVINGS BY FISCAL YEAR

	COSTS	SAVINGS
FY94	\$712,987	\$ 321,776
FY95		\$ 425,004
FY96		\$ 231,062
FY97		\$ 231,062
TOTAL	\$712,987	\$1,208,236

Projected Savings Due To Early Retirements Department of Fish, Wildlife & Parks



- Costs include termination pay and up to 3 years for employer paid retirement time.
- Savings include down-graded positions, pay differential of new employees and vacancy savings in FY 94/95.

EARLY RETIREMENT IMPACTS ON 96-97 BUDGET

TOTAL EARLY RETIREMENT COSTS	\$712,987
AMOUNT PAID FROM FY94 BUDGET	(\$712,987)

AMOUNT PAID FROM OPERATIONS BUDGET

DIVISION	AMOUNT RESTORED
PARKS	\$27,642
FISHERIES	\$45,028
WILDLIFE	\$96,538
TOTAL	\$169,208

Montana Fish, Wildlife & Parks
 Equipment Request
 1997 Biennium

1997 Biennium	Admin & Fin	Field Svcs	Fisheries	Enforcement	Wildlife	Parks	Con Ed	Dept Mgmt
Replacement	1,641,509	5,500	276,397	158,500	176,540	335,850	35,500	56,810
New	174,214	10,250	161,477	134,800	10,850	224,847	10,500	25,000
1997 Biennium TOTAL	1,815,723	15,750	437,874	293,300	187,390	560,697	46,000	81,810
1995 Biennium TOTAL	1,683,969	119,844	437,895	260,895	250,295	568,697	46,323	83,008
Increase(Decrease)	131,754	(104,094)	(21)	32,405	(62,905)	(8,000)	(323)	(1,198)

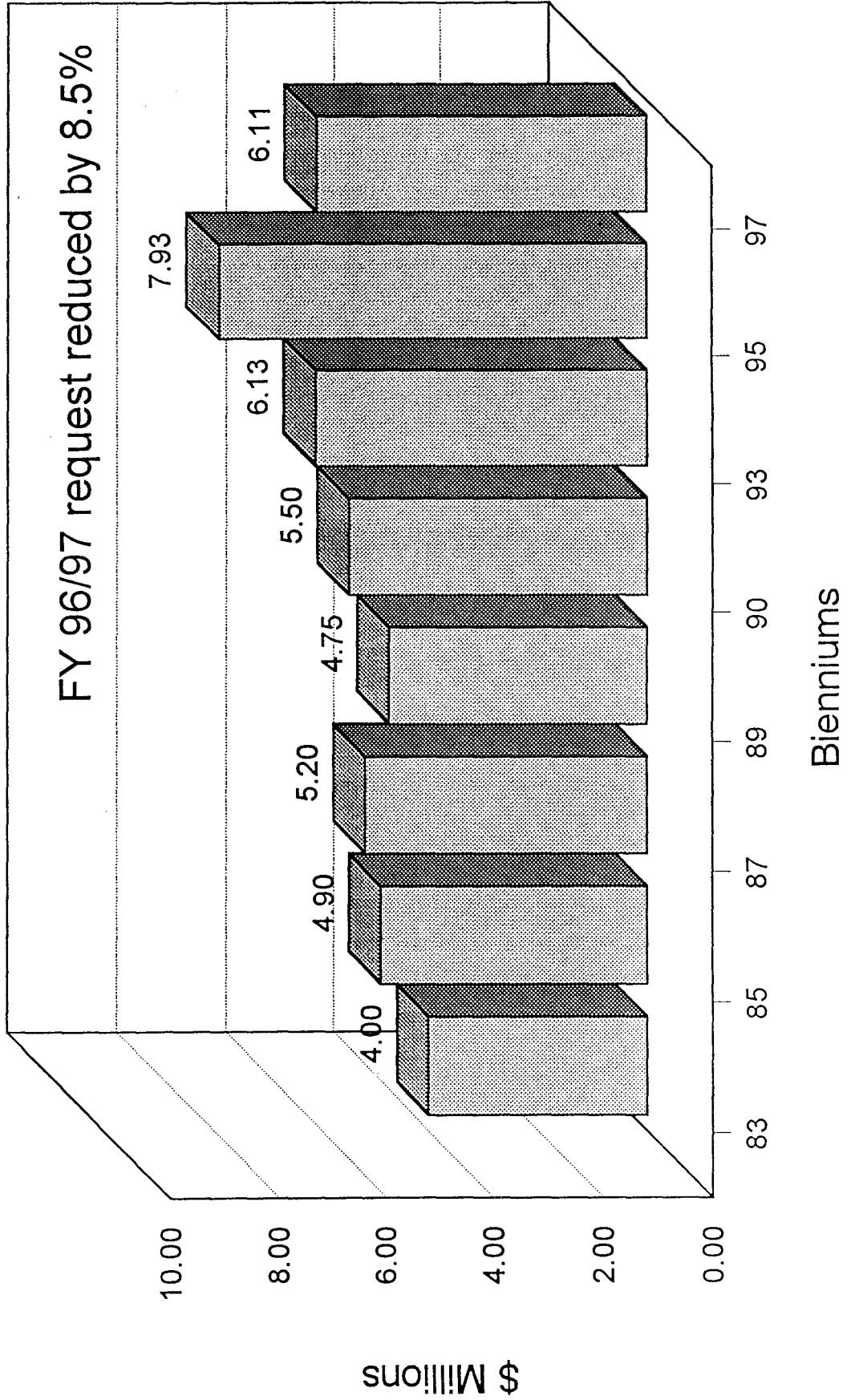
NOTE: FWP FY96/97 Equipment Request is \$12,382 less than the amount authorized for current biennium.

EXHIBIT 4
 DATE 1/26
 HB _____

NAT. RES. SUBCOM.

Legislative Contract Authority and Budget Amendments

1983-97 Bienniums



Department of Fish, Wildlife & Parks
 FY96/97 Budget Request
 LCA by Program by Fund Type

FY96	Admin/Finance	Field Services	Fisheries	Enforcement	Wildlife	Parks	Con Ed	Dept Mgmt	TOTAL
Amount Requested	60,000	0	1,667,000	80,000	968,000	50,000	37,500	125,000	2,987,500

FUNDING

State Special (Private)	0	0	273,500	80,000	144,000	44,000	25,000	0	566,500
Federal Special	60,000	0	1,393,500	0	824,000	6,000	12,500	125,000	2,421,000
Total	60,000	0	1,667,000	80,000	968,000	50,000	37,500	125,000	2,987,500

FY97	Admin/Finance	Field Services	Fisheries	Enforcement	Wildlife	Parks	Con Ed	Dept Mgmt	TOTAL
Amount Requested	60,000	0	1,843,400	80,000	928,000	50,000	37,500	125,000	3,123,900

FUNDING

State Special (Private)	0	0	210,900	80,000	139,000	44,000	25,000	0	498,900
Federal Special	60,000	0	1,632,500	0	789,000	6,000	12,500	125,000	2,625,000
Total	60,000	0	1,843,400	80,000	928,000	50,000	37,500	125,000	3,123,900

EXHIBIT _____
 DATE 1/26
 MR _____

HOUSE OF REPRESENTATIVES
VISITOR REGISTER

NAT RES. SUB COMMITTEE

BILL NO. FWP
hear.

DATE 1/26/95 SPONSOR(S) _____

PLEASE PRINT

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
Don Childress	FWP		
Karl Martinica	FWP		
Dave Hart	FWP		
Ron Aastheim	FWP		
Beate Galda	FWP		
Bill Hancock	FWP		
Stan Meyer	FWP		
Mike Aberhold	FWP COMMISSIONER REGIONAL SUPER- VISOR (GT. FALLS)		
Beate Galda	FWP		
Pat Graham	FWP		

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.