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SENATE FISH AND GAME
EXHIBIT NO. 3
DATE 3/31/05
BILL # HB 423

House Bill 423
March 31, 2005
Presented by Jeff Hagener
Senate Fish and Game Committee

Mr. Chairman and committee members, for the record I am Jeff Hagener, Director of Montana Department of Fish, Wildlife & Parks (FWP).

HB 423 is a bill appropriating \$500,000 of state parks funding to non-profit organizations in Malta to buy land, construct a facility for dinosaur research and display. The funding for this appropriation comes ostensibly from the optional fee paid on vehicle registration by those who use state parks. People who pay those optional fees are doing so thinking those funds are going to support the state parks system. The funding creating the optional fee on license plates is specifically dedicated by statute for use on state parks with a small percentage going to fishing access sites and Virginia City. Directing these funds to a non-state park facility appears to conflict with existing statute.

In addition to contravening existing statute, HB 423 will have significant, adverse effects on Montana's State Parks.

The 2003 Legislature removed all general funds from the state parks budget and removed authority for FWP to charge residents day use fees to enter parks. These actions resulted in a decrease in state park funding of \$750,000 per year.

To offset this reduction, the 2003 Legislature passed SB 336, which created an optional \$4 vehicle license surcharge, as an alternative funding source for State Parks. SB 336 was a direct result of the deliberations of the State Park Futures Committee, which included Senators Keenan, Brueggeman and Elliott and Representatives Kaufman and Kasten. The committee recommended the optional vehicle license surcharge to fund state parks after finding over \$30 million in back-logged maintenance needs within the parks' program.

Revenue generated and available today from the vehicle license surcharge is about \$2.6 million. While that may seem like a lot of money, and like a potential source for funding a dinosaur museum in Malta, \$750,000 of this money is needed each year to offset lost day-use fees and general fund revenue as a result of legislative action last session. An additional \$200,000 per year is transferred to Virginia City. The balance of the funding is needed to sustain the current parks operating budget through the remainder of FY 05 as well as the anticipated operations, maintenance and capital improvement budgets in HB 2 and HB 5 for FY 06 and 07. The only anticipated cash balances in the account at the close of next biennium are those necessary to meet minimum cash balance requirements.

These funds are being used for essential state park operations and maintenance: weed spraying, road grading, toilet cleaning and other basic needs. Funding requests within HB 5 are for maintenance projects such as building stabilization at Bannack; irrigation system repairs at Giant Springs and Frenchtown Pond; preserving the pictographs at Pictograph Cave and rewiring

Lewis and Clark Caverns and other major maintenance needs. Appropriating \$500,000 from this account to the Malta museum will have a direct impact on maintenance at existing state parks.

There is a certain irony in the proposal to use state parks funding for the Malta Museum. When the Northeast Montana State Parks Search Committee was looking for potential park sites in FWP Region 6 (northeast quarter of the state), people in Malta were asked about adding this museum to the parks system. They categorically stated they did not want any affiliation with the state for this facility. Now it appears they want state parks money, but without any accountability. HB 423 directs FWP to deliver the money to non-profit organizations, but it establishes no guidelines or accountability on how the money is to be spent. FWP questions the use of any state money in this way.

It is also ironic that while statewide about 70% of Montanans opted to pay the \$4 surcharge, nearly 70% of the residents of Phillips County including Malta opted not to pay. It is also important to note that there has only been one license year and less than one fiscal year of this method of funding. Therefore, it is difficult to truly project the long-term revenue stream.

You have heard that Montana is in danger of losing these dinosaur specimens. This might be true if these are privately owned specimens. However, if the dinosaurs proposed for the Malta Museum are privately owned, it is doubtful a new facility will prevent a private owner from selling a dinosaur for large dollar amounts to an out-of-state museum. If the dinosaurs were retrieved from public land, then there should be no danger of the specimens leaving the area so long as the proper permits were in hand.

You have also heard that there is no other facility that can display these specimens. However, the Ft. Peck Interpretive Center and Museum, dedicated in part to dinosaurs, was recently completed using state and federal funds. This center is just 60 miles from the proposed Malta facility, and as we understand it, it has the capability to handle more dinosaurs. Additionally there are other state facilities such as the Museum of the Rockies capable of handling, caring for and displaying dinosaurs.

FWP asks that you resist HB 423 and allow state parks funding to stay within state parks to continue to help provide for the maintenance and operation of state parks.