

MINUTES

**MONTANA HOUSE OF REPRESENTATIVES
56th LEGISLATURE - REGULAR SESSION**

JOINT APPROPRIATIONS SUBCOMMITTEE ON LONG-RANGE PLANNING

Call to Order: By **CHAIRMAN ERNEST BERGSAGEL**, on January 22, 1999
at 8:00 A.M., in Room 317 Capitol.

ROLL CALL

Members Present:

Rep. Ernest Bergsagel, Chairman (R)
Sen. Tom A. Beck, Vice Chairman (R)
Sen. J.D. Lynch (D)
Rep. Matt McCann (D)
Sen. Chuck Swysgood (R)
Rep. Tom Zook (R)

Members Excused: None.

Members Absent: None.

Staff Present: Cassandra Drynan, Committee Secretary
Jane Hamman, OBPP
Pam Joehler, Legislative Branch

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

Committee Business Summary:

Hearing(s) & Date(s) Posted:

Executive Action: **HOUSE BILL 6 & 8** - RENEWABLE
RESOURCE GRANT & LOAN
APPLICATIONS;
HOUSE BILL 11 -TREASURE STATE
ENDOWMENT PROGRAM APPLICATIONS

EXECUTIVE ACTION ON HB 6 & 8 & 11

Ms. Pam Joehler, Legal Fiscal Division, handed out
EXHIBIT(j1h17a01), **EXHIBIT**(j1h17a02) & **EXHIBIT**(j1h17a03) for
executive action and pointed out a misprint in **EXHIBIT 1**, project
#8, **HB 8** loan amount is \$409,700 not \$401,100.

{Tape : 1; Side : A; Approx. Time Counter : 0 - 3.5}

CHAIRMAN BERGSAGEL asked if anyone had intentions of re-ranking projects.

SEN. LYNCH stated that he would like to make an exemption for the **Town of Boulder, TSEP project #21**, that they would not have to meet the target rate before receiving a grant.

{Tape : 1; Side : A; Approx. Time Counter : 3.5 - 4.8}

Mr. Jim Edgcomb, Manager of the TSEP program, reviewed the **Town of Boulder's** situation and stated that they were not as bad off as they may have seemed. **EXHIBIT(jlh17a04)**

{Tape : 1; Side : A; Approx. Time Counter : 4.8 - 7.2}

Motion: **SEN. LYNCH** moved that the **TOWN OF BOULDER, TSEP PROJECT #12, RECEIVE THE FULL AMOUNT OF THE ORIGINAL GRANT, HB 11.**

{Tape : 1; Side : A; Approx. Time Counter : 7.2 - 8}

CHAIRMAN BERGSAGEL stated that executive action would be taken on **HB 6, HB 8 & HB 11** all at the same time.

{Tape : 1; Side : A; Approx. Time Counter : 8 - 8.7}

Discussion: Concerning the **Town of Boulder's** grant. **REP. MCCANN** pointed out that if \$117,000 was taken from the Boulder grant, it would probably not help any of the other projects because most of the grants were around \$500,000. Discussion continued.

{Tape : 1; Side : A; Approx. Time Counter : 8.7 - 11.4}

SEN. BECK asked if the grant had already been reduced. It was concurred that it had not, and that the motion/vote that was made January 15th was only a policy decision and that a specific motion would have to be made to apply the policy to the **Town of Boulder** project. **SEN. LYNCH** withdrew his motion.

{Tape : 1; Side : A; Approx. Time Counter : 11.4 - 12}

CHAIRMAN BERGSAGEL went down the TSEP projects in **EXHIBIT 2.**

{Tape : 1; Side : A; Approx. Time Counter : 12 -1:B:1.2}

SEN. BECK asked whether or not the projects would be completed if they received the TSEP grant but not the RRGL grant.

Mr. John Tubbs, Department of Natural Resources, responded that a loan could be taken out in place of an RRGL grant as the grants were at most \$100,000 and would not have a large impact on the project. Discussion followed.

{Tape : 1; Side : A; Approx. Time Counter : 14.5 - 16.6}

SEN. BECK pointed out projects that were below the RRGL funding level even if **HB 49** passed; project 42 and below, see **EXHIBIT 1**. Discussion followed.

{Tape : 1; Side : A; Approx. Time Counter : 17 - 21}

Discussion: Concerning the **Town of Boulder's** project.

{Tape : 1; Side : A; Approx. Time Counter : 21 - 23}

Mr. Edgcomb stated that more money had come into the TSEP program and that they were recommending the **South Hills Water and Sewer District** be fully funded and that the contingent funding line be moved to include the **Town of Chester**. Discussion followed.

{Tape : 1; Side : A; Approx. Time Counter : 23 - 27.9}

Motion: **SEN. LYNCH** moved that **GRANT MONEYS NOT ALLOCATED TO A PROJECT ABOVE THE CURRENT FUNDING LINE, WOULD BE ALLOTTED TO THE FIRST PROJECT ON THE LIST, NOT CURRENTLY FUNDED, ONLY IF THAT PROJECT COULD BE FULLY FUNDED WITH THE MONEYS AVAILABLE, HB 11**. Discussion followed.

{Tape : 1; Side : A; Approx. Time Counter : 27.9 - 30}

Discussion: Concerning emergency funds.

{Tape : 1; Side : A; Approx. Time Counter : 30 - 32.2}

Motion/Vote: **SEN. BECK** moved **THAT THE CURRENT FUNDING LINE BE MOVED BELOW THE SOUTH HILLS WATER & SEWER DISTRICT, TSEP PROJECT #22, under HB 11. Motion carried unanimously.**

Motion/Vote: **REP. ZOOK** moved **THAT THE CONTINGENT FUNDING LINE BE MOVED BELOW THE TOWN OF CHESTER, TSEP PROJECT #25, under HB 11. Motion carried unanimously.**

Motion/Vote: **SEN. LYNCH** moved **THAT FUNDING FOR THE RAE WATER & SEWER DISTRICT, TSEP PROJECT #8, BE REDUCED FROM \$500,000 TO \$485,850, HB 11. Motion carried unanimously.**

{Tape : 1; Side : B; Approx. Time Counter : 0.1 - 1.2}

CHAIRMAN BERGSAGEL went down the projects in **EXHIBIT 3**.

{Tape : 1; Side : B; Approx. Time Counter : 1.2 - 8.7}

Discussion: Concerning the **LaCasa Grande** project #15.

{Tape : 1; Side : B; Approx. Time Counter : 5 - 8.0}

CHAIRMAN BERGSAGEL went down the RRGL projects in **EXHIBIT 1**.

{Tape : 1; Side : B; Approx. Time Counter : 8.4 - 2:A:32}

Motion/Vote: SEN. LYNCH moved TO CHANGE THE NAME "MILK RIVER PROJECT WATER USERS", RRGL PROJECT #1, TO THE "GLASGOW IRRIGATION DISTRICT", HB 6.

Motion carried unanimously.

{Tape : 1; Side : B; Approx. Time Counter : 9.6 - 10.6}

Discussion: Concerning project #2, the Malta Irrigation District's loan, in HB 8.

{Tape : 1; Side : B; Approx. Time Counter : 10.7 - 14.9}

Motion/Vote: SEN. LYNCH moved that THE BROADWATER CONSERVATION DISTRICT, RRGL PROJECT #4, NOT BE FUNDED under HB 6. Motion carried unanimously.

{Tape : 1; Side : B; Approx. Time Counter : 15.9 - 16.2}

Discussion: Concerning the Deadman's Basin Water Quality Improvement, RRGL project #8.

{Tape : 1; Side : B; Approx. Time Counter : 16.8 - 17.4}

Discussion: Concerning the DNRC's Seepage Monitoring Program, #13.

{Tape : 1; Side : B; Approx. Time Counter : 18.4 - 19.4}

Motion/Vote: SEN. BECK moved to REDUCE THE FUNDING FOR THE DNRC'S SEEPAGE MONITORING PROGRAM, RRGL PROJECT #13, FROM \$100,000 TO \$50,000 under HB 6. Motion failed with SEN. BECK and SEN. LYNCH voting aye.

{Tape : 1; Side : B; Approx. Time Counter : 19.5 - 20.4}

Mr. Michael Downy, DNRC, gave a short recap of the Park County Project.

Motion: REP. MCCANN moved to REDUCE THE FUNDING FOR PARK COUNTY, RRGL PROJECT #16, FROM \$95,000 TO \$50,000 under HB 6. Discussion followed. REP. MCCANN withdrew his motion.

{Tape : 1; Side : B; Approx. Time Counter : 20.4 - 30.5}

Substitute Motion/Vote: REP. MCCANN made a substitute motion that PARK COUNTY, RRGL PROJECT # 16, NOT BE FUNDED under HB 6. Substitute motion carried unanimously.

{Tape : 1; Side : B; Approx. Time Counter : 30.5 - 31}

Motion/Vote: REP. MCCANN moved that the ELK MEADOW RANCHETTES, RRGL PROJECT #26, NOT BE FUNDED under HB 6. Motion carried with REP. LYNCH voting no.

{Tape : 2; Side : A; Approx. Time Counter : 3.1 - 6.3}

Motion: REP. MCCANN moved that COLUMBIA FALLS, RRGL PROJECT #28, NOT BE FUNDED under HB 6. Discussion followed. Motion withdrawn.

{Tape : 2; Side : A; Approx. Time Counter : 6.3 - 11.6}

Motion/Vote: REP. ZOOK moved that the MT DEPT. OF NATURAL RESOURCES & CONSERVATION, RRGL PROJECT #29, NOT BE FUNDED under HB 6. Motion carried unanimously.

{Tape : 2; Side : A; Approx. Time Counter : 11.6 - 13.6}

Discussion: Concerning the Lewis and Clark County Water Quality Protection, Project #37.

{Tape : 2; Side : A; Approx. Time Counter : 13.6 - 19.1}

Discussion: Concerning the Lake County Conservation District, Project #42.

{Tape : 2; Side : A; Approx. Time Counter : 19.1 - 22}

Discussion: Concerning the Rae Water and Sewer District, RRGL Project #43.

{Tape : 2; Side : A; Approx. Time Counter : 22 - 24}

Motion/Vote: SEN. LYNCH moved that GRANT MONEYS NOT ALLOCATED TO A PROJECT ABOVE THE CURRENT FUNDING LINE, WOULD BE ALLOTTED TO THE FIRST PROJECT ON THE LIST, NOT CURRENTLY FUNDED, ONLY IF THAT PROJECT COULD BE FULLY FUNDED WITH THE MONEYS AVAILABLE, HB 6. Motion carried unanimously.

{Tape : 2; Side : A; Approx. Time Counter : 26}

Discussion: Concerning the Malta Irrigation District's, RRGL Project #2, loan interest rate under HB 8.

{Tape : 2; Side : A; Approx. Time Counter : 26 - 29}

Motion/Vote: REP. MCCANN moved that the MALTA IRRIGATION DISTRICT, RRGL PROJECT #2, RECEIVE A 4% INTEREST RATE ON THEIR \$2,274,950 LOAN IN HB 8. Motion carried unanimously.

{Tape : 2; Side : A; Approx. Time Counter : 29.1 - 29.3}

General Discussion: Concerning the projects and the new funding lines.

{Tape : 2; Side : A; Approx. Time Counter : 29.4 - 32.3}

CHAIRMAN BERGSAGEL continued going down the list, EXHIBIT 1, covering projects below the funding line which were still recommended for funding by the DNRC.

{Tape : 2; Side : B; Approx. Time Counter : 0.1 - 14}

Motion/Vote: SEN. SWYSGOOD moved that the DIRECT PLANNING GRANTS TO SMALL COMMUNITIES IN NEED, RRGL PROJECT #45, NOT BE FUNDED under HB 6. Motion carried unanimously.
{Tape : 2; Side : B; Approx. Time Counter : 1.3 - 1.5}

Motion/Vote: REP. ZOOK moved to ELIMINATE THE \$100,00 GRANT FOR THE MT DEPT. OF NATURAL RESOURCES & CONSERVATION, RRGL PROJECT #47, AND INCREASE THE \$409,426 LOAN TO \$509,426 AT A 4.5% INTEREST RATE. Motion carried unanimously.
{Tape : 2; Side : B; Approx. Time Counter : 3.4 - 3.9}

Motion/Vote: SEN. SWYSGOOD moved that LACASA GRANDE ESTATES WATER AND SEWER DIST., RRGL PROJECT #49, NOT BE FUNDED under HB 6. Motion carried with REP. MCCANN and SEN. LYNCH voting no.
{Tape : 2; Side : B; Approx. Time Counter : 6.1 - 6.6}

Discussion: Concerning the Tin Cup County Water & Sewer Dist., RRGL project #57.
{Tape : 2; Side : B; Approx. Time Counter : 6.8 - 8.6}

Motion: SEN. LYNCH moved that the TIN CUP COUNTY WATER & SEWER DISTRICT, RRGL PROJECT #57, BE FUNDED WITH A \$25,000 GRANT under HB 6. Discussion followed. Motion withdrawn.
{Tape : 2; Side : B; Approx. Time Counter : 8.6 - 10}

Motion/Vote: REP. ZOOK moved that THE DNRC'S, DEADMAN'S BASIN WATER QUALITY IMPROVEMENT, RRGL PROJECT #8, GRANT BE REDUCED FROM \$100,000 TO \$75,000 AND THAT THE TIN CUP COUNTY WATER & SEWER DISTRICT, RRGL PROJECT #57, BE MOVED TO PROJECT #9 AND BE FUNDED WITH A \$25,000 GRANT under HB 6, AND BE GIVEN A 0% INTEREST RATE ON AN EXISTING LOAN. Motion carried with SEN. LYNCH voting no.
{Tape : 2; Side : B; Approx. Time Counter : 11.3 - 11.5}

General Discussion: Concerning the new funding lines.
{Tape : 2; Side : B; Approx. Time Counter : 11.5 - 15.2}

Motion/Vote: SEN. LYNCH moved that HB 11 DO PASS AS AMENDED. Motion carried unanimously. See EXHIBIT(jlh17a05) for amendments.

Motion/Vote: SEN. LYNCH moved that HB 6 DO PASS AS AMENDED. Motion carried unanimously. See EXHIBIT(jlh17a06) for amendments.

Motion/Vote: SEN. LYNCH moved that HB 8 DO PASS AS AMENDED. Motion carried unanimously. See EXHIBIT(jlh17a07) for amendments.

{Tape : 2; Side : B; Approx. Time Counter : 15.2 - 16}

EXECUTIVE ACTION ON HB 6 & 8 & 11 - CLOSED

ADJOURNMENT

Adjournment: 12:00 P.M.

REP. ERNEST BERGSAGEL, Chairman

CASSANDRA DRYNAN, Secretary

EB/CD

EXHIBIT (j1h17aad)