



NATURAL RESOURCES INTERIM BUDGET COMMITTEE

68th Montana Legislature

SENATE MEMBERS

Duane Ankney
Janet Ellis
Tom Jacobson
Jeffrey Welborn

HOUSE MEMBERS

Kenneth Holmlund
Joanne Kauzlarich
Jim Keane
Joe Read
Jerry Schillinger

COMMITTEE STAFF

Alice Hecht - Legislative Fiscal Analyst
Joanne Kauzlarich - Secretary
Robert Miller - Legislative Fiscal Analyst

MINUTES LOG

September 14, 2022
Room 152
Helena, Montana

Please note: This document is a Minutes Log and provides annotation of the time elapsed between the beginning of the meeting and the time at which the item was presented or discussed, a motion was made, or a vote was taken. The narrative presented here is provided only as a guide to the audio or video recording of the meeting. The official discussion, motion, or vote is available on the audio or video archive of this meeting. The Legislature does not prepare a transcript of the meeting activities. The time designation may be used to locate the referenced discussion on the audio or video recording of this meeting.

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MEMBERS PRESENT:

Rep. Kenneth Holmlund, Chair (R)
Sen. Janet Ellis (D)
Sen. Tom Jacobson (D)
Rep. Joe Read (R)
Rep. Jerry Schillinger (R)

MEMBERS EXCUSED:

Sen. Duane Ankney, Vice Chair (R)
Rep. Jim Keane (D)
Sen. Jeffrey Welborn (R)

MEMBERS ABSENT:

STAFF PRESENT:

Alice Hecht, Legislative Fiscal Analyst
Joanne Kauzlarich, Secretary
Robert Miller, Legislative Fiscal Analyst

AGENDA ([Attachment 1](#))

VISITORS' LIST ([Attachment 2](#))

COMMITTEE ACTION

CALL TO ORDER/ROLL CALL

08:35:00 Rep. Kenneth Holmlund-R called the meeting to order at 8:35 AM. The committee secretary took roll.

Personal Services Snapshot, LFD Staff

08:36:56 Rob Miller, Senior Fiscal Analyst, LFD ([Exhibit 1](#)).

Committee Discussion & Questions

08:43:09 Sen. Ellis asked Mr. Miller for clarification on the Fish, Wildlife, and Parks budget modifications.

08:45:22 Sen. Ellis asked Mr. Miller if new employees were reflected in this snapshot.

BUDGET UPDATE FY 2022 FINANCIAL REPORT, LFD STAFF

Department Of Transportation

08:47:53 Alice Hecht, Fiscal Analyst, LFD, ([Exhibit 2](#)).

09:02:18 Malcolm Long, Director, Department of Transportation (DOT).

Committee Discussion & Questions

09:03:21 Sen. Ellis asked Mr. Long for a COVID funding update.

09:05:14 Sen. Ellis asked Mr. Long about State matching funds.

09:08:07 Sen. Ellis about asked Mr. Long how project funding works.

09:11:11 Rep. Schillinger complimented Mr. Long on MDT's Montana highway progress.

09:14:55 Rep. Read asked Mr. Long about modernizing the compact on gas taxes for Lake County.

09:18:35 Rep. Read requested Mr. Long provide project plans for upkeeping Montana Highway 93 as the population grows in this area.

09:21:08 Sen. Ellis asked Mr. Long if supply chain issues are affecting the department.

09:24:44 Rep. Schillinger asked Mr. Long about accountability in government funding.

09:27:09 Chair Holmlund asked Mr. Long if there is any degradation of the roads due to the construction of the wind farms.

09:28:23 Chair Holmlund asked Mr. Long what the formula is for accessing road fees.

09:29:28 Rep. Schillinger asked Mr. Long testing wear and tear on roads and fees.

09:32:58 Alice Hecht, LFD, presented Biennial budget impacts of high fuel prices ([Exhibit 3](#)).

09:36:42 Chair Holmlund commented on fuel costs.

Committee Discussion & Questions

- 09:37:27 Sen. Ellis asked Ms. Hecht about changes in motor pool rates.
- 09:39:20 Rep. Read asked Ms. Hecht about the effect of inflation on highway construction materials.

Public Comment

None.

DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION

- 09:43:59 Rob Miller, Legislative Fiscal Division, LFD, ([Exhibit 4](#)).
- 10:01:31 Amanda Kaster, Director, Department of Natural Resource and Conservation (DNRC).
- 10:05:39 Matthew Hall, Fire Protection Bureau Chief, Department of Natural Resources and Conservation (DNRC).

Committee Discussion & Questions

- 10:12:34 Sen. Ellis asked Mr. Hall how DNRC manages seasonal staff.
- 10:14:28 Chair Holmlund complimented Sonja Germann on her good work. He stated she would be missed.
- 10:15:38 Sen. Ellis asked Ms. Kaster if the fiscal information given in the report is pre or post flooding.
- 10:16:33 Sen. Ellis asked Ms. Kaster for an update on the Milk River Rehabilitation Project.
- 10:16:50 Ms. Kaster redirected to Mark Bostrom.
- 10:18:19 Sen. Ellis asked Ms. Kaster about the Good Neighbor Authority fiscal yearend report.
- 10:20:32 Chair Holmlund asked Ms. Kaster about a recent forest fire that was near a Good Neighbor Authority work area.

DEPARTMENT OF FISH, WILDLIFE, AND PARKS

- 10:22:52 Rob Miller, Senior Fiscal Analyst, LFD([Exhibit 5](#))([Exhibit 6](#))([Exhibit 7](#)).

Committee Discussion & Questions

- 10:38:56 Sen. Ellis asked Mr. Miller to clarify the time frame referred to in the report.
- 10:40:18 Lena Havron, Chief Financial Officer, Fish, Wildlife, and Parksresponded.
- 10:41:45 Sen. Ellis asked Ms. Havron to explain fisheries funding.
- 10:42:59 Sen. Ellis asked Ms. Havron about FTEs.
- 10:44:41 Sen. Ellis clarified the FTE numbers that were approved in HB 2.
- 10:46:46 Sen. Ellis commented on vacant FTEs.
- 10:47:56 Sen. Ellis asked about the Enforcement Division.
- 10:49:16 Chair Holmlund asked Ms. Havron about the reorganization of FWP.
- 10:50:10 Chair Holmlund asked Ms. Havron if FWP will be reopening the fish hatchery.
- 10:50:51 Sen. Ellis asked Ms. Havron about the DP allocation.
- 10:52:23 Rep. Read requested Ms. Havron provide a list of property transfers.

Public Comment

11:55:15 Clayton Elliot, Montana Trout Unlimited .

DEPARTMENT OF ENVIRONMENTAL QUALITY

10:58:39 Rob Miller, Senior Fiscal Analyst LFD, ([Exhibit 8](#)).

Committee Discussion & Questions

11:07:26 Sen. Ellis asked Mr. Miller to explain the meaning of "positions cancelled" in the report.
11:09:01 James Fehr, Deputy Director, Department of Environmental Quality (DEQ).
11:19:39 Sen. Ellis asked Mr. Fehr how COVID funding is allocated.
11:20:24 Sen. Ellis asked Mr. Fehr about the abandoned mine project. Mr. Fehr redirected to Chris Dorrington, Director, DEQ. Mr. Dorrington responded.
11:22:38 Chair Holmlund commended DEQ for their leadership in resolving technical issues. He asked Mr. Dorrington about the litigation the agency is involved in at this time.
11:26:03 Chair Holmlund asked about agency attorneys. .
11:27:12 Rep. Schillinger asked Mr. Dorrington options for the legislature.

Public Comment

None.

DEPARTMENT OF LIVESTOCK

11:32:05 Rob Miller, Senior Fiscal Analyst, LFD([Exhibit 9](#))([Exhibit 10](#))

Committee Discussion & Questions

11:40:52 Rep. Schillinger asked Mr. Miller if the tax on livestock is allocated completely to the department.
11:41:28 Sen. Ellis asked if this department received COVID money.
11:42:17 Mike Honeycutt, Executive Officer, Department of Livestock responded.

Committee Discussion & Questions

11:58:55 Sen. Ellis asked Mr. Honeycutt about the livestock loss program.
12:03:33 Chair Holmlund asked Mr. Honeycutt about private livestock brand inspectors.
12:04:25 Chair Holmlund asked Mr. Honeycutt if those private livestock inspectors become state employees if they work for the livestock commission.
12:04:58 Chair Holmlund asked about private livestock inspectors receiving state benefits.
12:05:45 Chair Holmlund introduced Jason Harlow to the committee.

Public Comment

None.

DEPARTMENT OF AGRICULTURE

12:06:40 Rob Miller, Senior Fiscal Analyst, LFD, ([Exhibit 11](#)) ([Exhibit 12](#)).

Committee Discussion & Questions

- 12:13:31 Rep. Schillinger asked Mr. Miller to explain pay adjustments.
- 12:15:21 Christy Clark, Director, Department of Agriculture responded.
- 12:19:48 Sen. Ellis asked Ms. Clark what will happen to the unexpended ARPA funds.
- 12:21:51 Sen. Ellis asked Ms. Clark about plans for unexpended funds from federal grants.
- 12:23:38 Chair Holmlund asked Ms. Clark if the State is involved in barley inspection for the breweries.
- 12:25:19 Chair Holmlund asked Ms. Clark about ranchers regarding mental health.
- 12:26:07 Chair Holmlund asked Ms. Clark about State support regarding mental health.
- 12:28:28 Rebecca Boslough-King, Montana Association of Conservation Districts responded.

2023 BUDGET ANALYSIS, AGENCY DECISION PACKAGE TOOL

12:30:13 Rob Miller, Senior Fiscal Analyst ([Exhibit 13](#))

COMMITTEE DISCUSSION

12:34:50 Chair Holmlund commented on changes for the future IBC-C committee.

ADJOURNMENT

12:38:12 Rep. Holmlund adjourned the meeting at 12:38 PM.