

February 13, 1974

SENATOR LEWIS: First of all I think I will make a couple of comments and pose the question.

SENATOR MARVEL: O.K.

SENATOR LEWIS: After looking at the budget from other areas it has come to my attention that a great deal of money from subdivisions of government is being channeled into private organizations, and that seems to be a loose operation for government. If government has an interest in programs, then government better take care of those programs rather than assign them to private individuals and corporations. This is one of a series of concerns I have. I have here a list of 10 or 12 cities that make those same kind of arrangements with Chambers of Commerce. And my question is, if we're giving money to these organizations, under these activities what is the specific purpose of the money? Is there an audit function? To prove that that money was spent in the way that the state intended for it to be spent. I guess those are the questions.

SENATOR MARVEL: Let me answer by statute first, and then I think Senator Kremer has a comment or two that he would like to make. In regard to agency 53, the agricultural activities, which is what we are talking about. Specifically you will find in the Statutes 2-2801 to 2813 reference to these particular organizations and to these particular corporations. There isn't any..I think I said this before, but I will repeat it. There isn't anything that that is appropriated there that is not authorized by Statute. That's the first point. And I'll read just briefly from this section and then with your permission, I'd like to ask Senator Kremer to make a comment. The purpose of the appropriation is to assist these 7 organizations in disseminating information of importance to cattlemen, dairymen, egg producers and poultrymen, that basically is the purpose. And as I indicate to you this is historical going back long before your time or my time. Now, if I may Senator Kremer would you like a response on the information that you have in your experience. Would you like to respond to the purpose and the function of this, these activities.

SENATOR KREMER: I would be glad to offer a comment or two on these areas of the operation of the Department of Agriculture as related to, Senator Lewis reference to the private..as a private enterprise. It's true that they are private in nature. And it's also true that the appropriation of money for these operations are historic. And this of course will not give you the answer that you want, Senator Lewis. But the Legislature in times past, even as late as five or six years ago, the same question came up.

(End Belt #7)

(Start Belt #8)

And the Legislature all through the years has felt that these operations are so closely tied to the Department of Agriculture that the Legislature has seen fit to make these small appropriations and they are small really. When you consider the entire budget. But they felt that they are so closely related through the Department of Agriculture and the economy of our state is so closely tied to agriculture that it was justifiable to make this appropriation. And say it is somewhat related to the appropriation that this body makes to the operation of our State Fair. While the State