

MINUTES

MONTANA HOUSE OF REPRESENTATIVES
55th LEGISLATURE - REGULAR SESSION

JOINT SUBCOMMITTEE ON LONG-RANGE PLANNING

Call to Order: By CHAIRMAN ERNEST BERGSAGEL, on January 20, 1997, at 8:00 A.M., in Room 317 of the State Capitol.

ROLL CALL

Members Present:

Rep. Ernest Bergsagel, Chairman (R)
Sen. Thomas A. "Tom" Beck, Vice-Chairman (R)
Sen. John "J.D." Lynch (D)
Rep. Matt McCann (D)
Rep. Tom Zook (R)

Members Excused: none

Members Absent: none

Staff Present: Nan LeFebvre, Legislative Fiscal Division (LFD)
Debbie Rostocki, Committee Secretary

Committee Business Summary:

Hearing(s) & Date(s) Posted: HB 6
Executive Action: none

Hearing on HB 6 - Renewable Resource Grant & Loan Program

Ms. Nan LeFebvre, LFD, distributed a hearing agenda and a priority ranking of RRGL projects. EXHIBITS 1 and 2

Mr. John Tubbs, Chief of the Resource Development Bureau, Department of Natural Resources and Conservation (DNRC), gave an overview of the Renewable Resource Grant and Loan Program.

EXHIBIT 3 He reviewed the biennium's emergency projects and explained the transactions made within the RRGL emergency grant and loan fund.

{Tape: 1; Side: a; Approx. Time Count: 0.0-30.0}

Mr. Tubbs continued his presentation with an overview of program operations. Questions were asked and legislative vs. executive grant review authority was debated. Discussion took place regarding past projects with outstanding appropriation authority, including the regional water system project involving the Chippewa-Cree and the Reserved Water Rights Compact Commission.

{Tape: 1; Side: a; Approx. Time Count: 30.0-1:b:13.9}

Questions were asked and **Mr. Tubbs** discussed DNRC's appropriation request for emergency grant funding and DNRC's position on **HB 171**, including a synopsis of the issues related to the proposed legislation. **Mr. Tubbs** reviewed the projects which had not been recommended for funding.

{Tape: 1; Side: b; Approx. Time Count: 14.0-Tape 2:a:end}

RRGL Project No. 11 - Lakeside Water District

Mr. Bob Fischer, DNRC, reviewed the project, which had been heard in conjunction with the District's TSEP request.

{Tape: 2; Side: b; Approx. Time Count: 0.0-2.9}

RRGL Project No. 24

Ruby Valley Conservation District

Mr. Michael Downey, DNRC, reviewed the project and financing. Questions were asked.

{Tape: 2; Side: b; Approx. Time Count: 3.0-8.0}

Mr. John Anderson, an Alder area rancher and Ruby Valley Conservation District Supervisor, gave a short history of the genesis of the project and the other activities of the Ruby Valley Conservation District. Questions were asked.

{Tape: 2; Side: b; Approx. Time Count: 8.9-16.4}

Mr. Neil Peterson, Chairman of the Ruby Valley Watershed Council, spoke in support of the project and presented letters and petitions in support of the project. **EXHIBITS 4 - 10**

{Tape: 2; Side: b; Approx. Time Count: 16.5-19.7}

Mr. Bill Tate, representing the outfitters on the Ruby River Watershed council, spoke in support of the project. **EXHIBIT 11**

{Tape: 2; Side: b; Approx. Time Count: 19.8-24.4}

Mr. George Swan, Co-Chair of the Ruby River Task Force, reviewed the work the water users and Task Force had done since 1994. Questions were asked.

{Tape: 2; Side: b; Approx. Time Count: 24.5-3:a:3.1}

SEN. CHARLES SWYSGOOD, SD 17, went on record as being in support of the project.

Mr. Mike Murphy, Montana Water Resources Association, said the Association supported the project.

Mr. Keith Stone, President of the Ruby River Water Users, spoke in support of the project.

{Tape: 3; Side: a; Approx. Time Count: 3.2-4.8}

Mr. Bob Powell, representing small business and property owners within the Ruby Watershed, rose in support of funding the project.

Mr. Mike Barron, Technical Advisor to the Conservation District and the Ruby River Watershed Council, rose in support of the project. Questions were asked. SEN. BECK spoke in support of the project.

{Tape: 3; Side: a; Approx. Time Count: 4.9-9.5}

RRGL Project No. 12
Beaverhead County Board of Commissioners

Mr. Garth Haugland, Beaverhead County Board of Commissioners, testified in support of the project. EXHIBITS 12 and 13

{Tape: 3; Side: a; Approx. Time Count: 9.6-11.2}

Mr. Randy Smith, a Big Hole River rancher, presented a letter written to GOV. MARC RACICOT in 1994 which resulted in the formation of the Big Hole Watershed Foundation EXHIBIT 14 and described the activities of the Foundation. Questions were asked.

{Tape: 3; Side: a; Approx. Time Count: 11.3-16.5}

Mr. Charles Harris, Director of the Big Hole Foundation, rose in support of the Big Hole Watershed Committee's collaborative efforts.

Mr. Mike Murphy, Montana Water Resources Association, went on record as being in support of the project.

Ms. Liz Jones, a Wise River rancher, rose in support of the project. Questions were asked. Mr. Tubbs commented on the role of the project in helping to ensure that the parties involved could continue to work in cooperation.

Ms. Holly Franz, on behalf of the Montana Power Co., which was also a participant on the Big Hole Water Committee, expressed support of the project.

{Tape: 3; Side: a; Approx. Time Count: 16.6-27.1}

RRGL Project No. 2 - Broadwater County Conservation District

Mr. Michael Downey, DNRC, reviewed the Slim Sam Riparian Implementation project. Questions were asked regarding the involvement of the federal government in the project. Ms. Martha Montgomery, Broadwater Conservation District, reviewed what the project proposed to do. Questions were asked.

{Tape: 3; Side: a; Approx. Time Count: 27.2-Tape 3:b:4.9}

Mr. Jack Smith, one of the permittees in the area, explained the necessity of the project. Questions were asked.

{Tape: 3; Side: b; Approx. Time Count: 5.0-7.3}

Mr. Kelly Webb, representing the permittees, spoke in support of funding the project. Questions were asked.

{Tape: 3; Side: b; Approx. Time Count: 7.4-10.1}

REP. GAY ANN MASOLO, HD 40, rose in support of the project.

Ms. Rachael Feigley, U.S. Forest Service, discussed the project. EXHIBIT 15 Questions were asked.

{Tape: 3; Side: b; Approx. Time Count: 11.4-23.5}

RRGL Project No. 4 - Cascade County Conservation District

Mr. Downey described the project and recommendations for the Agrimet Program.

Mr. Alan Rollo, on behalf of the Cascade County Conservation District, rose in support of the project. Questions were asked. Future plans for the increased self-sufficiency of the Agrimet Program were discussed.

{Tape: 3; Side: b; Approx. Time Count: 23.6-end of side b}

Mr. Larry Robertson, Statewide Agrimet Coordinator, discussed the Agrimet Program and its relationship to the conservation districts.

{Tape: 4; Side: a; Approx. Time Count: 0.0-4.8}

Mr. John Anderson, Ruby Valley Conservation District and the Montana Association of Conservation Districts, rose in support of the project. Questions were asked. CHAIRMAN BERGSAGEL suggested implementing a method for funding the Agrimet Program in the future similar to that used in the State Energy Conservation Program.

{Tape: 4; Side: a; Approx. Time Count: 4.9-11.2}

RRGL Project No. 1

Montana Reserved Water Rights Compact Commission

Mr. Downey described the Chippewa-Cree Reserved Water Rights Settlement Project.

{Tape: 4; Side: a; Approx. Time Count: 11.3-12.9}

Mr. Chris Tweeten, Chairman of the Reserved Water Rights Compact Commission, spoke of the necessity of the funding in order to implement the Compact.

{Tape: 4; Side: a; Approx. Time Count: 13.0-15.1}

Ms. Barbara Cosens, Legal Counsel for the Reserved Water Rights Compact Commission, stressed that the validity of the compact depended on its being fully funded for implementation. She briefly described the settlement, how the grant funds would be

spent, and what other, non-state sources of funding would be utilized. **EXHIBIT 16** She stated that the compact was a major step in settling the water rights on the Milk River Basin. Questions were asked.

{Tape: 4; Side: a; Approx. Time Count: 15.2-28.6}

Mr. Tom Sheehy, President of the Bear Paw Resources Alliance, an organization comprised of nearly all the water right and landowners in the area, outlined the organization's input in the negotiation process.

{Tape: 4; Side: a; Approx. Time Count: 28.7-end of side a}

Ms. Kathy Bessette, a Hill County Commissioner, rose in support of the part of the compact that would provide for 800 acre feet of water for the Hill County Water Users.

Mr. Paul Russette, Jr., representing the Chippewa-Cree Tribe of the Rocky Boy Reservation, rose in support of the funding request and the work the Compact Commission had done.

{Tape: 4; Side: b; Approx. Time Count: 0.0-2.1}

REP. TONI HAGENER, HD 90, stood in favor of the compact and the grant request.

CHAIRMAN BERGSAGEL noted that **SENATORS LOREN JENKINS, SD 45 and GREG JERGESON, SD 46** and **REPRESENTATIVES RAY PECK, HD 91 and MATT MCCANN, HD 92**, all wished to go on record as being in favor of the grant request.

SEN. CHARLES SWYSGOOD, SD 17, rose in support of the request as a necessary component of implementing the compact.

{Tape: 4; Side: b; Approx. Time Count: 2.2-4.1}

RRGL Project No. 25

Montana Dept. of Environmental Quality (DEQ)

Mr. Downey described the project and recommendations. Questions were asked.

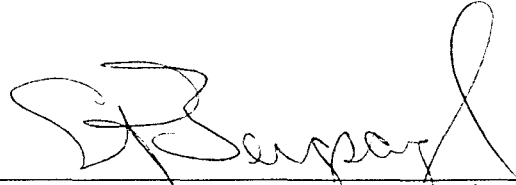
{Tape: 4; Side: b; Approx. Time Count: 4.2-6.4}

Mr. Tom Livers, DEQ, spoke in support of the funding request, adding that no administrative costs would be paid using the grant funds.

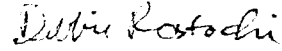
{Tape: 4; Side: b; Approx. Time Count: 4.2-7.4}

ADJOURNMENT

Adjournment: 12:20 p.m.



REP. ERNEST BERGSAGEL, Chairman



DEBBIE ROSTOCKI, Secretary

EB/DR

This meeting was recorded on four sixty-minute audiocassette tapes.