

January 25, 1977

The Natural Resources Committee convened at 10:00 a.m. on January 25, 1977, in Room 437, with Chairman Shelden presiding. All members were present or excused (excused were Representatives Huennekens and Burnett).

Representative Meloy requested a few minutes to talk with the committee. He had three energy bills for which he was seeking sponsors and signers. There were volunteers and the bills were signed.

Chairman Shelden opened the meeting to a hearing on House Bill 197.

REPRESENTATIVE QUILICI, District 84, Butte, as the main sponsor, spoke first. He said this bill extends the time for acting on operating permits under the Hard Rock Reclamation Act from 60 to 120 days and to 365 days if an EIS is needed. The reason for this is that the 60 day time limit is not adequate to get public participation. He referred to a personal experience in which Anaconda Company put a tailings dump in their neighborhood. The people had no chance to go before the State Lands and appeal this decision, because the permit was granted on the 58th day.

LEO BERRY, Commissioner of State Lands, said when an EIS is required under MEPA Regulations, it is virtually impossible to do it in the 60 days. It virtually does away with public hearings. Also, inspection of sites in the winter months is difficult.

TORIANN DONOHOE, EIC, spoke in favor of the bill. Written testimony is EXHIBIT 1.

BILL STERNHAGEN, Anaconda Company, was the first opponent speaker. He was against a time extension. He mentioned that to get an amendment to a present permit--to extend acreage--required an entire new permit. He said the Hard Rock Mining Law was not intended to control mining but a law to require reclamation of mined land. He felt an extension in time limit could prevent mining operations. He also mentioned that marketing factors could change if a permit took too long.

HERBERT M. SHERBURNE, Montana Mining Association, spoke next in opposition. He said it was difficult to draft a bill like this that would be fair to all segments covered. He mentioned the short working seasons that make any delays difficult; the world market conditions which could shift if the delay in mining were too long; the seasonally engaged riprap miners who often get rush orders for their product; and his feeling that the purpose of the act is to promote mined land reclamation and not to so regulate the mining industry that it is crippled.

RUSSELL CHADWICK, Northwest Mining Association of Spokane, spoke next in opposition. A written copy of his testimony is EXHIBIT 2.

GENE PHILLIPS, ASARCO, Inc., talked in opposition. He felt it good that the board must act within a certain period. He asked the committee to approve an amendment, a grandfather clause, in a project they now had at the department waiting action.

THE NATURAL RESOURCES COMMITTEE--January 25, 1977

DELMAR W. DAVIS, an independent riprap contractor from Fairfield, spoke in opposition. He felt the dividing line between the small miner and those who have to comply with the Hard Rock Mining Act should be more than 100 tons a day. He had problems getting a permit through in time to comply with the SCS regulations on his riprap contracts. He felt the quarrying of rock was different than the mining of ore and should not be under this act.

VICTOR D. WRIGHT, from Alberton, represented himself, spoke in opposition. He felt the time limit should be kept as is.

WILLIAM OLSON, Montana Contractor's Association, spoke in opposition. He also spoke for the riprappers saying their jobs are of short duration and once he has taken a contract, if he doesn't finish on time, he is penalized.

ARCHIE JOHNSON, Great Falls, spoke next in opposition. He said a farmer will come in during high water as a prime field is washing and wants the contractor to do something right now--the rock source is sought and if it takes months to get a permit to mine that rock the land will be eroded or whatever. He felt some provision should be made for the small operations.

Mr. Chadwick asked permission to speak briefly again. Permission was granted. He said as far as federal mining claims were concerned, nothing that the state can do to prevent mining on them.

Representative Quilici had a short rebuttal and then Chairman Shelden opened the hearing to questions from the committee to those who had spoken.

Questions brought out the need for cooperation between the State Land Department and the SCS. Mr. Berry said they would work on that. He also said this bill does not increase the regulatory functions of the bill at all. He said a small miner was one who didn't disturb more than 5 acres, or take out more than 100 tons a day. He said the riprap people wanted to see their quarries exempted from this law. He said they do a preliminary environmental review which is about a five page analysis on the smaller projects. Mr. Sternhagen was questioned as to why a large company like Anaconda couldn't have the foresight to know a few years ahead what their projects would be, so the people affected could know of it.

The hearing closed. Chairman Shelden appointed a sub-committee to look into this bill: Representative Kessler, Chairman; Representative Quilici and Representative Hurwitz.

He also appointed a sub-committee for House Bill 190: Representative Cooney, Chairman; Representative Kessler and Representative Cox.

Meeting adjourned at 11:35 a.m.

Respectfully submitted,


ARTHUR H. SHELDEN, Chairman