

February 23, 1977

The Natural Resources subcommittee on Extraction and Conversion met on February 23, 1977 at 8:05 p.m. in room 437. Rep. Metcalf acted as chairman in the absence of Rep. Kessler. Present also were Reps. Ernst and Frates.

The meeting was called to consider HBs 762 and 785--bills dealing with granting powers to the governor in case of an energy resource emergency.

John Hollow, Legislative Council researcher, had researched this for the subcommittee. He said the two stage concept of emergency was not in HB 762 but could be amended in. The first stage would be energy alert--a situation exists to threaten the availability of essential services--the governor can order reduction of energy usage by state agencies and political subdivisions; the next stage is emergency--which would apply to all.

Mr. Hollow said in HB 762 the emergency power is vested in the energy office in the governor's office; under HB 785 it is under the Department of Natural Resources.

Rep. Metcalf said it seemed to be easier to amend HB 785 into HB 762 and have it be the recommended bill.

Rep. Kessler came and assumed the chair.

The feeling seemed to be that the power should be in the energy office so the governor could react more quickly in an emergency.

Mr. Hollow went through the suggested amendments which he had worked out with the sponsors and other concerned parties. A copy of this is exhibit 1. Rep. Frates moved these amendments be adopted. Motion carried.

Mr. Childress felt the liability section should be strengthened to protect all distributors. It was suggested to do this by amending page 6, line 24, following "order", to strike the ";" and insert a "." and to strike "provided, that" and capitalize "orders". Rep. Ernst moved this amendment be adopted and motion carried.

Les Loble and Don Allen were still concerned about the liability coverage. Mr. Loble suggested an amendment which would ensure liability coverage to all that would need it. This was to add on line 15 of page 6 the following: "Section 10. Liability. No person is liable for damages to persons or property resulting from action taken in accordance with orders or regulations issued pursuant to this act or actions taken pursuant to orders, rules, actions, recommendations, and requests of federal authorities."

Concern was also expressed that MEAC might be discontinued so it was decided an amendment should be added on line 17 of page 2 for this possibility. The amendment would say following "council", or its successor in the governor's office".

Rep. Metcalf moved the last two amendments. Motion carried unanimously.

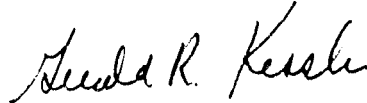
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Rep. Metcalf moved that House Bill 762 as amended be recommended do pass. Motion carried unanimously. He then moved that HB 785 be tabled and this motion also passed unanimously.

Meeting adjourned at 8:45 p.m.

Respectfully submitted,



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GERALD KESSLER, Chairman

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