

March 30, 1977

The Natural Resources Committee convened in room 437, on March 30, 1977, at 8:10 a.m. with Chairman Sheldon presiding and all members present except Rep. Huennekens, excused, and Reps. Frates and Kessler, absent.

Chairman Sheldon opened the meeting to executive session on the following bills:

SENATE BILL 381

Rep. Harper moved the bill be not concurred in. He said it would only complicate the problem. He felt it would be better to enlarge existing pits over 9,000 cubic yards than to have many small pits. Rep. Cox made a substitute motion of be concurred in. She felt we were wasting our resources.

Rep. Hurwitz said the law is difficult to enforce. He said the counties open their pits and the farmers go into them. If the gravel is all worked out and the State Lands gets after them, the counties will go out and reclaim. He felt a better job was being done because the State Lands keeps after the counties; and he also said the State Lands tries to accommodate the counties. He mentioned the State Lands had testified the bill would not correct the problem.

Rep. Davis said the old law was in the aggregate--when you get to 10,000 cubic yards you need a permit. He said this law says you can take up to 10,000 cubic yards from each pit before needing a permit so this bill allows more flexibility. He said do we want people to be legal or not?

Rep. Burnett said transporting gravel is expensive and slow and the feeder roads are either graveled or not traveled. He said the counties have been in violation since the law was passed.

Question was called and a roll call vote taken on the motion of be concurred in. The motion failed with 10 no, 6 yes and 1 absent. The yes votes were Burnett, Cox, Curtiss, Davis, Ernst, Nathe and absent was Quilici. The secretary was instructed to reverse the vote on the first motion. This was done and SB 381 receives a committee recommendation of BE NOT CONCURRED IN. Signed votes had been left by Huennekens, Frates, Kessler, Quilici.

SENATE BILL 302

Rep. Burnett moved the following amendment: page 3, line 10, strike "and" and insert a comma after costs and following "benefits" insert ", effect on employment". He felt this spells it out more clearly. Rep. Bengtson said the language is not needed as it is already covered. The question was called and a roll call vote taken and the motion carried with the following voting no: Sheldon, Harper, Bengtson, Cooney, Metcalf; absent were Frates, Huennekens, Kessler, Quilici.

Rep. Harper went through his suggested amendments which were written into a bill and copies given to the committee members--and a copy of which is exhibit 1 of the minutes. He said the bill as is has contradictions and inconsistencies. He said his intention is not to kill the bill but to make it a better one. Rep. Cox questioned if the amendments don't change

the title and intent of the bill. Rep. Harper said he didn't think so. He said without the coordination that MEPA provides, you have a fragmented service, and the public is uninformed. He emphasized the new language on page 3 of the rewritten bill asks that the EISS be concise and easy to understand--with more technical information available for those wanting it. He felt this was important. He said MEPA is a new law--passed in 1971--and any such law must be worked on for awhile to get it into the best working form. He said if the act were to have any meaning, it must be able to make rules. Rep. Harper moved the amendments in his rewritten bill be adopted. Rep. Burnett suggested dividing them and going through section by section and so moved. Rep. Harper felt they should be looked on as a whole. Rep. Davis moved we pass the bill for the day so further study could be made of the suggested amendments. Motion carried.

SENATE BILL 48

Rep. Bengtson moved Be Not Concurred In. She said one of the big objections was because the state would be in the lending business. She said she had received letters from banks and lending institutions favoring the Renewable Resources Program. She said this bill would remove the bonding capability of the program and also make it so loans could be made only to government entities and not individual farmers and ranchers. She passed to the committee members a copy of a letter from John Orth, Director of the DNR, saying he would check into the possibility of having private lenders handle the lending (exhibit 2). She said the objection was also raised that the loans would go to big corporations and she said that is not true judging from the applications. She said it would be a disservice to the whole program and to agriculture to pass this bill.

Rep. Davis said his biggest objection was having the state in the lending business in direct competition with private business. He felt it was better to give 1 to 1 1/2% to private agencies to administer the loan. He expressed a feeling that separation of loan agency and state was almost the same principle as separation of church and state. He also felt there could be political implications.

Rep. Hirsch said a problem he had was how it would be equitable; he also mentioned the loans would be going to high risk people who are unable to get loans elsewhere.

Rep. Hurwitz said the question was brought up about not being able to obtain long term loans at banks--he said they can be had on a year to year basis if the loan is creditable. He also felt the selection of the loanees would be a problem. He mentioned you would be increasing production in a sector that is already suffering from over-production. He expressed a feeling if agriculture received an adequate return for their produce they can get their own private loan.

Rep. Nathe expressed a belief that money available for higher risk projects, which can have merit, is scarce and needed.

Chairman Sheldon said he, too, had received letters from banks supporting the bill.

A roll call vote was taken and the motion carried. Voting no were Burnett, Cox, Curtiss, Davis, Ernst, Hurwitz, Quilici. Leaving signed votes were

Huennekens, Kessler, Frates, and Quilici.

SENATE BILL 324

Rep. Burnett moved to amend on page 1, lines 21 and 22, to strike "and fertilizer plants" and as amended be concurred in. He said this keeps Dreyer Bros. under the Major Facility Siting Act and just clarifies the siting act.

Rep. Harper said if you strike that particular provision, why the bill? It is the only difference between this bill and HB 661.

Rep. Burnett said there are some other delineations on page 7 and page 10.

Rep. Hurwitz questioned if Dreyer Bros. wouldn't be adequately covered by the time they had fulfilled the requirements under all the other acts --if the Major Facility Siting Act was needed for them. He said they plan to manufacture a product that is going to be in competition with another product and does not have a price set by the PSC like energy products do. He said this could make it impossible for them to operate. What we should strive for, he felt, was an orderly mining of the coal.

Rep. Metcalf said several points aren't covered: nothing about alternative sites; no minimal adverse impacts; associate facilities aren't covered; social and economic impacts on the communities.

Rep. Harper said in reply to Mr. Hurwitz that the analogy breaks down in one place. You are impacting people's lives--and how do we put a cost on the comprehensive net effect it will have on their ways of life.

Rep. Ernst said as he understands the amendment, Dreyer Bros. is willing to come under the Major Facility Siting Act. Since we don't know what will happen to HB 661, we could go ahead and pass this bill as it does address a few specific things.

Rep. Harper moved the bill be passed for the day. Motion carried.

Rep. Quilici mentioned a proposed helicopter trip for the committee over the Bob Marshall Wilderness Area, which would be scheduled for a morning in the next week or so when the committee's work was done.

Meeting adjourned at 9:45 a.m.


ARTHUR H. SHELDEN, Chairman