

MINUTES OF THE MEETING OF THE NATURAL RESOURCES COMMITTEE
JANUARY 12, 1981

The House Natural Resources Committee convened in Room 437 of the Capitol Building on Monday, January 12, 1981, at 12:30 p.m. with Chairman Dennis Iverson presiding and sixteen members present (excused were Representatives Bertelsen and Shelden).

Chairman Iverson opened the meeting to a hearing on HB 100.

HOUSE BILL 100. REP. FRANCIS BARDANOUVE, sponsor, introduced the bill by saying it is the result of a review of water projects made by the Water Conservation Board. The bill would enlarge the powers of the Department of Natural Resources by allowing it to dispose of certain water projects and associated works after a determination of market value. Nothing in this bill is mandatory. Sometimes the income received from a project is less than the cost of maintaining and yet the State must assume responsibility for it.

Proponents -- none.

Opponents -- none.

Questions were then allowed by the committee. Rep. Roth asked if the State is liable on the local projects. Gary Fritz of the DNA answered that the State should assume responsibility. Sometimes the locals do not want to assume the responsibility of some projects. Rep. Bardanouve said if nobody wants to take over the project, the State would retain responsibility. Rep. Sales asked if projects could be transferred to anybody or does it have to be water user associations. Answer was anybody.

Rep. Keedy asked if the Department would have the flexibility of selling at market value or how. Rep. Bardanouve answered that it would be mutual agreement between the buyer and the State. Leo Berry, DNR Director, said the Constitution of the State of Montana says the State must receive fair market value.

Rep. Burnett asked what happens if there is no value left in the property, would the Department simply abandon it. Mr. Berry said there would then be a transfer of property; more simply, a sale.

Chairman Iverson closed the hearing on HB 100.

EXECUTIVE SESSION Chairman Iverson stated he felt this bill would simply add another list of potential purchasers and not change the original intent.

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Rep. Mueller moved that the committee do pass. However, after a great deal of discussion of various changes regarding fair market value, competitive bidding, abandonment, etc., he retracted his motion.

Debbie Schmidt, the staff researcher, will work on a few amendments and return with them at a later date.

Motion for adjournment closed the meeting at 1:10 p.m.

Respectfully submitted,


DENNIS IVERSON, Chairman

Ellen Engstedt, Secretary

HOUSE NATURAL RESOURCES COMMITTEE

Date 1/12/81

[illegible]

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.