

MINUTES OF MEETING OF NATURAL RESOURCES SUBCOMMITTEE ON HB 718
MARCH 11, 1981

The Subcommittee on House Bill 718 met on Wednesday, March 11, 1981, in Room 437 of the Capitol Building, at 5:45 p.m. Present were CHAIRMAN BROWN, REPS. MUELLER, KEEDY, and IVERSON. Also present were Legislative Council staff members DEBBIE SCHMIDT and JIM OPPEDAHN. There were also representatives present from several companies and cities.

MR. FREDRICKS suggested that Section 10 (Exhibit 5) be amended so after "counties" it would read "large scale mineral development". Also, on the second line of subsection (c) the language read "units, including but not limited to, police, ...".

MR. SHANAHAN proposed in Section (2) the language be amended to read "either from the tax prepayment or special impact bonds provided for hereunder or from other sources, including the funds of the developer".

Under Section (4) the group asked for an amendment inserting, after "Thereafter", "if within 30 days, the local government unit and developer cannot resolve the objection,".

Under Section (5) the consensus was to strike "party" and insert "local government unit or developer".

On page 11 of the "Revised Draft" under subsection 4 it was suggested an amendment read "guarantee of compliance". MR. SHANAHAN asked where in the process the company has to be before the permit is issued. Simply need to place the compliance qualification on the permit.

MS. SCHMIDT said the plan would be approved, the permit would be issued and then the operation would be started.

MR. FREDRICKS said the permit will not be issued until the Hard Rock Mining Board has approved it. Then, the mining starts and they have to comply with what they agreed.

MR. SHANAHAN said that the language of MR. FREDRICKS' says that there will be "guaranteed compliance" before the mining starts.

It was suggested to add a subsection (e) on Exhibit 5 to include a time schedule in the plan.

MR. FREDRICKS said on page 13 of the "Revised Draft" an amendment should be added stating the interest on such bonds shall not be subject to state taxes.

MR. TULLEY said if the company decides they want to donate a school, they can finance with tax exempt bonds. MR. SHANAHAN said it could be contracted with the local district to pay off the bonds. Then,

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the special financial district can be sold. Several school districts can be joined together.

Section 15 of the "Revised Draft" deals with tax prepayment. Exhibit 7 is an amendment proposed by MR. FREDRICKS relating to tax prepayment. He felt there should not be a tax burden on the local government unit.

MR. SHANAHAN said that when you are a taxpayer in an area and no where else, only three tax jurisdictions are affected by this payment.

MS. SCHMIDT stated that this takes care of counties where problems occur. If there are impacts not taken care of, then the developer will pay for the impacts from other sources.

CHAIRMAN BROWN asked the committee what effective date the bill should bear. The answer was upon passage and approval.

The meeting was adjourned at 7:00 p.m.

Respectfully submitted,



DAVE BROWN, CHAIRMAN

Ellen Engstedt, Secretary

Second Draft

HOUSE BILL NO. 718

INTRODUCED BY ELLISON, HIGLANS, MARKS, CURTISS, CONROY,
MOORE, UNDERDAL, SEEFERT, HEMSTAD, BURNETT, SCHULTZ,
KANDUCH, ASAY, PHILLIPS, ERNST, STOBIE, C. SMITH,
DEVLIN, WINSLOW, THOFT, DONALDSON, JENSEN, MATSKO,
FEDA, QUIRIC, PAVLOVICH, ELLERD, SPILKER

A BILL FOR AN ACT ENTITLED: "AN ACT TO CREATE THE HARD-ROCK
MINING IMPACT BOARD; TO REQUIRE MINERAL DEVELOPERS TO SUBMIT
AN ECONOMIC IMPACT PLAN TO THE BOARD; TO AUTHORIZE THE BOARD
TO ISSUE BONDS AND AWARD GRANTS TO IMPACTED UNITS OF LOCAL
GOVERNMENT; AND TO PLEDGE THE EARNINGS OF THE RESOURCE
INDEMNITY TRUST FUND TO PAY FOR THE BONDS ISSUED BY THE
BOARD; AMENDING SECTIONS 15-38-202 15-16-201 AND 82-4-335,
MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. Section 1. Hard-rock mining impact
board. (1) There is a hard-rock mining impact board.

(2) The board consists of five members appointed by
the governor.

(3) The governor shall select the members of the board
from a panel recommended by the leaders of the senate and
the house of representatives. The panel shall include:

(a) two persons recommended by the president of the

Second Draft

1 ~~senate;~~

2 ~~(b) two persons recommended by the senate minority~~
3 ~~leaders;~~

4 ~~(c) two persons recommended by the speaker of the~~
5 ~~house of representatives;~~

6 ~~(d) two persons recommended by the minority leader of~~
7 ~~the house of representatives;~~

8 (3) THE GOVERNOR SHALL SELECT FOUR OF THE MEMBERS OF
9 THE BOARD FROM A PANEL RECOMMENDED BY THE LEADERS OF THE
10 HOUSE OF REPRESENTATIVES AND THE SENATE.

11 (A) THE PANEL SHALL INCLUDE:

12 (I) TWO REPRESENTATIVES OF THE HARD-ROCK MINING
13 INDUSTRY;

14 (II) TWO REPRESENTATIVES OF MAJOR FINANCIAL
15 INSTITUTIONS IN MONTANA;

16 (III) TWO ELECTED SCHOOL DISTRICT TRUSTEES;

17 (IV) TWO ELECTED COUNTY COMMISSIONERS.

18 (B) THE FOLLOWING PROCEDURE MUST BE FOLLOWED TO SELECT
19 THE PANEL ESTABLISHED UNDER THIS SUBSECTION:

20 (I) THE SPEAKER OF THE HOUSE, THE PRESIDENT OF THE
21 SENATE, THE MINORITY LEADER OF THE HOUSE, AND THE MINORITY
22 LEADER OF THE SENATE SHALL EACH SELECT FOUR NOMINEES, ONE IN
23 EACH OF THE REQUIRED CATEGORIES. THE NOMINEES SHALL BE
24 SUBMITTED TO THE CHIEF CLERK OF THE HOUSE TO BE CONSOLIDATED
25 ON A LIST.

(II) THE CONSOLIDATED LIST MUST THEN BE CIRCULATED
AMONG THE LEADERSHIP IN THE FOLLOWING ORDER: MINORITY LEADER
OF THE SENATE, FIRST; MINORITY LEADER OF THE HOUSE, SECOND;
PRESIDENT, THIRD; AND SPEAKER, LAST. EACH LEADER SHALL
STRIKE TWO NOMINEES FROM THE LIST.

(III) WHEN STRIKING NAMES FROM THE NOMINATION LIST, THE
RESPECTIVE LEADER MAY NOT STRIKE A NAME IF IN REMOVING THAT
NAME THE REQUIRED REPRESENTATION ON THE PANEL WITH REGARD TO
NUMBER OR PARTY WOULD FALL BELOW THE NUMBER REQUIRED UNDER
THIS SUBSECTION AND SUBSECTION (7).

(IV) THE CHIEF CLERK OF THE HOUSE SHALL SUBMIT THE
NAMES REMAINING ON THE LIST TO THE GOVERNOR AND IT SHALL
CONSTITUTE THE PANEL REQUIRED BY THIS SUBSECTION.

(4) THE GOVERNOR SHALL SELECT THE FIFTH MEMBER OF THE
BOARD TO REPRESENT THE PUBLIC-AT-LARGE.

~~(4)~~(5) The term of office for each board member is 4
years except that two members of the original board shall
serve 2-year terms thereby achieving a staggering of terms.
The members serving the 2-year terms will be selected by lot
at the first meeting of the board.

(6) UPON EXPIRATION OF A MEMBER'S TERM, THE GOVERNOR
SHALL APPOINT A SUCCESSOR ACCORDING TO THE PROCEDURES IN
SUBSECTIONS (3) AND (4).

~~(5)~~(7) The board may not include more than three
persons recommended by persons of the same political party.

1 ~~{6}~~(8) A vacancy shall be filled by appointment by the
 2 governor and the person appointed shall serve for the
 3 unexpired term of the member who vacated. IN FILLING A
 4 VACANCY, THE GOVERNOR SHALL APPOINT A NEW MEMBER TO
 5 REPRESENT THE SAME INTEREST UNDER SUBSECTION (3)(A) AS THE
 6 MEMBER WHO VACATED.

7 ~~{7}~~(9) Unless he is a full-time salaried officer or
 8 employee of this state or of a political subdivision of this
 9 state, each member is entitled to be paid \$50 for each day
 10 in which he is actually and necessarily engaged in the
 11 performance of board duties and he is also entitled to be
 12 reimbursed for travel expenses, as provided for in 2-18-501
 13 through 2-18-503, incurred while in the performance of board
 14 duties. Members who are full-time salaried officers or
 15 employees of this state or of a political subdivision of
 16 this state are not entitled to be compensated for their
 17 service as members but are entitled to be reimbursed for
 18 travel expenses as provided for in 2-18-501 through
 19 2-18-503.

20 ~~{8}~~(10) A majority of the membership constitutes a
 21 quorum to do business. A favorable vote of at least a
 22 majority of all members of a board is required to adopt any
 23 resolution, motion, or other decision unless otherwise
 24 provided by law.

25 (11) THE BOARD IS A QUASI-JUDICIAL BOARD; HOWEVER, THE

1 PROVISIONS OF 2-15-124 DO NOT APPLY.

2 NEW SECTION. Section 2. Declaration of necessity and
 3 purpose. The large-scale developments of mineral deposits in
 4 the state causes an influx of people into the area of the
 5 development many times larger than the number of people
 6 directly involved in the mining operation. This influx of
 7 people and the corresponding increase in demand for local
 8 government FACILITIES AND services creates a burden on the
 9 local taxpayer. There is a significant lag time between the
 10 time when additional FACILITIES AND services must be
 11 provided and the time when additional tax revenue is
 12 available as a result of the increased tax base. IN
 13 ADDITION, LOCAL GOVERNMENT UNITS IN WHOSE JURISDICTION THE
 14 DEVELOPMENT IS NOT LOCATED, MAY RECEIVE SUBSTANTIAL ADVERSE
 15 ECONOMIC IMPACTS WITHOUT BENEFIT OF A MAJOR INCREASED TAX
 16 BASE IN THE FUTURE. There is therefore a need to provide a
 17 system to assist local government units in meeting the
 18 initial financial impact of large-scale mineral development.

19 NEW SECTION. Section 3. Definitions. In [section 2
 20 through section 11] the following definitions apply:

21 (1) "Board" means the hard-rock mining impact board
 22 established in [section 1].

23 (2) "Bonds" include bonds, notes, warrants,
 24 debentures, certificates of indebtedness, temporary bonds,
 25 temporary notes, interim receipts, interim certificates, and

all instruments or obligations evidencing or representing indebtedness or evidencing or representing the borrowing of money or evidencing or representing a charge, lien, or encumbrance on specific revenues, special assessments, income, or property of a political subdivision, including all instruments or obligations payable from a special fund.

(3) "Local government unit" includes MEANS A POLITICAL SUBDIVISION OF THIS STATE, INCLUDING BUT NOT LIMITED TO a county, city, town, or school district.

(4) "LARGE-SCALE MINERAL DEVELOPMENT" MEANS A HARD-ROCK MINERAL DEVELOPMENT THAT WILL:

(A) EMPLOY AT ANY GIVEN TIME AT LEAST 100 PEOPLE IN CONSTRUCTION OF FACILITIES ^{and} OR OPERATION OF A MINE; OR

(B) CAUSE, OR BE EXPECTED TO CAUSE, AN INCREASE IN ESTIMATED POPULATION OF AT LEAST 15% IN A COUNTY, TOWN, SCHOOL DISTRICT, OR OTHER GOVERNMENTAL UNIT WHEN MEASURED AGAINST THE AVERAGE POPULATION OF SUCH A GOVERNMENTAL UNIT IN THE 3-YEAR PERIOD IMMEDIATELY PRECEDING THE COMMENCEMENT OF MINING.

NEW SECTION. Section 4. Chairman -- meetings -- facilities -- FUNDING. (1) The board shall elect a chairman from among its members.

(2) The board shall meet quarterly and may meet at other times AS NECESSARY as called by the chairman or a majority of the members.

(3) ~~the department of community affairs will provide~~
~~suitable office facilities and the necessary staff for the~~
~~boards. THE BOARD IS ALLOCATED TO THE DEPARTMENT OF COMMUNITY~~
~~AFFAIRS FOR ADMINISTRATIVE PURPOSES ONLY.~~

(4) ~~THE ADMINISTRATIVE AND OPERATING EXPENSES OF THE~~
~~BOARD SHALL BE PAID FROM THE REVENUE GENERATED FROM THE~~
~~LICENSE TAX ON METAL MINES IMPOSED UNDER TITLE 15, CHAPTER~~

37. (5) _____

NEW SECTION. Section 5. Hard-rock mining impact board
 -- general powers. (1) The board may:

(1) (A) retain professional ⁵⁷¹⁵⁵ consultants and advisors;

(2) (B) adopt rules governing its proceedings;

(3) ~~issue bonds pursuant to [section 6]~~

(4) (C) award grants to local government units subject
 to [section 7];

(5) (D) accept grants and other funds to be used in
 carrying out this part; AND

(E) MAKE DETERMINATIONS AS PROVIDED IN [SECTION 7].

(2) THE PROVISIONS OF THE MONTANA ADMINISTRATIVE
PROCEDURE ACT APPLY TO THE PROCEEDINGS AND DETERMINATIONS OF
THE BOARD.

NEW SECTION. Section 6. ~~Authority to issue bonds.~~
~~the board may issue and sell bonds of the state in such~~
~~manner as it considers necessary and proper to provide funds~~
~~to local government units impacted by mineral development.~~

~~(2) -- The full faith and credit and taxing powers of the state shall be pledged for the payment of all bonds issued pursuant to this part.~~

~~NEW SECTION. Section 6. Basis for awarding grants.~~
~~(1) Grants shall be awarded TO LOCAL GOVERNMENT UNITS on the basis of:~~

~~(a)(1) needs;~~

~~(b)(2) degree of severity of impact from mineral development;~~

~~(c)(3) availability of funds; and~~

~~(d)(4) degree EXTENT of local effort in meeting its needs.~~

~~(2) -- In determining the degree of local effort, the board shall compare the anticipated millage rates needed to meet the needs of the impacted local government unit to the average millage rates levied by comparably sized local government units in the state. The board may not issue bonds to provide funds to local government units when their anticipated millage rates are less than the average millage rates levied by comparable local government units.~~

~~NEW SECTION. Section 8. Rate of interest on bonds to be determined by the board. Bonds issued by the board shall bear interest at such rate or rates as it shall determine.~~

~~NEW SECTION. Section 9. Limitation on bond issues and interest rates. The bonds issued by the board and the~~

1 ~~interest rates set by the board shall be fixed in such~~
 2 ~~manner that the maximum amount of principal and interest to~~
 3 ~~become due in any subsequent fiscal year on all outstanding~~
 4 ~~bonds must not exceed one-half of the average annual amount~~
 5 ~~expected to be available from the resource indemnity trust~~
 6 ~~fund to retire the bonds.~~

7 NEW SECTION. Section 7. Impact plan to be submitted.

8 (1) ~~Before a permit is issued under 82-4-335, the person~~
 9 ~~seeking the permit shall submit to the affected counties and~~
 10 ~~the board a statement describing the economic impact the~~
 11 ~~mining development will have on local government units. The~~
 12 ~~statement shall include:~~

13 ~~(a) a timetable for development including the opening~~
 14 ~~date of the development and the estimated closing date;~~

15 ~~(b) the estimated number of persons coming into the~~
 16 ~~impacted area as a result of the development;~~

17 ~~(c) the increased cost to local government units for~~
 18 ~~police, fire, sewer, water treatment, schools, road~~
 19 ~~construction and upkeep, education, and medical care which~~
 20 ~~can be expected as a result of the development;~~

21 ~~(d) the financial assistance the developer will give~~
 22 ~~to local government units to meet the increased demand for~~
 23 ~~services.~~

24 ~~(2) Upon receipt of the statement from the developer,~~
 25 ~~the board shall consult with the county as to the adequacy~~

1 of the statements. The board shall approve or reject the
2 statement within 30 days after the statement is submitted to
3 the board. The developer must commit himself to pay at least
4 two-thirds of the anticipated increased cost to local
5 government units resulting from the development or the
6 statement shall be rejected. The statement must be submitted
7 to the board at a regularly scheduled board meeting. If the
8 statement is approved, the board shall within 5 days notify
9 the board of land commissioners of its approval. If the
10 statement is rejected, the board shall provide the developer
11 in writing with specific reasons why the statement is
12 deficient.

13 WHEN AN APPLICATION FOR A PERMIT IS MADE UNDER
14 82-4-335 FOR A LARGE-SCALE MINERAL DEVELOPMENT, THE PERSON
15 SEEKING THE PERMIT SHALL SUBMIT TO THE AFFECTED COUNTIES AND
16 THE BOARD A STATEMENT DESCRIBING THE ECONOMIC IMPACT THE
17 MINING DEVELOPMENT WILL HAVE ON LOCAL GOVERNMENT UNITS AND
18 SHALL FILE PROOF OF SUCH SUBMISSION TO THE COUNTIES WITH THE
19 BOARD. THE GOVERNING BODIES OF THE AFFECTED COUNTIES SHALL
20 PUBLISH NOTICE OF THE SUBMISSION OF AN IMPACT PLAN AT LEAST
21 ONCE IN A NEWSPAPER OF GENERAL CIRCULATION IN THE COUNTY.
22 THE IMPACT STATEMENT SHALL INCLUDE:

23 (A) A TIMETABLE FOR DEVELOPMENT, INCLUDING THE OPENING
24 DATE OF THE DEVELOPMENT AND THE ESTIMATED CLOSING DATE,

25 (B) THE ESTIMATED NUMBER OF PERSONS COMING INTO THE
IMPACTED AREA AS A RESULT OF THE DEVELOPMENT.

(C) THE INCREASED CAPITAL AND OPERATING COST TO LOCAL GOVERNMENT UNITS FOR PROVIDING SERVICES, INCLUDING BUT NOT LIMITED TO, POLICE AND FIRE PROTECTION, SEWAGE, WATER TREATMENT, SCHOOLS, ROAD CONSTRUCTION AND UPKEEP, EDUCATION, AND MEDICAL CARE, WHICH CAN BE EXPECTED AS A RESULT OF THE DEVELOPMENT.

(D) THE FINANCIAL OR OTHER ASSISTANCE THE DEVELOPER WILL GIVE TO LOCAL GOVERNMENT UNITS TO MEET THE INCREASED NEED FOR SERVICES.

(2) IN THE IMPACT STATEMENT, THE DEVELOPER SHALL COMMIT ITSELF TO PAY ALL OF THE INCREASED CAPITAL AND NET OPERATING COST TO LOCAL GOVERNMENT UNITS THAT WILL BE A RESULT OF THE DEVELOPMENT, EITHER FROM TAX PREPAYMENTS, AS PROVIDED IN [SECTION 9], SPECIAL IMPACT BONDS, AS PROVIDED IN [SECTION 10], OR OTHER FUNDS OBTAINED FROM THE DEVELOPER AND SHALL PROVIDE A TIME SCHEDULE WITHIN WHICH IT WILL DO SO.

(3) AN AFFECTED LOCAL GOVERNMENT UNIT SHALL, WITHIN 90 DAYS AFTER RECEIPT OF THE STATEMENT FROM THE DEVELOPER, NOTIFY THE BOARD IN WRITING IF THAT LOCAL GOVERNMENT UNIT OBJECTS TO THE STATEMENT, SPECIFYING THE REASONS WHY THE STATEMENT IS OBJECTED TO. IF NO OBJECTION IS RECEIVED WITHIN THE 90-DAY PERIOD, THE STATEMENT SHALL BE APPROVED BY THE BOARD.

(4) IF OBJECTIONS ARE RECEIVED FROM A LOCAL GOVERNMENT

UNIT, THE BOARD SHALL PROMPTLY NOTIFY THE DEVELOPER AND
FORWARD A COPY OF THE LOCAL GOVERNMENT UNIT'S OBJECTIONS TO
THE DEVELOPER. IF WITHIN 30 DAYS THE LOCAL GOVERNMENT UNIT
AND THE DEVELOPER CANNOT RESOLVE THE OBJECTION, THE BOARD
SHALL CONDUCT A HEARING ON THE VALIDITY OF THE OBJECTIONS
WHICH SHALL BE HELD IN THE AFFECTED COUNTY OR, IF OBJECTIONS
ARE RECEIVED FROM LOCAL GOVERNMENT UNITS IN MORE THAN ONE
COUNTY, SHALL BE HELD IN THE COUNTY WHICH, IN THE BOARD'S
JUDGMENT, IS MORE GREATLY AFFECTED. THE PROVISIONS OF THE
MONTANA ADMINISTRATIVE PROCEDURE ACT SHALL APPLY TO THE
CONDUCT OF THE HEARING. THE IMPACT STATEMENT FILED BY THE
DEVELOPER SHALL CARRY NO PRESUMPTION OF CORRECTNESS AT THE
HEARING.

(5) FOLLOWING THE HEARING, THE BOARD SHALL, WITHIN 60
DAYS, MAKE FINDINGS AS TO THOSE PORTIONS OF THE IMPACT
STATEMENT WHICH WERE OBJECTED TO AND, IF APPROPRIATE, AMEND
THE IMPACT STATEMENT ACCORDINGLY. THE FINDINGS AND IMPACT
STATEMENT, AS AMENDED, SHALL BE SERVED BY THE BOARD UPON ALL
PARTIES. ANY LOCAL GOVERNMENT UNIT OR THE DEVELOPER, IF
AGGRIEVED BY THE DECISION OF THE BOARD, IS ENTITLED TO
JUDICIAL REVIEW, AS PROVIDED BY TITLE 2, CHAPTER 4, PART 7,
IN THE DISTRICT COURT IN AND FOR THE JUDICIAL DISTRICT IN
WHICH THE HEARING WAS HELD.

NEW SECTION. Section 8. Permit procedure and review
of statement to run concurrently. It is intended that the

1 procedure for fulfilling the permit requirement of 82-4-335
 2 and the review of the developer's statement by the board
 3 under section 10 7 are to run concurrently. If the
 4 requirements for a permit prescribed in 82-4-335 have
 5 otherwise been met, the board of land commissioners shall
 6 issue a letter stating that the permit will be issued at
 7 such time as the board has approved the statement of the
 8 developer under [section 10].

9 Section 12, Section 15-38-202, MCA, is amended to
 10 read:

11 "15-38-202. Investment of resource indemnity trust
 12 account --- expenditure --- minimum balances --- All moneys paid
 13 into the resource indemnity trust account shall be invested
 14 at the discretion of the board of investments. All the net
 15 earnings accruing to the resource indemnity trust account
 16 shall annually be added thereto until it has reached the sum
 17 of \$100 million. Thereafter, only the net earnings may be
 18 appropriated and expended are deposited in the general fund
 19 subject to the prior pledge and appropriation of such
 20 earnings for the payment of hard rock mining impact bonds
 21 until the account reaches \$100 million. Thereafter, all net
 22 earnings and all receipts shall be appropriated by the
 23 legislature and expended deposited in the general fund
 24 subject to the prior pledge and appropriation of such
 25 earnings for the payment of hard rock mining impact bonds.

provided--that--the--balance--in--the--account--may--never--be--less
than \$100 million."

NEW SECTION. SECTION 9. TAX PREPAYMENT -- LARGE-SCALE
MINERAL DEVELOPMENT. (1) AFTER PERMISSION TO COMMENCE
OPERATION IS GRANTED BY THE APPROPRIATE GOVERNMENTAL AGENCY,
AND UPON REQUEST OF THE BOARD OF COUNTY COMMISSIONERS OF A
COUNTY IN WHICH A FACILITY IS TO BE LOCATED, A PERSON
INTENDING TO CONSTRUCT OR LOCATE A LARGE-SCALE MINERAL
DEVELOPMENT IN THIS STATE SHALL PREPAY PROPERTY TAXES IN AN
AMOUNT EQUAL TO AT LEAST THREE TIMES THE ESTIMATED PROPERTY
TAX DUE THE YEAR THE LARGE-SCALE MINERAL DEVELOPMENT
FACILITY COMMENCES OPERATION. THIS PREPAYMENT SHALL EXCLUDE
THE 6-HILL UNIVERSITY LEVY.

(2) THE PERSON WHO IS TO PREPAY UNDER THIS SECTION
SHALL NOT BE OBLIGATED TO PREPAY THE ENTIRE AMOUNT
ESTABLISHED IN SUBSECTION (1) AT ONE TIME. UPON REQUEST OF
THE GOVERNING BODY OF AN AFFECTED LOCAL GOVERNMENT UNIT, THE
PERSON SHALL PREPAY THE AMOUNT SHOWN TO BE NEEDED FROM TIME
TO TIME.

(3) THE PERSON WHO IS TO PREPAY SHALL GUARANTEE TO THE
HARD-ROCK MINING BOARD, WITH APPROPRIATE BANK GUARANTIES AS
MAY BE REQUIRED BY THE BOARD, THAT PROPERTY TAX PREPAYMENTS
WILL BE PAID AS NEEDED FOR EXPENDITURES CREATED BY THE
IMPACTS OF THE LARGE-SCALE MINERAL DEVELOPMENT.

(4) WHEN THE MINERAL DEVELOPMENT FACILITIES ARE

COMPLETED AND ASSESSED BY THE DEPARTMENT OF REVENUE, THEY SHALL BE SUBJECT DURING THE FIRST 3 YEARS AND THEREAFTER TO TAXATION AS ALL OTHER PROPERTY SIMILARLY SITUATED, EXCEPT THAT IN EACH YEAR AFTER THE START OF PRODUCTION, THE LOCAL GOVERNMENT UNIT THAT RECEIVED A PROPERTY TAX PREPAYMENT SHALL PROVIDE FOR REPAYMENT OF PREPAID PROPERTY TAXES IN ACCORDANCE WITH SUBSECTION (5).

(5) A LOCAL GOVERNMENT UNIT THAT RECEIVED PROPERTY TAX PREPAYMENT UNDER THIS SECTION SHALL PROVIDE FOR REPAYMENT ACCORDING TO THE FOLLOWING PROCEDURE: THE LOCAL GOVERNMENT UNIT SHALL DETERMINE ITS BUDGET AND THE AMOUNT OF MONEY THAT WOULD BE GENERATED BY A MILL LEVY EQUAL TO THE AVERAGE OF THE 3 YEARS PRIOR TO THE START OF CONSTRUCTION. THE LOCAL GOVERNMENT SHALL THEN REDUCE THE TAXABLE VALUATION OF THE FACILITY BY AN AMOUNT THAT WOULD OTHERWISE GENERATE TAXES EQUAL TO THE DIFFERENCES BETWEEN THE TWO FIGURES DETERMINED AS SET FORTH ABOVE. THIS PROCEDURE SHALL CONTINUE FROM YEAR TO YEAR UNTIL THE TOTAL TAXES SAVED BY THE PERSON WHO PREPAID PROPERTY TAXES UNDER THIS SECTION EQUAL THE PREPAYMENTS MADE.

NEW SECTION. SECTION 10. EDUCATION IMPACT BONDS. (1) WHEN THE NEED FOR NEW SCHOOL FACILITIES IS DETERMINED, THE OWNERS OF A LARGE-SCALE MINERAL DEVELOPMENT MAY ENTER INTO A WRITTEN AGREEMENT WITH THE TRUSTEES OF A SCHOOL DISTRICT THAT HAS THE BURDEN FOR THE ISSUANCE OF BONDS TO COVER THE

1 COST OF SUCH NEW CONSTRUCTION. THE TRUSTEES OF A SCHOOL
 2 DISTRICT WILL EXECUTE A WRITTEN AGREEMENT WITH THE OWNER OF
 3 A LARGE-SCALE MINERAL DEVELOPMENT FOR THE ISSUANCE OF ANY
 4 SPECIAL INDUSTRIAL EDUCATIONAL IMPACT BONDS PROVIDED FOR IN
 5 THIS SECTION.

6 (2) THE AGREEMENT WITH THE OWNERS OF A LARGE-SCALE
 7 MINERAL DEVELOPMENT SHALL PROVIDE FOR A PAYMENT GUARANTEE,
 8 IN ADDITION TO THE TAXES IMPOSED BY THE SCHOOL DISTRICT ON
 9 PROPERTY OWNERS GENERALLY, OF THE PRINCIPAL AND INTEREST ON
 10 THE BONDS PROVIDED FOR IN THIS SECTION. PAYMENT WILL THEN BE
 11 MADE BY AN ANNUAL SPECIAL TAX LEVY ON THE PROPERTY OF THE
 12 LARGE-SCALE MINERAL DEVELOPMENT SUFFICIENT TO RETIRE THE
 13 PRINCIPAL AND INTEREST ON THESE SPECIAL IMPACT BONDS. THE
 14 BONDS SHALL NOT BE AN OBLIGATION OF THE TRUSTEES OR THE
 15 SCHOOL DISTRICT.

16 (3) THE DEBT LIMITS SET FORTH IN 20-9-406 AND THE
 17 PROVISIONS OF 20-9-410 AND 20-9-421 THROUGH 20-9-432,
 18 INCLUSIVE, DO NOT APPLY TO BONDS ISSUED IN ACCORDANCE WITH
 19 THIS SECTION. THE INTEREST ON SUCH BONDS SHALL NOT BE
 20 SUBJECT TO STATE TAXES.

21 SECTION 11. SECTION 15-16-201, MCA, IS AMENDED TO
 22 READ:

23 (15-16-201. Tax prepayment — new industrial
 24 facilities. (a) A person intending to construct or locate a
 25 major new industrial facility, as defined in subsection (2)

1 of this section, shall upon request of the board of county
 2 commissioners of the county, in which the facility is to be
 3 located, prepay, when permission is granted to construct or
 4 locate by the appropriate governmental agency, an amount
 5 equal to three times the estimated property tax due the year
 6 the facility is completed. The person who is to prepay under
 7 this section shall not be obligated to prepay the entire
 8 amount at one time but, upon request of the board of county
 9 commissioners of the county, shall prepay only that amount
 10 shown to be needed from time to time. To assure this payment
 11 or payments, the person who is to prepay shall guarantee to
 12 the board of county commissioners and also have a bank or
 13 banks guarantee that these amounts will be paid as needed
 14 for expenditures created by the impact. When the facility is
 15 completed and assessed by the department of revenue, it
 16 shall be subject during the first 3 years and thereafter to
 17 taxation as all other property similarly situated, except
 18 that one-fifth of the amount prepaid shall be allowed as a
 19 credit against property taxes in each of the first 5 years
 20 after the start of productive operation of the facility.

21 (2) A major new industrial facility is a manufacturing
 22 or mining facility other than a large-scale mineral
 23 development as defined in [section 3(4)] which will employ
 24 on an average annual basis at least 100 people in
 25 construction or operation of the facility and which will

1 create a substantial adverse impact on existing state,
2 county, or municipal services."

3 section 12. Section 82-4-335, MCA, is amended to read:

4 "82-4-335. Operating permit. (1) No person shall
5 engage in mining or disturb land in anticipation of mining
6 in the state without first obtaining an operating permit
7 from the board to do so. A separate operating permit shall
8 be required for each mine complex. Prior to receiving an
9 operating permit from the board, any person must pay the
10 basic permit fee of \$25 and must submit an application on a
11 form provided by the board, which shall contain the
12 following information and any other pertinent data required
13 by the rules:

14 (2)(a) name and address of the operator and, if a
15 corporation or other business entity, the name and address
16 of its principal officers, partners, and the state and its
17 resident agent for service of process, if required by law;

18 (2)(b) minerals expected to be mined;

19 (2)(c) a proposed reclamation plan;

20 (2)(d) expected starting date of mining;

21 (2)(e) a map showing the specific area to be mined and
22 the boundaries of the land which will be disturbed,
23 topographic detail, the location and names of all streams,
24 roads, railroads, and utility lines on or immediately
25 adjacent to the area, location of proposed access roads to

be built and the names and addresses of the surface and mineral owners of all lands within the mining area, to the extent known to applicant;

(6)(f) types of access roads to be built and manner of reclamation of road sites on abandonment; and

(7)(g) a plan of mining which will provide, within limits of normal operating procedures of the industry, for completion of mining and associated land disturbances.

(2) Except as provided in subsection (3), the permit provided for in subsection (1) may not be issued until the hard-rock mining board approves the plan submitted in compliance with section 10. If, however, all the requirements for obtaining an operating permit have been met except the approval of the hard-rock mining board, the board shall issue a letter stating that the permit will be issued at such time as the hard-rock mining board approves the statement of the developer under section 10. FOR A LARGE-SCALE MINERAL DEVELOPMENT SHALL BE CONDITIONED TO PROVIDE THAT MINING MAY NOT COMMENCE UNTIL THE HARD-ROCK MINING BOARD APPROVES THE IMPACT PLAN UNDER [SECTION 7] AND UNTIL THE PERMITTEE HAS PROVIDED A WRITTEN GUARANTEE TO THE DEPARTMENT AND TO THE HARD-ROCK MINING IMPACT BOARD OF COMPLIANCE WITHIN THE TIME SCHEDULE WITH THE COMMITMENT MADE IN THE IMPACT STATEMENT APPROVED BY THE HARD-ROCK MINING IMPACT BOARD, AS PROVIDED IN [SECTION 7]. IF THE PERMITTEE

1 DOES NOT COMPLY WITH THAT COMMITMENT WITHIN THE TIME
2 SCHEDULED, THE BOARD ^{upon receipt} SHALL SUSPEND THE PERMIT UNTIL THE
3 PERMITTEE IS IN COMPLIANCE.

4 (3) Compliance with [section 10 7] is not required for
5 exploration and bulk sampling for metallurgical testing when
6 the aggregate samples are less than 10,000 tons."

7 SECTION 13. EFFECTIVE DATE. THIS ACT IS EFFECTIVE ON
8 PASSAGE AND APPROVAL.

-End-

HOUSE BILL No. 718 - Proposed Amendments to Grey Draft

(Proposed by Sweet Grass County group)

Section 3, p. 6, line 7 -

Delete the words "and that will create a substantial adverse impact on existing state, county, or local government service" and insert, in lieu thereof, the words "or which will produce more than 100,000 tons of material in the aggregate during any calendar year".

Explanation: The deletion of the words had been agreed to previously. The new wording will eliminate the possibility of a facility only employing, say, 97 people, which will almost have the same impact, yet avoiding the act. It also avoids the operator fragmenting the work force under separate employer entities to avoid the 100 employment figure.

Section 5, page 7, after line 7

Insert the words and figure: " (6) make determinations as provided in [section 7]."

Explanation: This change had been inadvertently omitted in the re-draft.

Section 7, line 21, p.9 -

Insert, before the word "WHEN", the following: "The exemption contained in section 82-4-309 shall not apply to any large-scale mineral development as defined in [section 3]."

Explanation: This is to make it clear that the impact statement procedure has to be followed for large-scale mineral development, even though Federal reclamation procedures apply and a normal permit is not necessary.

Section 9, page 13, line 22 -

Delete the period and add the words and punctuation: "and the 40 mill basic school levies."

Explanation: This is to keep those basic school levies on an even basis.

Section 12, page 18, line 15 -

Retain the deleted language through the end of the sentence on line 23. Delete the remainder of this subsection.

Explanation: The permit should not be issued unless and until the amount and cost of the impacts has been resolved. Otherwise, the mining will be proceeding before anything is in place to handle the impacts. The time frame for permit approval by the Board of Land Commissioners, coupled with the time limitations contained in section 7, should allow this to work without any undue delays to the developer, particularly in view of the fact that only local government units can object to the developer's statement in section 7. The second sentence of this subsection would appear to benefit the developer, as it would be an affirmative statement by the Board of Land Commissioners that the developer has fulfilled all of that Board's requirements for a permit and thus prevent additional problems with that Board's requirements.

Section 12, page 19, after line 8 -

Add the following language:

"(4) Any permit issued under section 82-4-335 for a large scale mineral development shall contain as a condition that the permittee shall comply with its commitment made in the impact statement within the time scheduled as provided in [section 7(2)]. If the permittee does not comply with such commitment within the time scheduled, the board of land commissioners shall suspend the permit until the permittee is in compliance."

Explanation: This makes it clear that the developer can proceed with mining as soon as the amount and cost of impact has been determined, and can continue mining as long as it does what it said it would do when it said it would do it. It also provides a clear remedy if the developer does not do so and eliminates any possibility of protracted litigation over "guarantees", their sufficiency and interpretation. If the permit is only conditioned upon "providing a written guarantee", it seems that the only way to enforce the guarantee, once it has been provided, is to go to court, which could result in long delays, during which time mining and the impacts are going forward.

COMMENTS OF STILLWATER P.G.M. ON PROPOSED
AMENDMENTS TO GREY DRAFT OF HOUSE BILL 718
PROPOSED BY SWEET GRASS COUNTY GROUP

Proposed amendment to Section 3, p. 6, line 7:

This proposed new amendment is not acceptable to us for several reasons:

1. The question of "impacts" under this bill is a people problem, not a tonnage problem. The impacts the board will have to address will be created by the introduction of new people into the community. Therefore, the number of people involved directly addresses the issue. From the discussion at the last subcommittee meeting, it appeared to us that the members recognize that 100 workers did not represent a large operation. This limit was taken from existing legislation covering major industrial facilities.
2. The amendment proposes to delete the question of "a substantial adverse impact on government services". The effect of this will be to conclusively presume that any mining operation which proposes to mine more than 100,000 tons of "material" will have an adverse impact. This will rule out the applicant's ability to show the positive impacts. It will create a different standard than that already prescribed for major industrial facilities under Section 15-16-201, MCA.
3. The proposed new tonnage requirement makes no distinction between "valuable ores" and "country rock". Therefore, preparatory work before actual production which involves drilling of tunnels, or the removal of overburden will make the miners subject to this act without production of any valuable mineral.
4. We recall no agreement with respect to the deletion of the language proposed by this amendment.

Section 5, p. 7, after line 7:

We have no problem with this proposed amendment.

Section 7, p. 9, line 21:

We do not believe this amendment is necessary. It has nothing to do with the "people impacts" which the hardrock

impact board is being created to address. Section 82-4-309 is an exemption dealing with the inter-action between the State Reclamation Bureau and the Department of Interior to resolve jurisdiction problems between those two agencies. Mr. Steve Anderson, the chief of the Hardrock Bureau of the Montana Department of State Lands has advised us that there is presently no federal land excepted from state regulation.

It is our position that the mine reclamation requirements of the hardrock mining act should be kept separate from the "people impact" requirements of this act. This act has to do with "people" and not with reclamation requirements. The Montana Reclamation Division is charged with carrying out the requirements of Federal Mine Reclamation Acts. It will be the agency to whom we apply for a mining permit and we will not "escape" regulation. Anyone who is not a "small miner" as defined in the reclamation act will be required to apply for a permit.

Section 9, p. 13, line 22:

We have no objection to this proposed amendment.

Section 12, p. 18, line 15:

We do not agree with this amendment. We have made our position perfectly clear, that although the permitting procedure for mine reclamation, and the permitting procedure for "hardrock impacts" are to run concurrently, these two processes should be kept separate so that the agencies will not interfere with each other in the decision-making process. The mine reclamation process deals with environment and proper mining practice. The hardrock impact board will deal with adverse impacts created by "new people in the community". Therefore, the mine reclamation permit process should be allowed to proceed to completion without the introduction of issues which have no proper place in a consideration of mining questions. The present language of the Grey-bill will prevent the applicant from starting actual mining operations until the "people impacts" have been provided for. This will not interrupt the mine permitting process unnecessarily, but will create a "condition" which must be met before mining commences.

Section 12, p. 19, after line 8:

The objection we have to the addition in this amendment is that it gives the "board of land commissioners" authority

over the impact process instead of the hardrock impact board. The guarantee of compliance under this act should be made to the board which has the decision-making power over the "people impacts". The bill should not create confusion between the two permitting processes. We strongly urge that the present language of the Grey Bill on pages 18 and 19 be retained.

W. A. Shanahan
Stillwater P.G.M. Resources

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W. A. Shanahan
Stillwater P.G.M. Resources

EXAMPLE OF TAX PREPAYMENT PAYBACK UNDER SECTION 9

. AVERAGES FOR THREE YEARS PRIOR TO COMMENCEMENT OF MINING

Budget of taxing jurisdiction	÷	Taxable value	=	Mills
\$250,000		\$5,000,000		50

. AFTER COMMENCEMENT OF MINING "Alternative Budget A"

Budget of taxing jurisdiction	÷	Taxable value	=	Mills
		\$5,000,000		
		plus Company		
		\$3,000,000		
\$350,000 (40% increase)		<u>\$8,000,000</u>		43.75

[\$350,000	÷	X	=	50 mills]
		X = \$7,000,000		

. TAX PREPAYMENT CREDIT EARNED BY MINING COMPANY UNDER "Alternative A"

\$1,000,000 (Taxable value saved) x 50 mills = \$50,000 Credit

. AFTER COMMENCEMENT OF MINING "Alternative Budget B"

Budget of taxing jurisdiction	÷	Taxable value	=	Mills
		\$5,000,000		
		plus Company		
		\$3,000,000		
\$400,000 (60% increase)		<u>\$8,000,000</u>		50

[\$400,000	÷	X	=	50]
		X = \$8,000,000		

. TAX PREPAYMENT CREDIT EARNED BY MINING COMPANY UNDER "Alternative B"

\$0.00 (Taxable value saved) x 50 mills = \$0.00 Credit



DEPARTMENT OF THE ARMY
SEATTLE DISTRICT, CORPS OF ENGINEERS
P.O. BOX C-3755
SEATTLE, WASHINGTON 98124

NPSN-DB-PM

12 FEB 1981

Mr. McGregor Rhodes
Libby Rod and Gun Club
Post Office Box 712
Libby, Montana 59923

Dear Mr. Rhodes:

This is in response to your letter to Mr. Steven Dice of 19 January 1981, which requested information on the operation of units 5-8 at Libby Dam in relation to tailwater fluctuation criteria.

Units 5-8 could produce average annual energy when Libby Dam must pass flows that exceed the capacity of units 1-4. Passing these flows could occur in the late winter or early spring when the reservoir is being lowered for flood control purposes and in the summer when the reservoir is full. On the average, about 70,100 megawatt hours (MWH) of energy could be produced each year.

In addition to producing energy, units 5-8, without a reregulating dam, can serve as reserve units during repair and recurring maintenance of units 1-4, thereby avoiding downtime, and can increase Pacific Northwest power system flexibility. Flexibility is important to the system, especially during extreme cold spells when power demands are high. Releases through all eight units at Libby Dam could be made for short periods of time within tailwater fluctuation criteria to help meet system power demands.

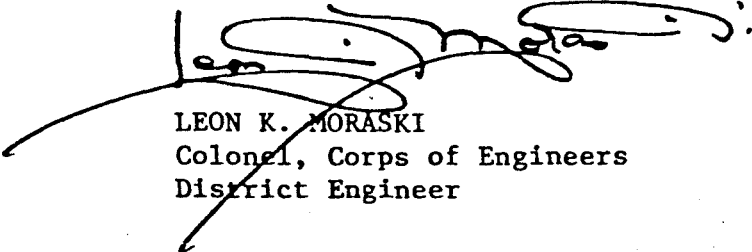
The Libby project spilled water during the period 12 to 26 January 1981 to reach flood control reservoir levels. The spilled water would have produced 28,075 MWH of energy (equivalent to 46,790 barrels of oil). This energy represents \$224,600 at 8 mills per kilowatt hour. One unit would have generated this energy; however, if units 5-8 were available, all eight units at Libby Dam could have "peaked" about 6.3 hours per day in accordance with authorized tailwater fluctuation criteria.

NPSen-DB-PM

Mr. McGregor Rhodes

If you have any further questions on the operation of the units 5-8 without reregulating dam, please let us know.

Sincerely,



LEON K. MORASKI
Colonel, Corps of Engineers
District Engineer

Copy Furnished:
Mr. Gordon Brandonburger
Bonneville Power Administration
Department of Energy
Post Office Box 758
Kalispell, Montana 59901

SUBCOMMITTEE

HB 718

Major Areas Needing Resolution

1. Composition of board-appointment
2. Limitation to employers of 100 or more
3. Access to board-limit to local government units
4. Tie to Hard Rock Permit or penalty
5. Tax prepayment or bonding or other forms of compensation

AMENDMENT CONCERNING APPOINTMENT OF HARD ROCK IMPACT BOARD AND
QUALIFICATIONS OF MEMBERS.

Amends section 1 by inserting a new subsection (3).

(3) The governor shall select the members of the board from a panel recommended by the leaders of the house of representatives and the senate.

(a) The panel shall include:

- (i) two representatives of the hard rock mining industry;
- (ii) two representatives of major financial institutions in Montana;
- (iii) two elected school district trustees;
- (iv) two elected county commissioners;
- (v) two members of the public-at-large.

(b) The following procedure must be followed to select the panel established under this subsection:

(i) The speaker of the house, the president of the senate, the minority leader of the house, and the minority leader of the senate shall each select five nominees, one in each of the required categories. The nominees shall be submitted to the chief clerk of the house to be consolidated on a list.

(ii) The consolidated list must then be circulated among the leadership in the following order: speaker, first; president, second; minority leader of the house, third; and minority leader of the senate, last. The speaker and the president shall each strike three nominees from the list. The minority leaders shall each strike two nominees from the list.

(iii) When striking names from the nomination list, the respective leader may not strike a name if in removing that name the required representation on the panel with regard to number or party would fall below the number required under this subsection.

(iv) The chief clerk of the house shall submit the names remaining on the list to the governor and it shall constitute the panel required by this subsection.

HOUSE BILL NO. 718

INTRODUCED BY _____

A BILL FOR AN ACT ENTITLED: "AN ACT TO CREATE THE HARD-ROCK MINING
IMPACT BOARD: TO REQUIRE MINERAL DEVELOPERS TO SUBMIT AN ECONOMIC
IMPACT PLAN TO THE BOARD: TO AUTHORIZE THE BOARD TO ISSUE BONDS
AND AWARD GRANTS TO IMPACTED UNITS OF LOCAL GOVERNMENT: AND TO
PLEDGE THE EARNINGS OF THE RESOURCE INDEMNITY TRUST FUND TO PAY FOR
THE BONDS ISSUED BY THE BOARD: TO AUTHORIZE SPECIAL FINANCING
AUTHORITY FOR SCHOOL DISTRICTS: AMENDING SECTIONS 15-16-201,
15-38-202, 20-9-407, AND 82-4-335, M.C.A.."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. Section 1. Hard-rock mining impact board.

(1) There is a hard-rock mining impact board.

(2) The board consists of five members appointed by the
governor.

(3) The governor shall select the members of the board from
a panel recommended by the leaders of the senate and the house of
representatives. The panel shall include:

(a) two persons recommended by the president of the senate;

(b) two persons recommended by the senate minority leader;

(c) two persons recommended by the speaker of the house of
representatives;

(d) two persons recommended by the minority leader of the

1 house of representatives.

2 (4) The term of office for each board member is 4 years
3 except that two members of the original board shall serve 2-year
4 terms thereby achieving a staggering of terms. The members serv-
5 ing the 2-year terms will be selected by lot at the first meeting
6 of the board.

7 (5) The board may not include more than three persons
8 recommended by persons of the same political party.

9 (6) A vacancy shall be filled by appointment by the governor
10 and the person appointed shall serve for the unexpired term of the
11 member who vacated.

12 (7) Unless he is a full-time salaried officer or employee
13 of this state or of a political subdivision of this state, each
14 member is entitled to be paid \$50 for each day in which he is
15 actually and necessarily engaged in the performance of board duties
16 and he is also entitled to be reimbursed for travel expenses, as
17 provided for in 2-18-501 through 2-18-503, incurred while in the
18 performance of board duties. Members who are full-time salaried
19 officers or employees of this state or of a political subdivision
20 of this state are not entitled to be compensated for their service
21 as members but are entitled to be reimbursed for travel expenses
22 as provided for in 2-18-501 through 2-18-503.

23 (8) A majority of the membership constitutes a quorum to do
24 business. A favorable vote of at least a majority of all members
25 of a board is required to adopt any resolution, motion, or other

1 decision unless otherwise provided by law.

2 NEW SECTION. Section 2. Declaration of necessity and purpose.

3 The large-scale development of mineral deposits in the state causes
4 an influx of people into the area of the development many times
5 larger than the number of people directly involved in the mining
6 operation. This influx of people and the corresponding increase in
7 demand for local government facilities and services creates a
8 burden on the local taxpayer. There is a significant lag time
9 between the time when additional facilities and services must be
10 provided and the time when additional tax revenue is available as
11 a result of the increased tax base. There is therefore a need to
12 provide a system to assist local government units in meeting the
13 initial financial impact of large-scale mineral development.

14 NEW SECTION. Section 3. Definitions. In [section 2 through
15 section 11] the following definitions apply:

16 (1) "Board" means the hard-rock mining impact board estab-
17 lished in [section 1].

18 (2) "Bonds" include bonds, notes, warrants, debentures,
19 certificates of indebtedness, temporary bonds, temporary notes,
20 interim receipts, interim certificates, and all instruments or
21 obligations evidencing or representing indebtedness or evidencing
22 or representing the borrowing of money or evidencing or represent-
23 ing a charge, lien, or encumbrance on specific revenues, special
24 assessments, and income of, or property located within the
25 boundaries of a political subdivision, including all instruments

1 or obligations payable from a special fund.

2 (3) "Local government unit" includes a county, city, town,
3 or school district.

4 NEW SECTION. Section 4. Chairman -- meetings -- facilities.

5 (1) The board shall elect a chairman from among its members.

6 (2) The board shall meet quarterly and may meet at other
7 times as called by the chairman or a majority of the members.

8 (3) The department of community affairs will provide suitable
9 office facilities and the necessary staff for the board.

10 NEW SECTION. Section 5. Hard-rock mining impact board --
11 general powers. The board may:

12 (1) retain professional consultants and advisors;

13 (2) adopt rules governing its proceedings;

14 (3) issue bonds pursuant to [section 6];

15 (4) award grants to local government units subject to
16 [section 7];

17 (5) accept grants and other funds to be used in carrying
18 out this part;

19 (6) make determinations as provided in [section 10].

20 NEW SECTION. Section 6. Authority to issue bonds.

21 (1) The board may issue and sell bonds of the state in such
22 manner as it considers necessary and proper to provide funds to
23 local government units impacted by mineral development.

24 (2) The full faith and credit and taxing powers of the state
25 shall be pledged for the payment of all bonds issued pursuant to

1 this part.

2 NEW SECTION. Section 7. Basis for awarding grants.

3 (1) Grants shall be awarded to local government units on the
4 basis of:

- 5 (a) need;
- 6 (b) degree of severity of impact from mineral development;
- 7 (c) availability of funds; and
- 8 (d) degree of local effort in meeting its needs.

9 (2) In determining the degree of local effort, the board
10 shall compare the anticipated millage rates needed to meet the
11 needs of the impacted local government unit to the average millage
12 rates levied by comparably sized local government units in the
13 state. The board may not issue bonds to provide funds to local
14 government units when their anticipated millage rates are less than
15 the average millage rates levied by comparable local government
16 units.

17 NEW SECTION. Section 8. Rate of interest on bonds to be
18 determined by the board. Bonds issued by the board shall bear
19 interest at such rate or rates as it shall determine.

20 NEW SECTION. Section 9. Limitation on bond issues and
21 interest rates. The bonds issued by the board and the interest
22 rates set by the board shall be fixed in such manner that the
23 maximum amount of principal and interest to become due in any
24 subsequent fiscal year on all outstanding bonds must not exceed
25 one-half of the average annual amount expected to be available

1 from the resource indemnity trust fund to retire the bonds.

2 NEW SECTION. Section 10. Impact plan to be submitted.

3 (1) Before a permit is issued under 82-4-335, the person
4 seeking the permit shall submit to the affected counties and the
5 board a statement describing the economic impact the mining
6 development will have on local government units and shall file
7 proof of such submission to the counties with the board. The
8 statement shall include:

9 (a) a timetable for development, including the opening date
10 of the development and the estimated closing date;

11 (b) the estimated number of persons coming into the impacted
12 area as a result of the development;

13 (c) the increased capital and operating cost to local govern-
14 ment units for police, fire, sewage, water treatment, schools,
15 road construction and upkeep, education, and medical care, which
16 can be expected as a result of the development;

17 (d) the financial assistance the developer will give to local
18 government units to meet the increased demand-for-services cost.

19 (2) ~~Upon receipt of the statement from the developer, the~~
20 ~~board shall consult with the county as to the adequacy of the state-~~
21 ~~ment.---The board shall approve or reject the statement within 30~~
22 ~~days after the statement is submitted to the board.---The developer~~
23 ~~must commit himself to pay at least two thirds of the anticipated~~
24 ~~increased cost to local government units resulting from the develop-~~
25 ~~ment or the statement shall be rejected.---The statement must be~~

1 submitted-to-the-board-at-a-regularly-scheduled-board-meeting---If
2 the-statement-is-approved,-the-board-shall-within-5-days-notify-the
3 board-of-land-commissioners-of-its-approval---If-the-statement-is
4 rejected,-the-board-shall-provide-the-developer-in-writing-with
5 specific-reasons-why-the-statement-is-deficient-

6 In the impact statement, the developer shall commit
7 itself to pay all of increased capital and net operating cost which
8 will be a result of the development, either from the funds of the
9 developer or from the proceeds of bonds issued as provided in
10 [section 14], and shall set forth a time schedule within which it
11 will do so.

12 (3) The affected counties, acting through their boards of
13 county commissioners, shall, within 90 days after receipt of the
14 statement from the developer, notify the board in writing if the
15 county objects to the statement, specifying the reasons why the
16 statement is objected to. If no objection is received within such
17 90 day period, the statement shall be approved by the board and
18 the board, within 5 days of such approval, shall notify the board
19 of land commissioners of the approval.

20 (4) If objections are received from any county, the board
21 shall promptly notify the developer and forward a copy of the
22 county's objections to the developer. Thereafter, the board shall
23 conduct a hearing on the validity of the objections, which hearing
24 shall be held in the affected county or, if objections are received
25 from more than one county, the hearing shall be held in the County

1 which, in the board's judgment, is more greatly affected. The
2 board shall adopt such rules of practice and procedure for the
3 conduct of such hearing as will insure full participation and
4 opportunity to be heard by all interested parties. The impact
5 statement filed by the developer shall carry no presumption of
6 correctness at such hearing.

7 (5) Following the hearing, the board shall, within 60 days,
8 make findings as to those portions of the impact statement which
9 were objected to and, if appropriate, amend the impact statement
10 accordingly. The findings and impact statement, as amended, shall
11 be served by the board upon all parties. Any party aggrieved by
12 the decision of the board shall be entitled to judicial review,
13 as provided by title 2, part 7, in the district court in and for
14 the judicial district in which the hearing was held.

15 NEW SECTION. Section 11. Permit procedure and review of
16 statement to run concurrently. It is intended that the procedure
17 for fulfilling the permit requirement of 82-4-335 and the review
18 of the developer's statement by the board under [section 10] are
19 to run concurrently. If the requirements for a permit prescribed
20 in 82-4-335 have otherwise been met, the board of land commissioners
21 shall issue a letter stating that the permit will be issued at such
22 time as the board has approved the statement of the developer under
23 [section 10].

24 Section 12. Section 15-38-202, M.C.A., is amended to read:

25 "15-38-202. Investment of resource indemnity trust account --

1 expenditure -- minimum balance. All moneys paid into the resource
2 indemnity trust account shall be invested at the discretion of
3 the board of investments. All the net earnings accruing to the
4 resource indemnity trust account shall annually be added thereto
5 until it has reached the sum of \$10 million. Thereafter, only the
6 net earnings ~~may-be-appropriated-and-expended~~ are deposited in the
7 general fund subject to the prior pledge and appropriation of such
8 earnings for the payment of hard-rock mining impact bonds until the
9 account reaches \$100 million. Thereafter, all net earnings and all
10 receipts shall be ~~appropriated-by-the-legislature-and-expended~~
11 deposited in the general fund subject to the prior pledge and
12 appropriation of such earnings for the payment of hard-rock mining
13 impact bonds, provided that the balance in the account may never
14 be less than \$100 million."

15 Section 13. Section 82-4-335, MCA, is amended to read:

16 "82-4-335. Operating permit. (1) No person shall engage
17 in mining or disturb land in anticipation of mining in the state
18 without first obtaining an operating permit from the board to do
19 so. A separate operating permit shall be required for each mine
20 complex. Prior to receiving an operating permit from the board,
21 any person must pay the basic permit fee of \$25 and must submit an
22 application on a form provided by the board, which shall contain the
23 following information and any other pertinent data required by the
24 rules:

25 (1)(a) name and address of the operator and, if a corpor-

1 ation or other business entity, the name and address of its principal
2 officers, partners, and the like and its resident agent for service
3 of process, if required by law;

4 {2} (b) minerals expected to be mined;

5 {3} (c) a proposed reclamation plan;

6 {4} (d) expected starting date of mining;

7 {5} (e) a map showing the specific area to be mined and the
8 boundaries of the land which will be disturbed, topographic detail,
9 the location and names of all streams, roads, railroads, and utility
10 lines on or immediately adjacent to the area, location of proposed
11 access roads to be built and the names and addresses of the surface
12 and mineral owners of all lands within the mining area, to the
13 extent known to applicant;

14 {6} (f) types of access roads to be built and manner of
15 reclamation of road sites on abandonment; and

16 {7} (g) a plan of mining which will provide, within limits
17 of normal operating procedures of the industry, for completion of
18 mining and associated land disturbances.

19 (2) Except as provided in subsection (3), the permit provided
20 for in subsection (1) may not be issued until the hard-rock mining
21 board approves the plan submitted in compliance with [section 10].
22 If, however, all the requirements for obtaining an operating permit
23 have been met except the approval of the hard-rock mining board,
24 the board shall issue a letter stating that the permit will be
25 issued at such time as the hard-rock mining board approves the

1 statement of the developer under [section 10].

2 (3) Compliance with [section 10] is not required for explor-
3 ation and bulk sampling for metallurgical testing when the aggregate
4 samples are less than 10,000 tons."

5 (4) The permit shall be ^{upon} conditioned upon compliance by the
6 permittee with its commitment made in the impact statement within
7 the time scheduled, as provided in [section 10(2)]. Such compliance
8 shall qualify the facility as "new industrial property" under
9 15-6-135.

10 Section 14. Section 20-9-407, MCA, is amended to read:

11 "Section 20-9-407. New industrial facility special financing
12 authority.

13 ~~{1}--In-a-school-district-within-which-a-new-major-industrial~~
14 ~~facility-which-seeks-to-qualify-for-taxation-as-class-five-property~~
15 ~~under-15-6-135-is-being-constructed-or-is-about-to-be-constructed,~~
16 ~~the-school-district-may-require,-as-a-precondition-of-the-new-major~~
17 ~~industrial-facility-qualifying-as-class-five-property,-that-the~~
18 ~~owners-of-the-proposed-industrial-facility-enter-into-an-agreement~~
19 ~~with-the-school-district-concerning-the-issuing-of-bonds-in-excess~~
20 ~~of-the-29%-limitation-prescribed-in-20-9-406.--Under-such-an-agree-~~
21 ~~ment,-the-school-district-may,-with-the-approval-of-the-voters,~~
22 ~~issue-bonds-which-exceed-the-limitation-prescribed-in-this-section~~
23 ~~by-a-maximum-of-29%-of-the-estimated-taxable-value-of-the-property~~
24 ~~of-the-new-major-industrial-facility-subject-to-taxation-when-com-~~
25 ~~pleted.--The-estimated-taxable-value-of-the-property-of-the-new~~

1 major-facility-subject-to-taxation-shall-be-computed-by-the-depart-
2 ment-of-revenue-when-requested-to-do-so-by-a-resolution-of-the
3 board-of-trustees-of-the-school-district.--A-copy-of-the-depart-
4 ment's-statement-of-estimated-taxable-value-shall-be-printed-on
5 each-ballot-used-to-vote-on-a-bond-issue-proposed-under-this-section-

6 {2}--Pursuant-to-the-agreement-between-the-new-major-industrial
7 facility-and-the-school-district-and-as-a-precondition-to-qualifying
8 as-class-five-property, the-new-major-industrial-facility-and-its
9 owners-shall-pay, in-addition-to-the-taxes-imposed-by-the-school
10 district-on-property-owners-generally, so-much-of-the-principal-and
11 interest-on-the-bonds-provided-for-under-this-section-as-represents
12 payment-on-an-indebtedness-in-excess-of-the-limitation-prescribed
13 in-this-section.--After-the-completion-of-the-new-major-industrial
14 facility-and-when-the-indebtedness-of-the-school-district-no-longer
15 exceeds-the-limitation-prescribed-in-this-section, the-new-major
16 industrial-facility-shall-be-entitled, after-all-the-current
17 indebtedness-of-the-school-district-has-been-paid, to-a-tax-credit
18 over-a-period-of-no-more-than-20-years.--The-credit-shall-as-a
19 total-amount-be-equal-to-the-amount-which-the-facility-paid-the
20 principal-and-interest-of-the-school-district's-bonds-in-excess-of
21 its-general-liability-as-a-taxpayer-within-the-district-

22 {3}--A-major-industrial-facility-is-a-facility-subject-to-the
23 taxing-power-of-the-school-district, whose-construction-or-operation
24 will-increase-the-population-of-the-district, imposing-a-significant
25 burden-upon-the-resources-of-the-district-and-requiring-construction

1 ef-new-school-facilities.--A-significant-burden-is-an-increase-in
2 ANB-of-at-least-20%-in-a-single-year-

3 (1) When a major industrial facility as defined in 15-16-201
4 seeks to locate in a county of the state and has filed the educa-
5 tional impact statement required by 20-1-208 indicating that
6 construction or operation of the facility will increase population
7 so as to impose a burden upon the resources of any school district
8 therein requiring the construction of new school facilities, the
9 superintendent of public instruction shall consult with the trustees
10 of the local school districts and together they will determine the
11 need for new school facilities.

12 (2) When the need for new school facilities is determined
13 the owners of the industrial facility may enter into an agreement
14 with the trustees of the school district which has the burden for
15 the issuance of bonds to cover the cost of such new construction.

16 (3) The agreement with the owners of the new industrial
17 facility shall provide for a guarantee of the payment, in addition
18 to the taxes imposed by the school district on property owners
19 generally, of the principal and interest on the bonds provided for
20 in this section. Payment will then be made by an annual special
21 tax levy on the property of the industrial facility sufficient to
22 retire the principal and interest on these special impact bonds and
23 shall not be an obligation of the trustees or the school district.
24 The debt limits set forth in 20-9-406 and the provisions of 20-9-410
25 and 20-9-241 through 20-9-432, inclusive, will not apply to these bonds

1 (4) The trustees of the school district will execute the
2 agreement with the owner of the new major industrial facility for
3 the issuance of any special industrial educational impact bonds
4 provided for in this section.

5 Section 15. Section 15-16-201, MCA, is amended to read:

6 "15-16-201. Tax prepayment -- new industrial facilities.

7 (1) A person intending to construct or locate a major new
8 industrial facility, as defined in subsection (2) of this section,
9 shall upon request of the board of county commissioners of the
10 county in which the facility is to be located, prepay, when per-
11 mission is granted to construct or locate by the appropriate
12 governmental agency, an amount equal to three times the estimated
13 property tax due the year the facility is completed. The person
14 who is to prepay under this section shall not be obligated to prepay
15 the entire amount at one time but, upon request of the board of
16 county commissioners of the county, shall prepay only that amount
17 shown to be needed from time to time. To assure this payment or
18 payments, the person who is to prepay shall guarantee to the board
19 of county commissioners and also have a bank or banks guarantee
20 that these amounts will be paid as needed for expenditures created
21 by the impact. When the facility is completed and assessed by the
22 department of revenue, it shall be subject during the first 3 years
23 and thereafter to taxation as all other property similarly situated,
24 except that ~~one-fifth~~ one-tenth of the amount prepaid shall be
25 allowed as a credit against property taxes in each of the first

1 5 10 years after the start of productive operation of the facility.

2 (2) A major new industrial facility is a manufacturing or
3 mining facility which will employ on an average annual basis at
4 least 100 people in construction or operation of the facility and
5 which will create a substantial adverse impact on existing state,
6 county, or municipal services or facilities.

7 (3) The estimated taxable valuation of the property of the
8 new major industrial facility for purposes of this section shall
9 be computed by the department of revenue when requested to do so
10 by a resolution of the board of commissioners of the county in
11 which the facility is to be located."

12 -END-

47TH LEGISLATURE

AMENDMENTS TO HOUSE BILL 718, INTRODUCED BILL

* * * * *

Page: 1
In the Title: Line 10
Strike: "AND 82-4-335,"

Page: 1 - Line 10
Following: "MCA"
Insert: "; AND PROVIDING A PENALTY"

Page: 4
Following: Line 7
Insert: "(4) 'Large scale mineral development' is a development which will employ on an average annual basis at least 100 people in construction of facilities or operation of the mines and which will create a substantial adverse impact on existing state, county or local government."

Page: 4
Following: Line 16
Insert: "(4) The provisions of the Montana administrative procedures act shall apply to the determinations and proceedings of the board."

Page: 6
Following: Line 10, "(1)"
Strike: "Before a permit is issued under 82-4-335"

Page: 6
Following: Line 10, "(1)"
Insert: "When an application involving a large scale mineral development is filed pursuant to 82-4-335 and before a permit is issued thereunder,"

Page: 6 - Line 23
Following: "(d) the financial"
Strike: "assistance the developer will give"

Page: 6 - Line 23
Following: "(d) the financial"
Insert: "or other assistance the developer will provide by tax
prepayment pursuant to 15-16-201 or by other means,"

Page: 6 - Line 24
Following: "increased"
Strike: "demand for"

Page: 6 - Line 24
Following: "increased"
Insert: "cost of"

AMENDMENTS CONCERNING SUBMISSION OF THE IMPACT PLAN

1. Page 4, line 6.

Following: "unit"

Strike: "includes"

Insert: "means a political subdivision of this state, including
but not limited to"

2. New Section 10 to read as follows:

(1) When an application for a permit is submitted under 82-4-335,
the person seeking the permit shall submit to the affected counties
and the board a statement describing the economic impact the
mining development will have on local government units and
shall file proof of such submission to the counties with the
board. The statement shall include:

(a) a timetable for development, including the opening date of
the development and the estimated closing date;

(b) the estimated number of persons coming into the impacted
area as a result of the development;

(c) the increased capital and operating cost to local government
units ~~for~~ police, fire, sewage, water treatment, schools, road
construction and upkeep, education, and medical care, which can
be expected as a result of the development;

(d) the financial assistance the developer will give to local
government units to meet the increased need for services.

(2) Strike the existing language and insert:

In the impact statement, the developer shall commit itself to pay all of increased capital and net operating cost which will be a result of the development, either from the funds of the developer ~~or from~~ [] and shall set forth a time schedule within which it will do so.

(3) An affected local government unit, shall, within 90 days after receipt of the statement from the developer, notify the board in writing if that local government unit objects to the statement, specifying the reasons why the statement is objected to. If no objection is received within such 90 day period, the statement shall be approved by the board.

(4) If objections are received from any local government unit, the board shall promptly notify the developer and forward a copy of the local government unit's objections to the developer. Thereafter, ^x the board shall conduct a hearing on the validity of the objections, which shall be held in the affected county or, if objections are received from local government units in more than one county, the hearing shall be held in the county which, in the board's judgment, is more greatly affected. The provisions of the Montana Administrative Procedure Act shall apply to the conduct of the hearing. The impact statement filed by the developer shall carry no presumption of correctness at such hearing.

(5) Following the hearing, the board shall, within 60 days, make findings as to those portions of the impact statement which were objected to and, if appropriate, amend the impact statement accordingly. The findings and impact statement, as amended, shall be served by the board upon all parties. Any party aggrieved by the decision of the board shall be entitled to judicial review, as provided by Title 2, chapter 4, part 7, in the district court in and for the judicial district in which the hearing was held.

PENALTY PROVISION AMENDMENT
HOUSE BILL 718

1. Page 7, lines 15 through 24

Strike: NEW SECTION, Section 11, in its entirety

Renumber: all subsequent sections

2. Page 8, lines 19 through 25, and pages 9 and 10

Strike: section 13 in its entirety

Insert: "NEW SECTION. Section 12. Noncompliance with the provisions of this act. If a person required to submit an impact plan pursuant to section 10 knowingly submits materially false information, or knowingly fails to submit material information, required by this act, the board may on the request of the affected county revise the impact plan to the extent required to reflect the full and correct information. The corrected impact plan shall then be considered pursuant to section 10(2), and the developer shall pay, guarantee or otherwise provide at least two-thirds of the revised anticipated increased cost estimated under section 10(1)(c). Failure to comply with any provision of this act after service of a compliance order by the board will subject the developer to a civil suit by the attorney general for enforcement of the payment provisions of the act, including the remedy of injunction or a demand for other appropriate relief, and an additional penalty of \$10,000 for each infraction plus attorneys fees and costs to be awarded in the discretion of the court."

PROPOSED AMENDMENT ON COMPLIANCE WITH IMPACT STATEMENT

1. Amend section 10(1) to include within the impact statement a time schedule for providing the financial assistance.
2. New section 11. Compliance with impact statement.
 - (1) The developer shall within _____ days begin meeting the financial impact requirements according to the payment schedule established in the impact statement approved by the board.
 - (2) If the developer fails to comply with the provisions of subsection (1) within the appropriate payment schedule, the board shall issue a compliance order.
 - (3) Failure to comply with the provisions of subsection (1) may result in a civil penalty as provided in section _____.

AMENDMENT MAKING HARD ROCK IMPACT BOARD A QUASI-JUDICIAL BOARD
AND APPLYING THE ADMINISTRATIVE PROCEDURES ACT TO THE BOARD'S
PROCEEDINGS.

1. Page 3.

Following: line 4

Insert: "(9) The board is a quasi-judicial board; however the
provisions 2-15-124 do not apply."

2. Page 4, line 14 through 16.

Following: "(3)"

Strike: the remainder of subsection (3)

Insert: "The board is allocated to the department of community
affairs for administrative purposes only."

3. Page 4, line 25

Following: "part"

Strike: "."

Insert: "; (6) The provisions of the Montana Administrative
Procedure Act apply to the proceedings and determinations
of the board."

*Approved
Curtis Carter*

a new development
Section 3: Add subsection (4). "A major mining facility is ~~one~~ that
will employ on an annual average basis at least 100 people
in construction or operation of the facility and which will
create a substantial adverse impact on existing state,
county or municipal services."

Section 4: Add subsection (4). "The Montana Administrative Procedures
Act shall apply to board actions and proceedings."

Sections 5 and 6: No change.

Section 7(1): Change "awarded on" to "awarded to local units of
governments on"

Section 7(1)(c): Change "of funds; and" to "of funds from tax pre-
payments and other sources; and"

Sections 8 and 9: No change.

Section 10(1): Delete "Before a permit is issued under 82-4-335
the person seeking the permit" and substitute "The
developer of a major mining facility"

Section 10(1)(d): Delete in its entirety and substitute the following:

"The financial assistance computed pursuant to Section 13 and other financial and/or in-kind assistance the developer will give to local government units to meet the increased cost for services."

Section 10(2): Delete in its entirety and substitute the following:

"The developer's statement shall be submitted to the board at a scheduled board meeting. The board will consider the statement during the thirty (30) days following that meeting and will consult with the commissioners of the counties in which the development will occur to determine if the developer's description of the impact meets the requirements of (Section 10 (1)c). The board will approve the statement in writing prior to the end of said thirty-day period, or advise the developer in writing within the same period specifying in detail those requirements of (section 10(1)c) which have not been adequately satisfied. The board will then proceed to determine those needs, if any, which cannot be met pursuant to the financial assistance identified in Section 10(1)d. The unsatisfied needs will then be considered by the board for financing through the issuance of hardrock impact bonds as provided in (Section 6).

Section 11: Delete in its entirety and substitute penalty provision.

Section 12: No change.

Section 13: Delete in its entirety and substitute substitute as follows:

"Tax prepayment--Major Mining Facilities. ~~(2)~~ A person intending to construct or locate a major mining facility, as defined in (Section 3(4)), shall upon request of the board of county commissioners of the county in which the facility is to be located, prepay, when permission is granted to construct or locate by the appropriate governmental agency, an amount equal to three times the estimated property tax due the year the facility is completed. The person who is to prepay under this section shall not be obligated to prepay the entire amount at one time but, upon request of the board of county commissioners of the county, shall prepay only that amount shown to be needed from time to time. To assure this payment or payments, the person who is to prepay shall guarantee to the board of county commissioners and also have a bank or banks guarantee that these amounts will be paid as needed for expenditures created by the impact. When the facility is completed and assessed by the department of revenue, it shall be subject during the first 3 years and thereafter to taxation as all other property similarly situated, except that one-^{twelfth}~~eighth~~ of the amount prepaid shall be allowed as a credit against property taxes in each of the first 10 years after the start of productive operation of the facility.

Amend 15-16-201 by deleting all reference to
Mining

Part 2

Special Payment Provisions

15-16-201. Tax prepayment — new industrial facilities. (1) A person intending to construct or locate a major new industrial facility, as defined in subsection (2) of this section, shall upon request of the board of county commissioners of the county in which the facility is to be located, prepay, when permission is granted to construct or locate by the appropriate governmental agency, an amount equal to three times the estimated property tax due the year the facility is completed. The person who is to prepay under this section shall not be obligated to prepay the entire amount at one time but, upon request of the board of county commissioners of the county, shall prepay only that amount shown to be needed from time to time. To assure this payment or payments, the person who is to prepay shall guarantee to the board of county commissioners and also have a bank or banks guarantee that these amounts will be paid as needed for expenditures created by the impact. When the facility is completed and assessed by the department of revenue, it shall be subject during the first 3 years and thereafter to taxation as all other property similarly situated, except that one-fifth of the amount prepaid shall be allowed as a credit against property taxes in each of the first 5 years after the start of productive operation of the facility.

(2) A major new industrial facility is a manufacturing or mining facility which will employ on an average annual basis at least 100 people in construction or operation of the facility and which will create a substantial adverse impact on existing state, county, or municipal services.

History: En. 84-41-105 by Sec. 1, Ch. 449, L. 1975; R.C.M. 1947, 84-41-105.

Part 3

Reporting Delinquent Taxes

15-16-301. Delinquent list — real property. On the third Monday of December and on the third Monday of June of each year, the county treasurer must make a report to the county clerk and recorder in detail, showing the amount of taxes collected and a complete delinquent list of all persons and property then owing taxes, and the county clerk and recorder shall compare such report with the books of the county treasurer and shall keep a record of such report in his office.

History: En. Sec. 101, p. 109, L. 1891; re-en. Sec. 3867, Pol. C. 1895; re-en. Sec. 2623, Rev. C. 1907; re-en. Sec. 2176, R.C.M. 1921; Cal. Pol. C. Sec. 3758; amd. Sec. 5, Ch. 96, L. 1923; re-en. Sec. 2176, R.C.M. 1935; R.C.M. 1947, 84-4111.

15-16-302. Tabulation and transmittal of real property delinquent list. (1) The county treasurer must, at the time specified in 15-16-301, deliver to the county clerk and recorder a complete delinquent list of all persons and property then owing taxes.

(2) In the list so delivered, all matters and things contained in the assessment book and relating to delinquent persons or property must be set down in numerical or alphabetical order.