

MINUTES OF THE MEETING OF THE NATURAL RESOURCES COMMITTEE
MARCH 25, 1981

The House Natural Resources Committee convened in Room 437 of the Capitol Building on Wednesday, March 25, 1981, at 12:30 p.m. with CHAIRMAN DENNIS IVERSON presiding and sixteen members present (REP. NORDTVEDT was absent and REP. QUILICI was excused).

CHAIRMAN IVERSON opened the hearing on SB 376.

SENATE BILL 376 SENATOR STEVE BROWN, sponsor, presented the bill which he felt would deal with some issues of immediate concern in the Major Facility Siting Act. SENATOR BROWN gave a brief overview of each section of the bill. He stated he would like the language dealing with pipelines reinserted in the bill. He felt if the pipeline is a major one, it should be checked for environmental reasons. Section 3 of the bill states that the Department of Health has rule-making authority. If that is true, the Board of Natural Resources cannot interfere. One of the major changes in this bill is that on page 21 of the bill dealing with the waiver provision. There are certain provisions of the law which would be waived if an applicant could show that there would be a minimum adverse impact to a community. There are three main provisions that would have to be met to qualify for the waiver. First, there would have to be a loss of permanent jobs. Second, the city would have to be able to absorb the new facility. And, third, it would have to be located within 15 miles of the closed facility. SENATOR BROWN then offered some amendments for the committee's consideration. See Exhibit 1. The object of the waiver provisions is to encourage the building of facilities in existing areas of industrial development.

Speaking as a proponent of the bill was JOHN ROSS, Montana Power Company.

Also speaking in favor was JAMES MOCKLER, Montana Coal Council.

RANDY MOY of the Department of Natural Resources supported the bill, but offered an amendment changing the language on page 22 to add that the waiver of subsection 2(c) of 75-20-301 shall apply only to consideration of alternative sites for a facility defined in 75-20-104(10)(a).

MIKE FITZGERALD, Montana Trade Commission, supported the bill.

DON ALLEN, Montana Petroleum Association, supported the bill as now written but was concerned about reinserting the language dealing with pipelines.

Speaking as an opponent was CHARLES YARGER representing the Northern Plains Resource Council. See Exhibit 2.

KAREN STRICKLER, League of Women Voters, opposed the bill. See Exhibit 3.

RON ERICKSON, Director of the Environmental Studies Program at the University of Montana, spoke in opposition to the bill. See Exhibit 4.

MIKE MALES, Environmental Information Center, spoke against the bill.

ED EATON, a rancher, felt it was wrong to weaken the siting act.

WILBER REHMANN, Montana Wildlife Federation, opposed the bill.

REP. FRANCIS BARDANOUVE said his major concern is the attempt to weaken the siting act. He stated that it is a good way of addressing a welfare concern that would create jobs. He felt the act should not be tampered with in any way. The waiver parts of the bill are not tolerable.

SENATOR BROWN closed on the bill saying that there is no waiver of any environmental standards in this bill. It does not waive any requirements relating to public health. He felt the Montana Supreme Court should not decide what is a minimum adverse impact. He felt the ten year period is not too long and that this applies to areas where there are already large companies. The applicants should feel they can attain the standards set.

During questions from the committee, REP. HUENNEKENS asked whether pipelines were still covered with page 5, subsection c. The answer was yes.

REP. SALES asked why it is better to have these plants in communities such as Butte and Anaconda. SENATOR BROWN said he felt it would be better to have that type of development in urban rather than rural areas.

REP. HUENNEKENS asked how the ten year period time frame was devised. SENATOR BROWN said that Glasgow Air Base was used in the consideration of the time frame. After several years, the water systems and other public services are still available and usable.

REP. HUENNEKENS then asked if there is more concern with the facilities or the human needs. The Senator said the bill tries to deal with both.

REP. ASAY asked if there is a need to relax the standards in order to encourage building in an urban area. SENATOR BROWN stated he did not feel this relaxed any environmental standards. If the company cannot meet the standards, it should not get the permits.

The hearing closed on SB 376 and one opened on SJR 14.

SENATE JOINT RESOLUTION 14 SENATOR STEVE BROWN presented the resolution which requests a study of various elements of the . Montana Major Facility Siting Act. He felt there are questions that need to be researched and questions that need to be answered. The area of synthetic fuel plants must be addressed and criteria developed even though Montana has yet to have that type of facility. Then, the issue of public need must be addressed. It is possible that this type of facility will be located in the state but that the product will be used elsewhere. This resolution also addresses transportation problems. Reasonable sites must be checked and also reasonable alternative sites. The standard of proof in the Colstrip hearings was the clear and convincing evidence. He did not feel that is what should be used.

Speaking as a proponent was JAMES MOCKLER, Montana Coal Council. He felt certain areas of the siting act must be addressed.

Opposing the resolution was LYLE QUICK, who felt the study would be a waste of taxpayer money and that it should not be done.

RON ERICKSON felt the funds were not available to do a comprehensive study.. He further felt that the study needs to be done but not by a legislative committee. Perhaps a better method would be a grant to the Department of Natural Resources and a contract to an outside person or agency.

CHARLES YARGER of the Northern Plains Resource Council spoke in opposition of the resolution. See Exhibit 5.

REP. FRANCIS BARDANOUVE opposed the resolution stating that it may become a vehicle in a future legislature to attempt to gut the Major Facility Siting Act. It could be harmful in the end.

SENATOR BROWN closed on the resolution. He felt it is time to address some of the problems that need to be studied.

During questions from the committee, REP. BROWN asked LEO BERRY, Director of the Department of Natural Resources, if this type of study could be done by the department without additional personnel. MR. BERRY replied his department has the expertise but not the personpower.

The hearing on SJR 14 closed.

EXECUTIVE SESSION HOUSE BILL 718 REP. BROWN moved DO PASS on an amendment on page 6, line 13 (gray draft, Exhibit 6) that "or" be stricken and "and" added. It PASSED.

REP. BROWN moved that on page 7, line 11 after "professional" the word "staff" be added. It PASSED.

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REP. BROWN further moved that on page 7, line 8, a subsection (5) be added stating that an earmarked revenue fund be created consisting of such sums as are paid from time to time to the board by the developer in compliance with the written guarantee from the developer to meet costs of public services. Also, adding on page 7, line 15, a subsection (d) which states that payments to local governments from funds paid to the hard-rock mineral fund will be made. The motion PASSED with REP. NEUMAN opposing.

REP. BROWN moved that on page 14, line 19 "as determined by the board" be added. It PASSED.

Also PASSED on a motion by REP. BROWN were two amendments proposed by the Department of State Lands on page 20, line 2.

The amendments are attached herewith as Exhibit 7.

Another motion by REP. BROWN dealing with tax prepayment on page 15, section 5, PASSED. It was an amendment prepared by JIM OPPEDAHL of the Legislative Council and is attached with Exhibit 7.

REP. BROWN then moved HB 718 DO PASS AS AMENDED.

REP. NEUMAN objected to the bill because it does not deal with tax prepayment as the original bill did.

The motion PASSED with REPS. HUENNEKENS, NEUMAN, and KEEDY opposing.


SENATE BILL 123 REP. MUELLER moved SB 123 be TABLED. The motion FAILED with REPS. IVERSON, BURNETT, CURTISS, SALES, ASAY, HARP, ROTH, COZZENS, and ABRAMS opposing.

REP. ROTH then moved BE CONCURRED IN. The motion FAILED with REPS. MUELLER, BERTELSEN, HARP, HUENNEKENS, KEEDY, SHELDEN, BROWN, NEUMAN, and HART opposing.

REP. BERTELSEN moved that the vote be reversed to BE NOT CONCURRED IN with REPS. IVERSON, BURNETT, CURTISS, SALES, ASAY, ROTH, COZZENS, and ABRAMS opposing.

The meeting adjourned at 3:00 p.m.

Respectfully submitted,


DENNIS IVERSON, CHAIRMAN

Ellen Engstedt, Secretary

VISITORS' REGISTER

HOUSE

NATURAL RESOURCES

COMMITTEE

BILL 376

Date March 25, 1981

SPONSOR Senator S. BROWN

[illegible]

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR LONGER FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

VISITORS' REGISTER

HOUSE NATURAL RESOURCES

COMMITTEE

BILL SR14

Date March 25, 1981

SPONSOR Senator S. BROWN

NAME	RESIDENCE	REPRESENTING	SUP- PORT	OP- POSE
Lyle C. Smith	Thyself Circle, Mo.	Myself		✓
Lyle C. Smith	Thyself	Myself		✓
Charles W. Hays	Circle	N P R C		X
For E. Hays	Missouri	Myself		✓
John P. Hays	Butte	Myself	✓	
John P. Hays	Butte	Myself	✓	
Mike Hays	Idaho	Mont. Trade Commission	✓	

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR LONGER FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

PROPOSED AMENDMENTS TO SB 376

1. Page 21, line 5..
Following: "of"
Strike: "75-20-214,"

2. Page 21, line 6.
Following: "75-20-501"
Insert: "(5)"

3. Page 21, line 18.
Following: ";"
Strike: "and"

4. Page 21, line 21.
Following: "curtailed"
Strike: "."
Insert: ";and"

5. Page 21.
Following: line 21
Insert: "(d) the proposed facility will have a beneficial effect on the economy of the county in which the facility is proposed to be located."

6. Page 22.
Following: line 1
Insert: "(5) The waiver provided for in subsection (3) does not apply to consideration of alternatives or minimum adverse environmental impact for a facility defined in (b), (c), (d), or (e) of 75-20-104 or for an associated facility defined in 75-20-104(3)."

"(6) The applicant shall pay all expenses required to process and conduct a hearing on a waiver request under subsection (3). However, any payments made under this subsection shall be credited toward the fee paid under 75-20-215 to the extent the data or evidence presented at the hearing or the decision of the board under subsection (3) can be used in making a certification decision under this chapter."

TESTIMONY OF CHARLES YARGER FOR THE NORTHERN PLAINS RESOURCE COUNCIL
Senate Bill 376
Before the House Natural Resources Committee
March 25, 1981

I suppose you might be wondering why I would come all the way from Circle, Montana, to talk about a bill that primarily deals with areas that are quite different from Circle. It is the fact that Senate Bill 376 takes a section out of the Major Facility Siting Act that is very important to the siting of the best possible plant in a particular given situation. Under the law, a facility might be a coal-fired power plant, it might be a coal liquefaction plant utilizing a Fischer-Tropsch process, or a Koppers-Totzek process, or an M-gas process; it might be a coal gasification plant using the Lurgi process or it might be the hy-gas process, or any number of others. There are a multitude of differences and variables in all of these technologies. Each has its own unique characteristics. Most of them are virtually untried on a commercial scale. I think we would be making a serious mistake to discard from the Act the one clear authority granting discretion to the Board of Natural Resources to deal with these variables in a substantive manner and to insure that in any case the plant represents the best we can do to make it compatible with the community and the environment which it will neighbor.

Section 301(2)(c) under the findings and determination of the board says that the plant should represent the "minimum adverse environmental impact, considering the state of available technology and the nature and economics of the various alternatives."

I don't think we should throw that out. I think when we are dealing with these first and second generation technologies that this is very important. It was also important in approving Colstrip 3 and 4. Under this section, the Board was able to say to the consortium that they needed to store adequate process water to protect the prior rights of downstream water users on the Yellowstone River during low flows.

SB 376 tosses out the minimum adverse environmental impact for certain economically depressed communities. There is no justification for this since you would not be reducing permitting time by exempting that section. In fact, these communities may want the jobs and the industry. That does not mean that they want the dirtiest possible industry or no ability to insure that new industry is compatible with the values of their community. Some synthetic fuels plants are on a scale that could double the population of Montana's larger cities. There is plenty of reason to maintain some discretion and some ability to condition these plants' approval on minimal impacts.

Some people have thought that minimum adverse environmental impact had significance primarily as the choice among different alternate locations. It also plays an important role within a given area in the location of the facilities, control technologies which are not covered under existing laws, and the myriad of unique circumstances which might arise in any given setting - for example, the extra surge pond storage at Costrip necessitated by the conditions on the lower Yellowstone being an example of that situation.

I urge you to adopt our proposed amendment which restores the consideration of "minimal adverse environmental impact" for economically depressed communities, except as it relates to the alternate siting study.

LEAGUE OF WOMEN VOTERS OF MONTANA

Testimony on SB 376, March 25, 1981

While the intent of this bill is laudable, there are some problems with the execution. Compliance with the "minimum adverse environmental impact" requirement (75-20-301 sec (2)(c)) should not be waived. We are dealing here with a phrase which has become a symbol. These words are symbolic of our commitment to do our utmost to preserve and protect the place where we live. If you are uncomfortable with this language because it isn't precisely defined, then do the interim study suggested by SJR 14. Don't just drop the requirement for minimum adverse environmental impact.

If the idea for speeding up the permit process in an economically depressed area is that workers and services will be available, then the 10 year time period is too long. In this length of time the community will have adjusted to its new circumstances and the services and workers will no longer be there.

In several places in this bill the language "air and water quality statutes" is changed to "the laws administered by the department of health and board of health", and "state air and water quality agencies" is changed to "department of health and board of health". If SB 258 passes many of these functions of the board and department of health will be transferred to the board and department of natural resources. In that case the language in this bill will have to be changed to reflect this departmental reorganization.

My name is Ron Erickson. I teach chemistry and am the Director of the Environmental Studies Program at the University of Montana. I speak for myself and not for the University.

I wish to speak against Senate Bill 376, particularly against the waiving of subsection (2) (c) of 75-20-301 for facilities which are to be sited in depressed areas. That deletion removes the requirement that the facility to be sited represents the minimum adverse environmental impacts based on available technology. It is a particularly significant subsection because it may form the basis of a board decision to demand appropriate modifications to mitigate adverse impacts.

My argument and my concern stem from my own professional work on the impacts of synthetic fuel technologies. That work has included a three year study funded by the Dept. of Energy on some specific chemical problems of solid wastes from coal gasification plants which allowed me to visit most of the new, developing, American technologies for gasification. More recently I worked with a team of researchers from the University of Montana and Montana State University for the DNRC to review the impact literature on synfuels. A major 600 page report and a shorter executive summary were delivered to DNRC last fall. My comments are based on that published study and subsequent reading.

Briefly:

1) The scale of some facilities is immense (see photo of Sasol). Though it is laudable to help depressed areas where 250 workers have

lost their jobs, just the construction of a major liquefaction plant would require 10,000 workers for five years. An impact analysis is necessary because of the scale of operations if for no other reason.

2) There is a very large difference in expected environmental impacts depending on the technology to be installed.

a) Liquefaction plants are considerably dirtier than gasification plants. In particular, they pose more risk of emitting cancer causing chemicals than the gasification plants.

b) Some of the "older" gasification technologies such as Lurgi are considerably dirtier than others, or than most of the newer, American technologies.

3) There are insufficient federal standards to assure that Montana will continue to afford its citizens a clean and healthful environment (e.g. there are no new Source Performance Standards available and some of the gaseous byproducts of synfuels such as carbon oxygen sulfides are not covered by the Clean Air Act).

In summary it is necessary that the board be able to do two things:

1) Require modifications of plant design based on expected adverse impacts in lieu of such modifications.

2) Turn down the request based on expected adverse environmental impacts. (I should add that in my professional opinion a gasification plant could be built without devastating environmental impact. I am not sure that that's possible for a liquefaction plant.)

We do no favor to the people of Anaconda or Great Falls by destroying their environment or their health in order to assure them of securing another industry based on non-renewable resources

TESTIMONY OF CHARLES YARGER FOR THE NORTHERN PLAINS RESOURCE COUNCIL
Senate Joint Resolution 14
Before the House Natural Resources Committee
March 25, 1981

The siting act is important to me because I live in an area that has proposals for at least five huge industrial facilities within a 100-mile radius. We are watching very closely what this legislature is up to with the Major Facility Siting Act. The siting act is the primary means by which Montana people can continue to have a significant say in the future of this state, particularly the eastern portion. It alarms me that the act which has been fine-tuned and stream-lined ever since its passage in 1973 and particularly underwent sweeping changes in 1979, is going to be subjected to a major reworking in an interim study.

I must question in whose interest the continued revision of the siting act is?

Does it benefit the industries who are planning to comply with our laws and become responsible corporate neighbors to have a continually moving target?

Does it benefit Montanans that are faced with massive impacts of synfuels to rework a law which gives them prominent regard and recognition as participants in the future of their communities?

The interim study lists a number of specific points to be examined. Several of these coincide with the same areas that coal industry lobbyists have tried for years to take out of the siting act. It is commonly being spoken of in the industry as a means to perform "major surgery" on the siting act.

It is of great concern to me as the coal industry gains strength in this state that those strong conditions laid down by past legislatures under which this state could compatibly exist with major new industries

will be dismantled and tossed out because they are not the path of least resistance.

I do not believe the interim study is necessary, except as a vehicle to tear apart an important and good law which is widely supported by Montanans.

HB 718 (Second Draft, Gray Copy)

Suggested Amendments by the Department of State Lands

1. Amend page 20, line 2

Following: "BOARD"

Insert: "; upon receipt of written notice from the hard rock mining impact board,"--

2. Amend page 20, line 2--

Following: "UNTIL"

Insert: "it receives written notice from the hard rock mining impact board that"

These amendments clarify the fact that all decisions regarding the contents of the Impact Plan and Time Schedule and compliance with the plan as provided for in Section 7 will be made by the Hard Rock Impact Board and not the Board of Land Commissioners.

Page 7, line 8

Following: line 8

Insert: Subsection (5) which reads: "(5) An ear-marked revenue fund known as the hard-rock mineral impact fund shall be created consisting of such sums as are paid from time to time to the board by the developer in compliance with the written guarantee from the developer to meet the increased costs of public services and facilities as specified in the approved impact plan."

Page 7, line 15

Following: line 15

Insert: New subsection which reads: "(D) makes payments to local governments from the money paid to the hard-rock mineral fund."

Renumber: Subsequent subsections

Page 5, line 1.

Following: "OF"

Insert: "subsections (2) through (5) and (7) and (8) of"

(5) A LOCAL GOVERNMENT UNIT THAT RECEIVED PROPERTY TAX PREPAYMENT UNDER THIS SECTION SHALL PROVIDE FOR REPAYMENT ACCORDING TO THE FOLLOWING PROCEDURE:

(a) IN EACH YEAR AFTER THE COMMENCEMENT OF MINING, THE LOCAL GOVERNMENT SHALL:

(i) divide its budget by the average mill levy of its jurisdiction during the three years immediately preceding commencement of mining operations, to arrive at a taxable valuation needed to fund its budget using the average three year mill levy;

(ii) reduce the taxable valuation of property of a person who prepaid property taxes by the difference between the actual taxable value of the person's property and the taxable value determined under subsection (5)(a)(i).

(b) The reduction in taxable value, if any, determined under subsection (5)(a)(ii) times the average mill levy used in subsection (5)(a)(i) equals the property tax prepayment credit allowed for the taxable year.

(c) The procedure established under subsection (5)(a) shall continue from year to year until the total credit allowed the person who prepaid property taxes equals the total property taxes prepaid.

Proposed Amendments to HB 718
(Second Draft of Grey Version)

1. Page 2, lines 14 and 15
Following: "two" on line 14
Strike: "REPRESENTATIVES OF MAJOR FINANCIAL INSTITUTIONS IN MONTANA;"
Insert: "ELECTED MUNICIPAL OFFICIALS;"
2. Page 4, lines 7 through 19
Strike: lines 7 through 19 in their entirety
Insert: "(9) Board members are entitled to compensation for their service and reimbursement for travel expenses as is provided by 2-15-124(7)."
3. Page 4, lines 25 through line 1 of page 5.
Following: "BOARD" on line 25 of page 4
Strike: "; HOWEVER, THE"
Insert: "."
Strike: line 1, page 5 in its entirety
4. Page 5, line 6
Following: "operation"
Insert: "and its associated ore processing, smelting, refining, and transportation facilities"
5. Page 5, line 17
Following: "meeting"
Insert: "both"
6. Page 5, line 18
Following: "initial"
Insert: "and continuing adverse"
Following: "financial"
Strike: "impact"
Insert: "impacts"
7. Page 6, lines 7 through 9
Following: "MEANS" on line 7
Strike: "A POLITICAL"
Strike: lines 8 and 9 in their entirety
Insert: "a county, city, town, school district or any special district governed by an elected board."
8. Page 6, lines 10 and 11
Following: "MEANS" on line 10
Strike: "A"
Strike: lines 11 through 13 in their entirety
Insert: "The construction or operation of a hard-rock mine and any associated facility for processing, smelting, refining, or transporting or that will:"

9. Page 7, line 4
Following: "only"
Insert: "as prescribed in 2-15-121"
10. Page 7, line 8
Following: line 8
Insert: Subsection (5) which reads: "(5) An ear-marked revenue fund known as the hard-rock mineral impact fund shall be created consisting of such sums as are paid from time to time to the board by the developer in compliance with the written guarantee from the developer to meet the increased costs of public services and facilities as specified in the approved impact plan."
11. Page 7, line 15
Following: line 15
Insert: New subsection which reads: "(D) makes payments to local governments from the money paid to the hard-rock mineral fund."
Renumber: Subsequent subsections
12. Page 9, lines 7 through line 3 of page 12
Strike: lines 7 of page 9 through line 3 of page 12 in their entirety
Insert: "NEW SECTION. Section 7. Impact plan to be prepared and submitted and impact costs to be determined. Prior to applying for a hard-rock mining permit, any person proposing a large-scale mineral development shall provide to the hard-rock mining board, the local governments in the county or counties in which the mining is to occur and other affected local governments such information as may be necessary for these local governments to prepare an impact plan. 1) This information shall include but need not be limited to:
(a) the location of the proposed development and of existing or proposed access routes to the mine and any associated facilities;
(b) the anticipated time-table of the proposed development, including but not limited to permit application, construction, initial operation, peak production, and estimated closing date of the mine and any associated facilities;
(c) the anticipated types of occupations and numbers of employees to be needed year by year;
(d) the anticipated levels of production and processing, if any;
(e) the developer's estimate of the number of persons coming into the impact area as a result of development; and
(f) any policies already formulated by the developer related to the housing or transporting of employees of the proposed development.
2) The board shall designate that county in which the mine is to be located as lead jurisdiction to coordinate planning efforts in the potential impact area. Within 90 days the designated county in cooperation with the other affected jurisdictions shall submit to the board a proposal for impact planning which shall identify the impact planning needs and costs of needed planning within each affected jurisdiction."

12. Continued

3) Within 30 days of receiving the planning proposal, the board shall determine its adequacy and the appropriateness of the estimated planning costs. The board may make such adjustments as it deems necessary. The developer shall pay to the board a sum equal to the identified costs for local impact planning. The board shall distribute these moneys to the appropriate local governments.

4) Within 180 days the affected local governments shall prepare and submit to the board and to the developer an impact plan which shall include but need not be limited to:

(a) the information provided to the local governments by the person proposing the development;

(b) an estimate of the anticipated number of persons coming into the impact area as a result of the proposed development;

(c) an enumeration and description of temporary and permanent housing and public services and facilities which will be needed as a result of the proposed development;

(d) the estimated increase in capital and operating costs to local governments of providing each public service and facility needed as a result of the proposed development through at least the first five years of its operation; and

(e) the estimated financial or other assistance each local government will require to meet the increased costs for services and facilities each year through at least the first five years of operation of the proposed development.

5) Following its submission to the board the plan shall be made available for 90 days for review and comment by the developer, any affected local government, any resident or taxpayer of the impact area and the board. Comments and objections may be submitted to the board in writing, stating the reasons for each objection. The board shall promptly forward a copy of the comments and objections to the lead jurisdiction, any affected local government, and the developer."

Renumber: All subsequent subsections

13. Page 12, line 3

Following: "30"

Insert: "following the conclusion of the review period"

14. Page 12, line 5

Following: "conduct"

Strike: "a hearing"

Insert: "one or more hearings"

15. Page 12, line 12

Strike: "developer"

Insert: "local government jurisdiction"

16. Page 12, line 17

Following: "ACCORDINGLY."

Insert: "The board shall specifically identify those public service and facility costs which are the direct responsibility of the developer and shall specify the annual schedule of payment required of the

16. Continued developer through at least the first five years of operation of the mine."
17. Page 12, line 23
Following: line 23
Insert: three subsections which read as follows:
7) The board may review and revise the plan as needed. When the development has been in operation for no longer than four years, the board shall request that the affected local governments review and revise the impact plan to identify their projected impact needs and costs for subsequent years. This shall be done in the manner prescribed in section [7]. A local government shall identify the current and projected revenues available to it from the development if the development is within its taxing jurisdiction;
8) Upon receipt of the approved impact plan including the schedule of payment the developer shall provide the board with a written guarantee that it will make to the board all such payments as are required in the payment schedule of the approved plan. The board shall promptly notify the department of state lands of its receipt of the written guarantee, of each required payment and of any failure by the developer to comply with this section.
9) Upon receipt of evidence that the local governmental unit is providing or preparing to provide the additional service or facility described in the impact plan, the board shall pay to that local government in one sum or in parts the amount identified in the plan as the increased cost to the local government for that year for providing that public service or facility.
18. Page 14, lines 3 through line 20 on page 15
Strike: section 9 in its entirety
Renumber: all subsequent sections
19. Page 16, line 25
Following: "facility"
Insert: "or a large scale mineral development"
20. Page 17, line 6
Following: "completed"
Strike: "."
Insert: "; except that persons owning properties classified as new industrial property pursuant to 15-6-135 shall prepay taxes in an amount equal to at least three times the estimated property tax due the year the facility is completed. The request for prepayment of taxes may be made on behalf of any city, town, school district or special purpose district located within the county."
21. Page 17, line 18
Following: "that"
Strike: "one-fifth"
Insert: "one-tenth"

22. Page 17, line 19
Following: "first"
Strike: "5"
Insert: "10"
23. Page 17, lines 22 and 23
Following: "or" on line 22
Insert: "non-hard rock"
Strike: remainder of line 22
Strike: "development as defined in [section 3(4)]"
24. Page 18, line 2
Following: line 2
Insert: New subsection 3 which reads:
"3) A large scale mineral development is the construction or operation of a hard-rock mine and any associated facility for processing, smelting, refining, or transporting or that will:
(a) employ at any given time at least 50 people; 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 three-year period immediately preceding the construction of the mine and will create a substantial adverse impact on existing state, county, or municipal services."

- end -

Page 7, line 8

Following: line 8

Insert: Subsection (5) which reads: "(5) An ear-marked revenue fund known as the hard-rock mineral impact fund shall be created consisting of such sums as are paid from time to time to the board by the developer in compliance with the written guarantee from the developer to meet the increased costs of public services and facilities as specified in the approved impact plan."

Page 7, line 15

Following: line 15

Insert: New subsection which reads: "(D) makes payments to local governments from the money paid to the hard-rock mineral fund."

Renumber: Subsequent subsections

Page 5, line 1.

Following: "OF"

Insert: "subsections (2) through (5) and (7) and (8) of"