MINUTES OF THE MEETING OF THE NATURAL RESOURCES COMMITTEE MARCH 28, 1981

The House Natural Resources Committee convened in Room 437 of the Capitol Building on Saturday, March 28, 1981, at 1:00 p.m. with CHAIRMAN DENNIS IVERSON presiding and fourteen members present (REP. BURNETT was absent and REPS. SALES, HARP, and QUILICI were excused).

EXECUTIVE SESSION SENATE JOINT RESOLUTION 14 REP. ROTH moved BE CONCURRED IN.

REP. SHELDEN felt the study would be expensive and the committee should know how much before making a decision. REP. BROWN said he had asked the Department of Natural Resources if the work could be accomplished by current personnel and was told that it could. However, the current personnel does not have the time to do the work.

REP. CURTISS suggested that the Environmental Quality Council do the work instead. REP. HUENNEKENS said it would have to be funded by an actual appropriation.

REP. CURTISS then moved that on page 1, line 6 "interim committee" be stricken and "Environmental Quality Council" be inserted.

REP. SHELDEN felt the council should be asked first. CHAIRMAN IVERSON said the council members will be setting priorities soon but not in time to consider this resolution.

REP. BERTELSEN felt an interim committee would be better for this study.

The motion failed with REPS. IVERSON, ASAY, BERTELSEN, HUENNEKENS, KEEDY, SHELDEN, BROWN, ABRAMS, NEUMAN, and HART opposing.

The motion BE CONCURRED IN PASSED with REPS. ASAY, BERTELSEN, ROTH, SHELDEN, NEUMAN, and HART opposing.

SENATE BILL 138 REP. BROWN moved BE CONCURRED IN. He explained that the bill allows small power projects to qualify under state revenue funding.

The motion PASSED unanimously.

SENATE BILL 139 REP. BROWN moved BE CONCURRED IN. He also moved that the amendment proposed by SENATOR DOVER be inserted. Both the bill and the amendment PASSED unanimously.

SENATE BILL 141 REP. BROWN moved BE CONCURRED IN on the bill and on an amendment which adds an effective date. The motion on the amendment PASSED.

Natural Resources March 28, 1981 Page 2

REP. BROWN then moved BE CONCURRED IN AS AMENDED.

REP. CURTISS stated that this refers to earmarked funds and she was concerned about the legislative oversight which should be required.

REP. BROWN said the main concern of the bankers was that the state was trying to get into the lending business.

REP. COZZENS stated that he was concerned about the openendedness this bill gives to the Department of Natural Resources. It will give them the authority to do the lending.

CHAIRMAN IVERSON explained that there is a standard language used that grants rule-making authority and that the Administrative Procedures Act is also used.

The motion PASSED with REPS. CURTISS, SALES, MUELLER, NORDTVEDT, BERTELSEN, COZZENS, and NEUMAN opposing.

SENATE BILL 229 REP. CURTISS moved that the stricken language on page 6 be reinserted. She felt if there is evidence, it should be presented to the legislature.

REP. BROWN objected saying that would stop the department until the legislature meets. The department should be able to do the work necessary.

REP. CURTISS replied that under the present process there are hearings that take time and that there would be adequate time to present it to the legislature.

The motion on the amendment failed with REPS. IVERSON, MUELLER, ASAY, BERTELSEN, HUENNEKENS, KEEDY, SHELDEN, BROWN, ABRAMS, NEUMAN, and HART opposing.

MS. SCHMIDT explained that REP. KATHLEEN MCBRIDE'S bill uses similar procedures but is silent on the generation by the Department of Natural Resources. This bill provides the procedure the department must follow.

REP. MUELLER moved the bill BE CONCURRED IN.

REP. SHELDEN stated that the bill does not say the state will go into the power generation business but rather that it would have the option to do so. The state has considerable interest in these projects and should get the best possible results from them.

Natural Resources March 28, 1981 Page 3

The motion BE CONCURRED IN failed with REPS. IVERSON, CURTISS, SALES, NORDTVEDT, ASAY, HARP, COZZENS, QUILICI, KEEDY, BROWN, ABRAMS, NEUMAN, and HART opposing.

REP. BROWN moved the motion be reversed to BE NOT CONCURRED IN with REPS. MUELLER, BERTELSEN, ROTH, HUENNEKENS, and SHELDEN opposing.

The meeting adjourned at 1:30 p.m.

Respectfully submitted,

DENNIS IVERSON, CHAIRMAN

Ellen Engstedt, Secretary