

MINUTES OF MEETING
SENATE NATURAL RESOURCES
APRIL 22, 1981

The twenty-sixth meeting of the Natural Resources Committee was called to order by Senator Harold Dover, Chairman, at 1:30 P.M., on the above date in Room 405.

ROLL CALL: All members were present with the exception of Senators Elliott, Tveit and Manning.

CONSIDERATION OF HJR 66:

A JOINT RESOLUTION OF THE SENATE AND THE HOUSE
OF REPRESENTATIVES OF THE STATE OF MONTANA
REQUESTING THAT AN APPROPRIATE INTERIM COMMITTEE
BE ASSIGNED TO DETERMINE THE MOST EFFECTIVE MEANS
OF RESPONDING TO SOCIAL AND ECONOMIC IMPACTS
RESULTING FROM THE INCREASED DEVELOPMENT OF HARD-
ROCK MINERALS

Representative Dave Brown, District #83, presented this resolution to the committee. This resolution was put together after time had been spent on HB 718. He feels this interim study is needed to determine how to approach the problem of economic impacts resulting from development of hard rock minerals.

Chairman Dover asked for proponents.

Representative Ellison co-sponsored this resolution and is in full support of it. He was also sponsor of HB 718 and after he had gotten into HB 718 he could see there wasn't enough information available to determine whether the hard rock mining industry could stand a severance tax. This study would allow a review of the situation for next session to make a decision whether to put more severance tax on them and if so how much.

There were no opponents. Chairman Dover asked for questions from the committee.

Senator Hafferman asked what good it does to have this study. The people want everything to go government. They don't want people to make money.

Representative Ellison said this study will bring out the facts so we can decide the severance tax. We want industry in the state and we are going to have to let them make a decent profit.

Senator Manley said we took the coal industry and had a study and figured out how much we could stick them and now we are in the process of finding out the same thing as far as the oil industry is concerned. We want to study just how much we can possibly stick the hard rock business so they don't come into the state.

Representative Ellison said he would hope with all of the facts that would come out of this study we would be able to make an intelligent decision. He feels there is a duty to at least try to get as much knowledge as possible before next session so that if there is a severance tax bill we will know which way to vote.

Representative Brown said he totally agrees with what Senator Hafferman and Senator Manley have said. So far he has voted against severance taxes and will keep voting that way. He feels we need to look at the severance tax.

Senator Van Valkenburg said you do not believe in a severance tax but you want a study to make sure you can kill the bills.

Representative Brown said he thinks a study is necessary if you are going to look at all the alternatives.

Senator Van Valkenburg said there is no sense in having a study if you do not have an open mind.

Representative Brown said he does not know the right way to go right now.

Representative Ellison said that HB 718 is in the Senate Taxation Committee. He said the bill is not perfect even though they have done a lot of work on it. He would like to see this addressed in the interim study. In two years, after the study, we should be able to know whether to kill the bill or not.

DISPOSITION OF HJR 66: Senator Ryan made a motion that HJR 66 be concurred in.

The motion passed with a vote of 6 for, and 3 opposed, Senators Keating, Hafferman and Manley.

ADJOURNMENT: There being no further business the meeting adjourned at 1:54 P.M.



HAROLD DOVER, Chairman

ROLL CALL

NATURAL RESOURCES COMMITTEE

47th LEGISLATIVE SESSION - - 1981

Date 4-22-81

NAME	PRESENT	ABSENT	EXCUSED
Harold Dover, Chairman	✓		
Mark Etchart, Vice Chairman	✓		
Thomas Keating	✓		
Roger Elliott		✓	
Larry Tveit		✓	
Jesse O'Hara	✓		
John Manley	✓		
William Hafferman	✓		
Steve Brown	✓		
Dave Manning		✓	
Patrick Ryan	✓		
Fred Van Valkenburg	✓		

Each day attach to minutes.

STANDING COMMITTEE REPORT

April 22,

1981

MR. **PRESIDENT**

We, your committee on **NATURAL RESOURCES**

having had under consideration **HOUSE JOINT RESOLUTION**

Bill No. **66**

D. BROWN (RYAN)

Respectfully report as follows: That **HOUSE JOINT RESOLUTION**

Bill No. **66**

BE CONCURRED IN
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HAROLD DOVER,

Chairman.