

MINUTES OF THE MEETING  
FINANCE AND CLAIMS COMMITTEE  
MONTANA STATE SENATE

April 14, 1983

The 23rd meeting of the Senate Finance and Claims Committee met on the above date in Room 108 of the State Capitol. Chairman Himsl called the meeting to order at 8:17 a.m.

ROLL CALL: All members were present.

CONSIDERATION OF HOUSE BILL NO. 446: Rep. Brown, chief sponsor of HB 446 said he was sorry he had not been able to be here before and would like to thank the committee for this late opportunity to have the bill presented. He said this would provide for the allocation of metalliferous mines license taxes to the general fund and to impact the trust account. It would try to take care of last 1/3 to set up a trust account to go back to the counties at the time the mines closed or a mine loses 50% of its employment or more in a five year period. This bill, in the process so far, has had no opposition, but does have the support of the environmental groups, etc.

GARY LANGLEY, Executive Director, Montana Mining Association, said they are in support of the bill. Some people have expressed concern about tailings impact of hard rock mining and this bill takes care of it.

REP. ELLISON, sponsor of HB 718 last year, said it had a few gaps in it. The Hard Rock Study subcommittee studied this and the bill came out of there.

WARD SHANAHAN, Stillwater Industries, said they support the bill.

There were no further proponents, no opponents, and no questions from the committee. Sen. Himsl said he would close the hearing on HB 446.

DISPOSITION OF HOUSE BILL NO. 903: Rep. Fagg, said he had talked to people in the Stillwater Complex and the abandoned coal mind fund has no money in it and we recognize it. I would suggest you table the bill and we will try again another year.

MOTION by Sen. Dover to Table House Bill 903. Voted and passed.

DISPOSITION OF HOUSE BILL 446: Sen. Van Valkenburg said that the amendments I have would delay the effective date until July 1, 1985, and there would be no impact on the general fund in this biennium. This was my objection to the bill on the floor of the Senate. It appropriated money for an earmarked purpose. The bill, as presented, would have taken 11% of the metal mines tax and put it into the hard rock mining fund.

SEN. REGAN: It would start out with 11% the first biennium and at the end of 1985 you will be appropriating 11% and after that 33 1/3% appropriated out.

SEN. VAN VALKENBURG: In this biennium no money in there and none will go out. Beginning in 1985 - in FY '86 33% of the metal mines tax

would go into the hard rock mining account.

SEN. HIMSL: If not effective until 1985, wouldn't it be better to leave it until then to see what the impact is?

SEN. VAN VALKENBURG: The feeling of the sponsor is the work was put into it. It went through so many presentations and only because of the tight fiscal problems this year was there concern.

SEN. AKLESTAD: This is almost dictating to the next Legislature, isn't it?

SEN. JACOBSON: If we don't we will be in the same boat two years from now. If you don't pass it this time it will be built into the executive budget and the LFA budget and we will not have it again and no money next time.

SEN. VAN VALKENBURG: I would move the amendments. Voted and passed.

MOTION by Sen. Aklestad that HB 446 be tabled. They have set for the future one area in Montana development, and are dictating to the future legislature.

SUBSTITUTE MOTION by Sen. Thomas that HB 446 as amended, be concurred in.

SEN. SMITH: Where does the money flow now?

SEN. THOMAS: The amount of work Stillwater said the industries have gone to and industry is able to support it, went through the EQC, industry groups and landowners in Stillwater and the area support it. I think we would be doing a great disservice with killing it. We should at least bring it up to the Senate.

SEN. LANE: I would ask Mr. Langly; you represent the mines and they are all in favor of this?

MR. LANGLY: There was some concern about the so-called tailings impacts. We are willing to place a percentage of the tax into this. The mining industry is for it.

SEN. KEATING: I would make an observation. This would establish an earmarked fund with another board like the coal tax board and oil severance and RIT and RRD to a point where we are beginning to appropriate by boards rather than legislation. My first thought is why not be a banker to the mining industry? Every other industry has a board. If we are going to be having a tax study during the biennium we should be considering the appropriation by boards that is relieving the legislators of their obligations. We are seeing a plethora of boards. We are seeing more general fund money going into the boards.

SEN. SMITH: I see where all the others, oil and gas, travel, etc. They just closed out this particular one.

QUESTION was called on the substitute motion for do pass. Voted and failed.

QUESTION was called on the original motion to table HB 446. Voted and passed. Roll Call Vote.

Sen. Himsl said we would now go into the water bills and he would ask Sen. Etchart to report on the subcommittee's decision.

SEN. ETCHART: The subcommittee met and we prioritized on four bills in the subcommittee. We prioritized the money if it becomes available. We also have the amounts back down to a total of \$348,000 in the four bills. We prioritized as follows:

1. HB 876, the Sheridan Irrigation Grant was the #1 priority and it is reduced from \$250,000 to \$150,000.
2. HB 745, the grant portion. That bill had \$150,000 and is at \$100,000.
3. HB 597, a grant to Glasgow for a water project, \$48,000, and
4. HB 334, the Triangle Conservation District, reduced from \$57,000 to \$50,000 and I understand there is \$100,000 in another bill. This would make a total in the two bills of \$150,000.

SEN. AKLESTAD: Which ones fell through the cracks?

SEN. ETCHART: None.

SEN. HIMSL: This is part of the tobogganing effect that was raised?

SEN. ETCHART: RIT 70,000 overdrawn in the IFA and the executive is projecting \$242,000 of revenue in there. We put flow through language in. If the revenue materializes they will be funded - if not - nothing will happen.

DISPOSITION OF HOUSE BILL NO. 876: Sen. Etchart said the amendments would be page 3, line 2, change the \$1,000 and insert up to \$150,000 and following "the" insert "the remainder of" and following "trust" insert "interest". On page 3, line 4 you would insert the language that this money could be allocated after any allocations made under HB 447.

MOTION by Sen. Dover to move the amendments. Voted and passed.

MOTION by Sen. Dover to move the bill as amended. Passed, unanimous vote of those present.

DISPOSITION OF HOUSE BILL NO. 745: On page 1, line 16, you would strike \$500 from the RIT account to DNRC and insert "up to \$100,000 from the remainder after allocations for 447 and 876."

MOTION by Sen. Etchart to move the amendments.

CURT NICHOLS: You may want to strike section 2 in its entirety.

QUESTION called, voted and passed.

MOTION by Sen. Dover that HB 745, as amended, be concurred in.

SEN. ETCHART: This is a grant and study. \$150,000 and we are back to the \$50,000 grant and we deleted the study.

SEN. REGAN: We are then going into the business of building a hydro-electric power plant.

SEN. ETCHART: There isn't anything new about irrigation districts doing that. The State isn't building it, the irrigation district there is.

SEN. JACOBSON: Did you take the study out of the title?

QUESTION was called on the motion, voted and passed with Sens. Regan and Aklestad voting "no".

DISPOSITION OF HOUSE BILL NO. 597: Sen. Etchart said this would be page 1, line 10 following "appropriated" you would strike \$48,800 from the RRD account and insert "up to \$48,000 from the RIT account" and include the language after any allocations made under HB 447, 876 and 745.

MOTION by Sen. Dover to adopt the amendments. Voted and passed.

MOTION by Sen. Dover to concur in the bill as amended. Passed unanimously.

DISPOSITION OF HOUSE BILL NO. 334: SEN. ETCHART: This is the 10 county Triangle Conservation District in regard to the saline seep. Here you would strike the \$1,000 to DNRC and insert up to \$50,000 from RIT after the allocations for HB 447, 876, 745 and 597.

MOTION by Sen. Etchart that we adopt the amendments. Voted and passed.

MOTION BY Sen. Dover that we concur in the bill as amended. Voted and passed.

SEN. REGAN: Did the committee take a quick look at HB 914? This is a bill that may have some merit. It has some problems since it does not address the tribes, etc. If so, I would make a motion to reconsider our action in tabling the bill.

SEN. HIMSL: I talked to him about whether it is necessary. It seems there are talks going on now. They have allocated the main stream, but the tributaries have not been carried on. If we take the money out it would still dignify the talks with Wyoming.

SEN. TVEIT: I talked to Rep. Asay about it. Wyoming talked about it and would use up a lot of water. The important thing is we work together with Wyoming.

MR. BERRY: The Yellowstone Compact Commission divided but never quantified that water.

SEN. KEATING: What will you use for money?

MR. BERRY: We would scale it down first and then absorb it.

MOTION by Sen. Regan to reconsider the action taken on HB 914. Voted and passed unanimously.

MOTION by Sen. Dover that HB 914, as amended, do pass. Voted, passed unanimous. Sen. Regan to carry the bill.

Sen. Himsl said we would recess, subject to the call of the chair. He said HB 900 and 558, the LRB bill has been received. There is one we have not yet received.

The meeting was adjourned.

  
SEN. HIMSL, Chairman

ROLL CALL

FINANCE AND CLAIMS COMMITTEE

48th LEGISLATIVE SESSION - - 1983

Date 4/14/83

NAME	PRESENT	ABSENT	EXCUSED
Senator Etchart, VC	✓		
Senator Dover	✓		
Senator Keating	✓		
Senator Smith	✓		
Senator Thomas	✓		
Senator Van Valkenburg	✓		
Senator Stimatz	✓		
Senator Story	✓		
Senator Ochsner	✓		
Senator Haffey	✓		
Senator Jacobson	✓		
Senator Regan	✓		
Senator Lane	✓		
Senator Aklestad	✓		
Senator Hammond	✓		
Senator Tveit	✓		
Senator Boylan	✓		
Senator Hims1, Chairman	✓		

V.V. Amendment - approved

Tabled

PROPOSED AMENDMENTS TO HB 446 - *Third reading bill*

1. Title, line 13.

Following: "MCA"

Insert: "; AND PROVIDING A DELAYED EFFECTIVE DATE AND AN APPLICABILITY DATE"

2. Page 1, lines 21 ~~and 22~~.

Following: "67%" ~~on line 21~~

Strike: "89%"

Insert: "67%"

Following: "year" ~~on line 21~~

Strike: line 21 through "THEREAFTER" on line 22

3. Page 1, line 24.

Following: "33%"

Strike: "11%"

Insert: "33%"

4. Page 1, line 25 ~~through line 1 on page 2~~.

Following: "year" ~~on page 1, line 25~~

Strike: ~~line 1 on page 1~~ through "THEREAFTER" on page 2, line 1  
*Remainder of line 25*

5. Page 10, line 4.

Following: line 3

Insert: "Section 12. Effective date - applicability. This act is effective July 1, 1985, and applies to taxable years beginning after December 31, 1984."

# STANDING COMMITTEE REPORT

.....April.....14,.....19.....83.

MR. ....President.....

We, your committee on .....Finance and Claims.....

having had under consideration .....House..... Bill No. ....334.

Roush (Etchart)

Respectfully report as follows: That.....House..... Bill No. ....334,  
third reading, blue bill, be amended as follows:

1. Page 2, line 7.

Following: "appropriated"

Insert: "up to \$50,000"

2. Page 2, line 8.

Following: "Trust"

Insert: "Interest"

Following: "Account"

Strike: remainder of line 8 through "\$1,000" on line 9

Insert: "provided for in 15-38-201"

3. Page 2, line 10.

Following: "Conservation"

Insert: ", after any allocations made pursuant to House Bill 447,  
House Bill 876, House Bill 745, and House Bill 597,"

And, as so amended,

BE CONCURRED IN

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M.C.



## SENATE COMMITTEE

## FINANCE AND CLAIMS

Date \_\_\_\_\_

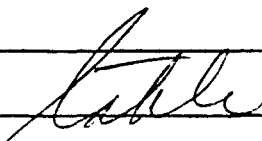
Bill No. 446 Time 8:35

Name	YES	NO	ABSENT	EXCUSED
Senator Etchart, VC	✓			
Senator Dover	✓			
Senator Keating	✓			
Senator Smith	✓			
Senator Thomas		✓		
Senator Van Valkenburg		✓		
Senator Stimatz	✓			
Senator Story		✓		
Senator Ochsner	✓			
Senator Haffey		✓		
Senator Jacobson		✓		
Senator Regan		✓		
Senator Lane		✓		
Senator Aklestad	✓			
Senator Hammond	✓			
Senator Tveit	✓			
Senator Boylan			✓	
Senator Himsl, Chairman	✓			

Sylvia Kinsey  
Secretary

Senator Himsl  
Chairman

Motion:



## SENATE COMMITTEE

## FINANCE AND CLAIMS

Date \_\_\_\_\_

Bill No. 446Time 8133

Name	YES	NO	ABSENT	EXCUSED
Senator Etchart, VC		✓		
Senator Dover		✓		
Senator Keating		✓		
Senator Smith		✓		
Senator Thomas	✓			
Senator Van Valkenburg	✓			
Senator Stimatz	✓			
Senator Story	✓			
Senator Ochsner		✓		
Senator Haffey	✓			
Senator Jacobson	✓			
Senator Regan	✓			
Senator Lane	✓			
Senator Aklestad		✓		
Senator Hammond		✓		
Senator Tveit		✓		
Senator Boylan			✓	
Senator Himsl, Chairman		✓		

Sylvia Kinsey  
Secretary

8 9  
Senator Himsl  
Chairman

Motion: ✓ 4 16

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# STANDING COMMITTEE REPORT

April 14, 1983

MR. President

We, your committee on Finance and Claims

having had under consideration House Bill No. 597

Schye (ETCHART)

Respectfully report as follows: That House Bill No. 597

third reading (blue copy), be amended as follows:

1. Title, line 4.

Strike: "\$48,800"

Insert: "UP TO \$48,000"

2. Line 11.

Following: line 10.

Strike: lines 11, 12, and 13 in their entirety and through "38,1" on line 14.

Insert: "up to \$48,000 from the resource indemnity trust interest account provided for in 15-38-201"

3. Line 14.

Following: "Conservation"

Insert: ", after any allocations made under House Bill 447, House Bill 876, and House Bill 745,"

And, as so amended,

BE CONCURRED IN

~~EXPLAN~~

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April 14, 19 83

MR. President

We, your committee on Finance and Claims

having had under consideration House Bill No. 745

Schye

Etchart

Respectfully report as follows: That House Bill No. 745  
third reading copy (blue), be amended as follows:

1. Title, line 6.

Strike: "\$500"

Insert: "UP TO \$100,000"

2. Title, line 9.

Following: "DAM"

Strike: remainder of line 9, lines 10 and 11 in their entirety,  
and through "BASIN" on line 12.

3. Page 1, line 16.

Strike: "\$500"

Insert: "up to \$100,000"

4. Page 1, line 17.

Following: "the"

Insert: "remainder of the"

(cont.)

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April 14, 1983

5. Page 1, line 19.

Following: "Conservation"

Insert: ", after any allocation made pursuant to House Bill 447  
and House Bill 876,"

6. Page 1, line 23.

Strike: lines 23 through line 11 on page 2 in their entirety.

And, as so amended,  
BE CONCURRED IN

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# STANDING COMMITTEE REPORT

April 14

19 83

MR. President

We, your committee on Finance and Claims

having had under consideration House

Bill No. 876

Jacobsen

(Etchart)

Respectfully report as follows: That House

Bill No. 876

third reading, blue bill, be amended as follows:

1. Page 3, line 2.

Following: "\$250,000"

Strike: "\$1,000"

Insert: "up to \$150,000"

Following: "the"

Insert: "remainder of the"

Following: "trust"

Insert: "interest"

2. Page 3, line 4

Following: "Conservation"

Insert: ", after any allocations made under House Bill 447,"

And, as so amended,

BE CONCURRED IN

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# STANDING COMMITTEE REPORT

April 14 19 83

MR. **President**

We, your committee on **Finance and Claims**

having had under consideration **House** Bill No. **914**

**Asay**

**Ragan**

Respectfully report as follows: That **House** Bill No. **914**,  
**third reading, blue bill, be amended as follows:**

1. Title, line 8.

Following: "RIVER"

Strike: remainder of line 8 through "ASSESSMENT" on line 9

2. Page 3, line 13.

Strike: lines 13 through 19 in their entirety.

And, as so amended,  
**BE CONCURRED IN**

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*H.C.*