MINUTES OF THE MEETING
SENATE NATURAL RESOURCES COMMITTEE
MONTANA STATE SENATE
February 20, 1985

The eleventh meeting of the Senate Natural Resources Committee was called to order at 12:30 p.m., February 20, 1985, by Chairman Dorothy Eck in Room 405, State Capitol, Helena, Montana.

ROLL CALL: All members were present.

ACTION ON SB 369: The amendments that were presented to the committee at the last meeting were reviewed by Bob Thompson, staff researcher. He said this bill and the proposed amendments were proposed by the Department of State Lands to exempt those dams that were subject to a permit issued under the Hardrock Reclamation Act. The exemption was agreed to by Senator Neuman and supported by Mr. Doney after the meeting on Monday.

Senator Shaw moved the amendments.

Discussion was called for. Senator Mohar stated he hoped by not including tailings ponds in this bill, the Department would do everything that they can do in the permitting process to insure these tailings pond enclosures are adequately inspected.

Dennis Hemmer, Department of State Lands, said the reason for the amendment is because one of the problems they have run into is the tailings ponds are somewhat different than the dams you are dealing with. You do not want a tailings dam to spill. You are looking at a different type of dam and the stress factors on it are different. The situation you get into is that the dam is designed for what it is intended to do. Once it is out from under there, and it is still impounding water, which most of them that they are getting into now won't be, then it would still fall under the jurisdiction of this.

Senator Gage asked if the tailings dams were high hazard dams.

Dennis Hemmer said he is not aware of any that are currently under permit that fall under that criteria, but there are some that are grandfathered from the Hardrock Act that are.

Senator Weeding asked if they were not told the dams which were being exempted are being covered under the Hardrock legislation.

Dennis Hemmer said the dams which were not being covered are presently covered by the Water Quality Act, and there is also a public safety provision presently in the Hardrock Act. If HB 698 passes it will reinforce this.

Senator Mohar asked if, in relation to this, on the dams that the Department of State Lands authorizes and the Department of Health has authority over, do they employ engineers and have design and safety checks.

Dennis Hemmer said he believes they adequately cover them.

Senator Christiaens asked the researcher, Bob Thompson, to assure this bill meets the requirements for dam safety standards which must be in place by 1988.

Bob Thompson said he does not know the answer to that.

Senator Eck said she is sure that is what Senator Neuman was working for, and it does meet that criteria.

Question was called on the amendments to SB 369. Motion passed unanimously that the amendments be accepted.

Senator Fuller moved that SB 369 DO PASS AS AMENDED. Motion passed with Senator Shaw voting "no."

ACTION ON SB 258: Exhibit 2 was presented and discussed. Bob Thompson walked the committee through the amendments.

He said one change which has been made is Section 12 of the amendment page. Senator Tveit recommended they again insure the oil and gas developer or operator make an effort to notify the surface owner; thus, in Title 82, Chapter 11, Section 122, the sentence is added (see amendment 12, underlined material). This amendment was agreed upon between Senator Tveit and Mr. Mile of the Oil and Gas Conservation Division.

Senator Tveit reviewed how the amendments were prior to the change, and said there was a problem of the owner being notified.

Senator Tveit moved the amendments.

Senator Halligan questioned the fact when the operator of the land was different than the surface owner.

Senator Tveit said it only addresses the surface owner.

Senator Gage responded to Senator Halligan's question and said there is no way of addressing that, because the leases may or may not be on file, so the contractor has no way of knowing who the person farming the property would be, but they could find out the owner of the land.

Question was called on the amendments. Motion passed.

Senator Tveit MOVED THE BILL AS AMENDED.

Discussion was continued. Senator Mohar said there were some questions raised during the committee hearing on page 2, subsection 2, regarding agreements between the oil company and the surface owner. He asked if there should not be some kind of third-party arbitration.

Senator Tveit said he would not like mandating rules.

Senator Gage responded there are usually agreements made between the two parties. There are exceptions, but he also said he would hate to see anything put in just to cover a few exceptions.

Senator Shaw presented a scenario, and stated he does not feel this bill is necessary.

Question was called on Senator Tveit's motion.
SENATE BILL 258 PASSED AS AMENDED. Senator Shaw voted "no."

ACTION ON SB 277: The amendments (Exhibit 3) were walked through by Bob Thompson. He said amendments 1, 4, 5 and 21 were recommended by the Department of Natural Resources. Amendments 2, 9, 11, 12 and 16 deal with the liability question. Amendment 2 deals with the policy section of the act. Amendments 9, 11, and 12 deal with liability, #10 is omitted and is proposed to be taken out of the bill as currently written and instead amendment 16 will specify what projects are eligible for funding under the Legacy Program. He remarked that Mr. Paul Smith called for these amendments representing himself, although he is a member of the Northern Plains Resource Council. Amendment 6 deals with Paul Smith's concern about the language in the bill which reads the Governor shall submit his proposals or the proposals having his approval, and his concern was the Governor could only submit one or two proposals and the legislature would be bound. It was not the intent of the Governor's office, and Gene Huntington proposed what is inserted in the present language which reads the Governor should accept all proposals with his recommended priority. In the same section there is a requirement that these priorities be submitted by the 20th day of the session. Amendment 8 deals with Mr. Smith's concern about emergency projects. Amendments 17 and 18 deal with the concern about the use of the word "efficient." It was suggested to replace "efficient" with the words "minimize misuse." Amendment 19 deals with a concern addressed by Howard Pede of the Montana Water Resources, and the concern some projects in the state are dependent on the ability of the program to match funds from the federal government or other sources. The suggestion is that they attach into the evaluation criteria that one of the considerations be the ability of the project proposals to generate other funds beyond those offered by the State. Amendment 20 answers Judy Carlson's concern regarding the criteria which were discussed with Gene Huntington before inserting the present language.

Questions of the committee: Senator Christiaens stated this fits in with the Job Training Partnership Act, and Senator Eck said it also addresses Senator Lybeck's bill which calls for a "youth conservation program."

Bob Thompson said the only other amendment he might have missed are amendments 14 and 15, which deal with subsection (f) of Section 6. This reads a project could be funded which provides for research demonstration and technical assistance to promote the wise use of Montana's natural resources and to make processing more environmentally compatible. Northern Plains had some concern, thus the revision.

Senator Gage questioned amendment 21.

Larry Fasbender, DNRC, said that they omitted this section in the original bill, so it properly distributes the funds just as they are.

There was no action taken on this bill.

The executive session was closed.

HEARINGS WERE OPENED:
CONSIDERATION OF SENATE BILL 348: Sponsor, Senator Keating, Senate District 44, Billings, Montana, presented the bill to the committee, and said this bill deals with the Facility Siting Act, which controls the permitting for a facility to convert coal to another source of energy. In the past, they have seen that some of the requirements are prohibitive and act as disincentives to investment in this state in conversion of coal to useful products. This bill deals with two topics; one is the determination of need, and the other is the amount of environmental data on alternate sites. He said he would deal with the topic of "need" first. Any person intending to build a facility to convert coal to some other useful purpose would have to prove the need for the product. Senator Keating said they can understand the need for proof of need for a utility such as Montana Power Company or Montana Dakota Utilities. Such utilities deliver a product to a captive consumer group, and their facility is paid for by that consumer group of the rate charged, and that rate is established, so they recover their cost. He said they can understand the need to prove need for the product. He said they are trying to differentiate between a utility and a non-utility. People should not have to prove to a state agency that consumers will be willing to buy their product, or that the product will be purchased in the market place first to determine there is a demand for his product before he takes the risk. It is his risk alone.

The other measure they are dealing with is the amount of

environmental data on alternate sites. The law requires the builder of this facility to select a primary site and two alternate sites, and they do a full environmental study or a full baseline study on all three sites. He said doing that much data is a waste of time on the alternate sites. All that is needed in reviewing these studies is reconnaissance data, which is a minimum amount of data having to do with the environment and economic impact.

PROPONENTS: James Mockler, Montana Coal Council, said the one part is merely philosophy. If a farmer wants to build a silo on his farm he does it; and, if a man wants to build an oil well, he does it. They feel that private capital for a private business is a reasonable thing to ask. The Department of Natural Resources recognizes the difference between a utility and non-utility and tried to differentiate between the two. Secondly, on the alternative site, these data are similar to what they would have to get for a coal mining permit. The coal mining permit they put in for was 14 three-inch volumes of data. They feel it is more than is being asked, and by visiting with the Department, they say it is not what the Department wants. (He also believes that a company goes into an extreme amount of data-seeking before it builds.)

Mr. Mockler said he sat down and went through the rules and made up a list of the environmental permits outside of the Act which would be required if you wanted to enter into a major construction project. (Exhibit 4).

Ward Shanahan, Meridian Minerals Company, testified as a proponent and submitted written testimony (Exhibit 5).

Pat Underwood, Montana Farm Bureau, testified as a proponent and submitted written testimony (Exhibit 6).

Mike Micone, Western Environmental Trades Association, testified as a proponent and urged support of this bill.

Janelle Fallan, Montana Chamber of Commerce, spoke in favor of SB 348, urging the committee's support.

There being no further proponents, opponents were called for.

OPPONENTS: Larry Fasbender, Department of Natural Resources and Conservation, testified before the committee and presented written testimony (Exhibit 7). Mr. Fasbender presented prepared amendments to the committee (Exhibit 8). He said what they do is mimic the rules and strike the latter portion of the bill regarding alternative sites.

Jeanne Charter, NPRC, testified as an opponent.

Don Reed, Montana Environmental Information Center, testified as an opponent and submitted written testimony entered into the record as Exhibit 9.

Susan Cottingham, Montana Sierra Club, spoke as an opponent and said she agrees with Mr. Fasbender's testimony and said there is tremendous public risk. She asked the committee not to pass this bill.

Helen Waller, farmer-rancher from Eastern Montana, testified against SB 348 and submitted testimony (Exhibit 10).

Dan Hienz, Montana Wildlife Association, testified as an opponent asking the committee for a "do not pass."

Mike Korn, interested citizen from Corban, Montana, testified opposing SB 348.

Russ Brown, Northern Plains Resource Council, spoke as an opponent.

There being no other proponents or opponents, the chairman called for questions from the committee.

Senator Halligan asked Mr. Mockler about the rules.

Mr. Mockler said one place they do not agree is where the rules break utilities and non-utilities apart. The other problem they have is with the alternate sites.

Senator Keating said what they are dealing with is not public property, but private property. The coal does not belong to society, neither does the water or the land. These requirements for study come long before the shovel is in the ground. There is no impact on towns until after the environmental impact studies. The Department's study is much too broad.

Senator Eck asked if they would be open to an amendment to exclude a facility where you don't have to have a subsidy or facility.

Senator Keating said, "I am opposed to any subsidy. There is up-front money in the Hardrock Mining Bill." He has no objection to the amendments with the exception of number 5.
The hearing was closed on SB 348.

CONSIDERATION OF SB 377: Senator Gage, District 22, sponsor of this bill, presented it to the committee, stating it covers pooling of interests dealing with gas. It provides for a royalty

to those people who hold an interest that do not voluntarily join and provides for those who are in that unit to cover 100 percent of the cost for certain equipment, stock tanks, and other surface-related equipment. It also provides for 300 percent of the cost, known as risk cost. He asked the committee to look at page 4, lines 2 through 21. This is for those that don't join that unit, so they are deemed to have a 1/8 royalty in the amount of the cut of that portion as if they had joined the unit. The person who owns that interest has options before he ever gets to that point. The majority of interest owners would be glad to lease that property from a person who does not belong to the unit, thus getting that person not in the unit out from under the 300 percent. This makes it clear what a non-consenting person is dealing with.

PROPONENTS: A statement was read on behalf of Mr. Campbell, of the Sawtooth Oil Company (Exhibit 11).

Other proponents were: Pat Melby, Montana Oil and Gas Association; and Darwin Van De Graaf, Montana Petroleum Association.

Dennis Hemmer, Department of State Lands, testified as a proponent. He said the trust fund comes from oil and gas.

Mike Mahoney asked the committee to support this bill.

There were no other proponents, nor any opponents.

The meeting was opened for questions from the committee.

Senator Halligan asked for an example again, which was responded to by using a 160 out of 640, which is 1/4. If a person owns 1/4 out of 640, but does not want to contribute to the pooled area, he would get his royalty share of what is produced, regardless of the penalties in this bill. However, his profit would go to 300 percent to risk costs of drilling that well and 100 percent of cost of equipping. Wyoming has the same penalties.

Senator Mohar asked if the payments are made to the developer. Senator Gage responded they would go to the developer and other interested people. The developer usually puts the money up and bills the others in the unit for their share of the cost. As far as the 300 percent penalty, everyone that participates in that unit would receive part of the 300 percent.
Senator Mohar asked if this is always on sections.

Senator Gage replied it may not be a pool. There are specifications and restrictions you must go by.

Senator Eck asked, "Suppose I am sitting with some land they want

to develop, and I feel it is a bad time to develop. Is this forcing the issue?"

Senator Tveit stated if your land is not leased, you do not have anything to play around with. If you do not want to pay, you will have to lease.

Senator Gage said it will force you into it, but there is a mechanism in the present bill that will force you into it anyway.

Mike Micone, WETA, said that you can take your case before the Commission.

The hearing was closed on SB 377.

Chairman Eck turned the chair over to Senator Halligan, so she might address the committee on the following bill.

CONSIDERATION OF SB 365: Senator Eck presented this bill to the committee as sponsor of the bill. She informed the committee this bill is at the request of the Department of Natural Resources, but by the Advisory Council for Groundwater. She said there is currently a process for controlling groundwater areas, but they recognize a problem where there might be an amount of groundwater, but it is not good water. This bill would control the quality of groundwater.

PROPONENTS: Gary Fritz, DNRC, referred to the fact that the Advisory Council for Groundwater had submitted this and said, "We're the ones that put the proposal together and are the ones that manage the administration of the controlled groundwater area statutes themselves. Right now, the statute does not allow the Board of Natural Resources, when they set special areas, to consider the effect that excessive withdrawal might have on groundwater quality and, as Senator Eck said, excessive withdrawal could pull in contaminated groundwater from other areas."

Senator Gage asked if there is a definition of groundwater in the statutes.

Bob Thompson read Section 85-2-102, subsection (8).

Senator Eck referred to a problem around Missoula.

Senator Tveit responded that a petition could be filed against an irrigator one mile away, but it would have to be filed by 20 percent of local area people.

Senator Eck made a motion to strike Section 3, the immediate effective date. MOTION PASSED UNANIMOUSLY.

Senator Eck MOVED SB 365 DO PASS AS AMENDED. MOTION PASSED UNANIMOUSLY.

The meeting was closed at 2:25 p.m. Senator Eck announced that the meeting on Friday will be held in the old Supreme Court Chambers.

Senator Dorothy Eck, Chairman

Leona Williams, Secretary

ROLL CALL

Natural Resources COMMITTEE

48th LEGISLATIVE SESSION -- 1985 Date 2-20-85

SENATE SEAT #

NAME	PRESENT	ABSENT	EXCUSED
ECK, Dorothy (Chairman	X		
HALLIGAN, Mike (Vice Chairman)	X		
WHEELING, Cecil	X		
MOHAR, John	X		
DANIELS, M. K.	X		
FULLER, David	X		
CHRISTIAENS, Chris	X		
TVEIT, Larry	X		
GAGE, Delwyn	X		
ANDERSON, John	X		
SHAW, James	X		
HARDING, Ethel	X		

Each day attach to minutes.

DATE February 20, 1985

COMMITTEE ON SENATE NATURAL RESOURCES COMMITTEE

VISITORS' REGISTER

NAME	REPRESENTING	BILL #	Check One: Support	Check One: Oppose
DON REED	MEIC	438		✓
Don Heinz	Montana Wild. Federation	348		✓
Margaret MacDonald	NPRC	438		✓
[illegible]	Farmer - Rancher	348		✓
Gordon Walls	" "	348		X
[illegible]	Farming	348		X
Gary Fritz	DNRC	365	X	
Rich Brasch	DNRC	365	X	
Dennis Hemmer	Dept of State Lands	377	✓	
Pat Underwood	MT FARM BUREAU	348	✓	
Mike Micone	WETA	377 348	✓	
Jim Mockler	MT. Coal Council	348	✓	
Susan Cottingham	Mt Sierra Club	348		✓
Michael Korn	citizen	348		✓
Pat Melby	Mont O + G Ass'n	377	✓	
Russ Brown	NPRC	348		✓
Jeanne Charter	NPRC	448		✓
[illegible]	MT Petroleum Assn	377	✓	
[illegible]	DNRC	348		✓
Van Jamison	DNRC	348		✓
[illegible]	Board of Oil & Gas	377	✓	
[illegible]	Montana Mineral Co	348	✓	
[illegible]	Mont Chamber	348	✓	
[illegible]	DNRC			✓
[illegible]				

(Please leave prepared statement with Secretary)

Proposed amendment to SB 369:

1. Page 5, line 10
Following: "Exemptions."
Insert: "The provisions of 85-15-102(2) and (3), 85-15-103, and this act do not apply to dams subject to a permit issued pursuant to 82-4-335 for the period during which the dam is subject to the permit."

SENATE NATURAL RESOURCES COMMITTEE
EXHIBIT NO. 1
DATE 022085
BILL NO. SB369

Proposed Amendments to SB 258:

1. TITLE, lines 6-7
Strike: "PROVIDING A PENALTY FOR FAILURE TO GIVE NOTICE OF PLANNED DRILLING OPERATIONS"

2. TITLE, line 7
Strike: "TRIPLE"
Insert: "DOUBLE"

3. TITLE, line 8
Following: "PAYMENTS;"
Insert: "REQUIRING THE

4. Page 1, lines 18-19
Strike: "seismic or other"

4. TITLE, line 8
Following: "payments;"
Insert: "REQUIRING AN OIL AND GAS DEVELOPER OR OPERATOR TO NOTIFY THE SURFACE OWNER BEFORE COMMENCING DRILLING OPERATIONS OF WHEN HE SPECIFICALLY INTENDS TO DRILL"

5. TITLE, line 9
Following: "82-10-502"
Strike: "AND"
Following: "82-10-504"
Insert: "AND 82-11-122"

5. Page 1, line 22
Strike: "seismic or other"

6. Page 3, line 7
Strike: "triple"
Insert: "double"

7. Page 3, lines 8 through 11.
Strike: "(1) An oil and gas developer or operator who fails to provide notice as required by 82-10-503 is guilty of a misdemeanor and is punishable by a fine of not more than $500."

8. Page 3, line 12
Strike: "(2)"

9. Page 3, line 13
Strike: "make"
Insert: "timely pay an installment under"
Following: "annual"
Insert: "or single-sum"
Following: "damage"
Strike: "payment as required by any damage"

SENATE NATURAL RESOURCES COMMITTEE
EXHIBIT NO. 2
DATE 022085
BILL NO. SB258

10. Page 3, line 15
Following: "owner of"
Strike: "three times"
Insert: "twice"

11. Page 3, line 16
Strike: "such payment"
Insert: "the unpaid installment if the installment payment is not paid within 60 days of receipt of notice of failure to pay from the surface onwer."

12. Page 3, following line 16
Insert: "Section 4. Section 82-11-122, MCA, is amended to read:
"82-11-122. Notice of intent to drill or conduct seismic operations -- notice to surface owner. It is unlawful to commence the drilling of a well for oil or gas without first filing with the board written notice of intention to drill and obtaining a drilling permit as provided in 82-11-134. After the permit is issued, an oil and gas developer or operator as defined under 82-10-502 shall notify the surface owner of his specific intentions before commencing drilling. It is unlawful to conduct seismic explorations with explosives without first giving the board a copy of the notice of intention to explore filed with the county under 82-1-103.""

13. Page 3, following line 16
Insert: "NEW SECTION. Section 5. Codification instruction. Section 3 is intended to be codified as an integral part of Title 82, chapter 10, part 5, and the provisions of Title 82, chapter 10, part 5 apply to sections 3."

14. Page 3, following line 16
Insert: "NEW SECTION. Section 6. Extension of authority. Any existing authority of the board of oil and gas conservation to make rules on the subject of the provisions of this act is extended to the provisions of this act."

Proposed Amendments to SB 277:

1. TITLE, line 7
Following: "SECTIONS"
Insert: "15-35-108"

2. Page 2, line 3
Following: "resources."
Insert: "It is not the intent of this state, however, to compensate for the loss or damage to the environment from the extraction of nonrenewable resources if remedial funding from other sources exists."

3. Page 2, lines 12-13
Strike: "economic development based on natural resources"
Insert: "a vital and diversified economy"

4. Page 4, line 6
Strike: "available"
Insert: "allocated"

5. Page 4, line 7
Following: "trust"
Insert: "interest"

6. Page 5, lines 10-11
Strike: "the proposals having his approval"
Insert: "all proposals with his recommended priorities"

7. Page 5, line 11
Following: "any"
Insert: "regular"

8. Page 6, line 4
Following: "sponsor."
Insert: "Emergency projects funded under this provision must also be consistent with the policy and purposes stated in [section 2]."

9. Page 6, lines 9-13
Following: "land reclamation"
Strike: "when no party is liable for reclamation of the land and money from the federal abandoned mine reclamation fund, established in the Surface Mining Control and Reclamation Act of 1977, is not available"

11. Page 6, lines 15-16
Strike: "when no liable party can be identified"

12. Page 6, lines 18-19
Strike: "for which a liable party cannot be identified"

13. Page 6, lines 24-25
Strike: "is consistent with but"

SENATE NATURAL RESOURCES COMMITTEE
EXHIBIT NO. 3
DATE 022085
BILL NO. SB277

14. Page 7, lines 2-3
Strike: "to promote the wise use of Montana's natural resources and"

15. Page 7, line 3
Following: "processing"
Insert: "of Montana's natural resources"

16. Page 8, following line 3
Insert: "(3) Proposed projects are not eligible for funding under the legacy program if they are eligible for funding from other state or federal reclamation programs or any other program or act that provides funding to remediate environmental damage, or if they are permitted under Title 82, chapters 4 or 11."

17. Page 8, line 17
Strike: "be an efficient use"
Insert: "minimize misuse"

18. Page 8, lines 20-21
Strike: "(as used in this subsection (1)(d), an efficient use is one that minimizes waste)"

19. Page 8, line 24
Following: "project"
Insert: "or is generating additional non-state funds"
Strike: "and"

20. Page 8, following line 24
Insert: "(g) the degree to which jobs are created for persons who need job training, receive public assistance, or are chronically unemployed; and"
Reletter: subsequent section.

21. Page 10, following line 9
Insert: "Section 11. Section 15-35-108, MCA, is amended to read:

"15-35-108. Disposal of severance taxes. Severance taxes collected under the provisions of this chapter are allocated as follows:

(1) To the trust fund created by Article IX, section 5, of the Montana constitution, 25% of total collections a year. After December 31, 1979, 50% of coal severance tax collections are allocated to this trust fund. The trust fund moneys shall be deposited in the fund established under 17-6-203(5) and invested by the board of investments as provided by law.

(2) Starting July 1, 1986, and ending June 30, 1987, 6% of coal severance tax collections are allocated to the highway reconstruction trust fund account in the state special revenue fund. Starting July 1, 1987, and ending June 30, 1993, 12% of coal severance tax collections are allocated to the highway reconstruciton trust fund account in the state special revenue fund.

(3) Coal severance tax collections remaining after the allocations provided by subsections (1) and (2) are allocated in the following percentages of the remaining balance:

(a) to the county in which coal is mined, 2% of the severance tax paid on the coal mined in that county until January 1, 1980, for such purposes as the governing body of the county may determine;

(b) 2½% until December 31, 1979, and thereafter 4½% to the state special revenue fund to the credit of the alternative energy research development and demonstration account;

(c) 26½% until July 1, 1979, and thereafter 37½% to the state special revenue fund to the credit of the local impact and education trust fund account;

(d) for each of the 2 fiscal years following June 30, 1977, 13% to the state special revenue fund to the credit of the coal area highway improvement account;

(e) 10% to the state special revenue fund for state equalization aid to public schools of the state;

(f) 1% to the state special revenue fund to the credit of the county land planning account;

(g) 1¼ % to the credit of the renewable resource development bond fund, until July 1, 1987;

(h) 5% to a nonexpendable trust fund for the purpose of parks acquisition or management, protection of works of art in the state capitol, and other cultural and aesthetic projects. Income from this trust fund shall be appropriated as follows:

(i) 1/3 for protection of works of art in the state capitol and other cultural and aesthetic projects; and

(ii) 2/3 for the acquisition of sites and areas described in 23-1-102 and the operation and maintenance of sites so acquired;

(i) 1% to the state special revenue fund to the credit of the state library commission for the purposes of providing basic library services for the residents of all counties through library federations and for payment of the costs of participating in regional and national networking;

(j) ½ of 1% to the state special revenue fund for conservation districts;

(k) 1¼% until July 1, 1987; and 2.3125% thereafter until July 1, 1989; and thereafter 2.5% ~~to the debt service fund type~~ to the credit of the water development debt service fund;

(l) for the fiscal years following June 30, 1987, until July 1, 1989, .1875% to the rangeland improvement loan special revenue account;

~~(l)~~ (m) all other revenues from severance taxes collected under the provisions of this chapter to the credit of the general fund of the state." "

Renumber subsequent sections.

Non-MFSA Environmental Requirements
For Major Coal Conversion Project

1. Facility

Agency	Requirement	Requirement/Action
DNRC	MEPA	EIS
DHES	Air Quality	Permit
DHES	PSD	Permit
EPA	New Source Performance Standards	Review
EPA	National Emission Standards	Review
DHES	SPDES	Permit
DHES	Water Discharge	Permit
Corps of Eng.	Section 10 and/or 404	Permit
EPA	Intake Structure	Review
DNRC	Water Use	Permit
DHES	Solid Waste	Permit
DHES	Hazardous Waste	Permit
EPA	Res. Cons. & Recovery	Review
Hist. Soc.	Antiquities	Permit
DOL	Labor Standards	Review
OSHA	Labor Standards	Review

2. Mine

DSL (OSM)	MEPA	EIS
DSL (OSM)	Exploration	Permit
DSL (OSM)	Mining	Permit
DHES	Air Quality	Permit

Agency	Requirement	Requirement/Action
DHES	PSD	Permit
DHES	Water Discharge	Permit
DHES	Solid Waste	Permit
DNRC	Water Use	Permit
DOL	Labor Standards	Review
MHSA	Labor Standards	Review

3. Employee Services

DHES	MEPA	EIS
DNRC	Water Use	Permit
DHES	Lodging Space	Permit
DHES	Food Services	Permit
DHES	Trailer Hookups	Permit
DHES	Subdivision	Permit
DHES	Public Water	Permit
DHES	Public Sewage	Permit
DHES	Solid Waste	Permit
DHES	Hazardous Waste	Permit
DHES	Air Quality	Permit
DHES	Water Discharge	Permit
DOL	Labor Standards	Review
PSC	Elec. Energy	Review
PSC	Domestic Gas	Review

STATEMENT OF WARD SHANAHAN FOR
MERIDIAN MINERALS COMPANY IN SUPPORT
OF SENATE BILL 348

Senator Eck and members of the Committee. My name is Ward Shanahan. I am an attorney in Helena. This statement is presented on behalf of Meridian Minerals Company, Billings, Montana.

Meridian Minerals Company is a subsidiary of Burlington Northern responsible for managing all Burlington Northern minerals except oil and gas. The company manages 11,000,000,000 tons of coal reserves in Montana. It is interested in seeing some of this coal developed and used in Montana to provide jobs and enhance Montana's economic development. The company generally supports the basic concept of the Montana Major Facility Siting Act which involves the application of environmental standards to sites chosen for the location of industrial facilities. The company also generally supports the idea that where market forces do not govern need, that only needed facilities should be built.

However, it should be remembered this Act was originally adopted as the "Montana Utilities Siting Act of 1973". It was later amended in 1975 to include other "non-utility" facilities. But because of the blending of the law originally intended for regulated utilities with the law intended for all other types of projects, certain inconsistencies were built into the Act which have proved difficult and onerous in their application.

Meridian Minerals Company supports Senate Bill 348 because it is intended to do some fine tuning to correct these inconsistencies. In particularly:

(a) Senate Bill 348 brings the definitions of the Act in line with the commonly accepted definition of a regulated or protected energy producers; and

(b) It also brings the definition of the certificate to be issued, more clearly in line with the legislative intent already expressed in Section 75-20-301(4). This latter provision is clearly intended to differentiate between classic utilities and other energy producers, but the definition of certificate in Section 75-20-104(6) continues to blend the two. The result has been confusion in the minds of draft people who draft and administer the regulations applicable to this Act.

The provisions of Senate Bill 348 will help insure that those who are willing to put dollars at risk subject to free market forces, knowing that they will be put out

SENATE NATURAL RESOURCES COMMITTEE
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of business if there is no need for their product, will not be subject to the same costly, redundant governmental review of need imposed upon the regulated utilities which are granted exclusive operating territories and approved rates of return.

The market place already provides a very efficient mechanism to penalize those non-utility companies which would risk construction of unneeded facilities. So long as these facilities meet the test of environmental compatibility, there is no good reason why they should be subjected to a review of the economic necessity for their construction. The regulations now under final review for this Act, reflect the difficulty the regulators have had with the concept of "need". They have broken the "facilities" down into "regulated utilities", "competitive utilities", and "non-utilities". The non-utility is still subject to possible " competitive utility", status if its plant markets energy in <u>any</u> form including waste-steam, or co-generation.

The other area of amendment provided in Senate Bill 348 is that which would require only reconnaissance level analysis of alternaive sites rather than full base line studies of all potential sites.

The present site selection methodology in the Act is a costly and unnecessary requirement. The most reasonable approach to site selection is a "winnowing approach" which looks at all potential sites equally at the beginning, makes reconnaissance level studies on all these sites with increasingly intense studies on those aspects that could become fatal flaws at each site until the site with the least problems becomes a preferred site.

Site selection is usually made on the basis that the best site is the one which can best meet environmental standards and at which ligation of damages will be easier and less costly than those at alternative sites. This more cost effective approach cannot be used unless the proposed amendment is adopted.

Recent court decisions have clearly shown that no regulated public utility trying to locate an energy facility is going to escape regulation by any state agency. The need is reviewed under the Major Facilities Siting Act and it is reviewed again by the Public Service Commission under separate statutes. There is no chance that a utilty company will be able to locate a generation plant at an

unapproved site without suffering severe financial penalties or outright prohibition. The experience of Colstrip Units 3 and 4 have demonstrated this fact beyond any need for further explanation.

Companies attempting to develop Montana's coal reserves for purposes other than energy generation should not be subjected to the same process as utilities. Amendment to the alternate site process therefore as provided in Senate Bill 348 will allow greater flexibility to these companies without lessening the protection of the Act as it applies to utility facilities. Passage of Senate Bill 348 will help remove unnecessary regulation and make regulation more cost effective at a time when the State's basic industries are in a serious decline.

We strongly urge passage of Senate Bill 348.

Ward A. Shanahan

2242W

Form CS-34
1-79

NAME Pat Underwood BILL NO. SB348

ADDRESS 502 S. 19TH Bozeman, MT DATE Feb 20, 85

WHOM DO YOU REPRESENT Montana Farm Bureau

SUPPORT ✓ OPPOSE _____ AMEND _____

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

The Montana Farm Bureau supports SB 348. We feel that it makes the Regulatory process more reasonable and streamlines the process to stop unreasonable and costly delay with needless and costly procedure!

SENATE NATURAL RESOURCES COMMITTEE
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DATE 022085
BILL NO. SB 348

DEPARTMENT OF NATURAL RESOURCES
AND CONSERVATION
ENERGY DIVISION

TED SCHWINDEN, GOVERNOR

32 SOUTH EWING

STATE OF MONTANA

(406) 444-6697 ADMINISTRATOR & PLANNING AND ANALYSIS BUREAU
(406) 444-6696 CONSERVATION & RENEWABLE ENERGY BUREAU
(406) 444-6812 FACILITY SITING BUREAU

HELENA, MONTANA 59620

TESTIMONY ON SENATE BILL 348

My name is Larry Fasbender and I am Director of the Department of Natural Resources and Conservation. The Department opposes Senate Bill 348. The bill makes two major changes to the Major Facility Siting Act that I will discuss separately.

First, by changing the definition of utility, this bill removes the finding of need for some facilities that are currently defined as utilities under the Siting Act, but are not what we think of as traditional utilities. These facilities are synthetic fuel plants or other facilities that produce energy as a marketable product, but whose sponsor is not regulated for rate of return or does not have a protected service territory, as do traditional utilities.

Senate Bill 348 poses an environmental policy decision to the Legislature. Should the state or does the state have a legitimate reason to evaluate the need for facilities that are built with private financial resources and that are not built to serve regulated markets? Or should the state leave these decisions solely to the project sponsor?

Proponents for this bill will argue that these facilities are built to compete on the open market, rather than a regulated market, and that the project sponsor is risking their own financial resources in building the project. They argue that their financial risk is sufficient incentive to ensure that the project is viable before building it, consequently, the state has no reason to be involved in or second guess the sponsor's decision.

The Department and Board have recognized that need for these facilities is determined in a much different way than for traditional utilities. Our recently adopted Siting Act rules create a category for these synthetic fuel plants that we labelled competetive utilities. Rather than balancing future energy demand with energy supplies, as with traditional utilities, the competitive utility need analysis focuses on marketability of the output of the proposed facility and financial viability of the project. The need test in the rules is less stringent than the need requirements for traditional utility facilities and is the type of analysis the applicant does anyway.

The Department and the Board are very aware industry feels that reviewing need for the competitive utility facilities constitutes review of a decision that is the heart of private sector business. On the other hand, industry must be aware that

all the resources committed to one of these projects are not private resources. They must be aware that the state, by making a resource commitment, becomes a partner in the project.

I think the state of Montana has a legitimate and justifiable reason to evaluate need for these facilities. While these facilities may represent a significant commitment of private financial resources, there is also a tremendous commitment of public resources involved in building these facilities. These projects involve a sizeable commitment of public environmental resources and public infrastructure resources. Consequently, the public in Montana has a very legitimate right to be involved or review a decision that impacts their resources.

The public in Montana has a legitimate reason to ensure the project is financially viable and will continue to operate once the public environmental and infrastructure resources are committed. Should these projects not turn out to be viable, local governments and taxpayers will be left "holding the bag" for the financial commitments to new infrastructure such as new sewer and water systems and schools. This is a very real problem and I need only point to the aborted oil shale development in western Colorado that left local governments, taxpayers, and private developers with extensive losses when the oil companies walked away from partially constructed plants.

The other public resources that may be committed to these facilities are public subsidies, which may include federal price supports or guarantees, loan guarantees or interest rate subsidies on loans. Many large energy projects are not viable without federal subsidies such as those offered by the United States Synthetic Fuels Corporation. Who gets these subsidies and what facilities are built where are decisions made by the federal government. These federal decisions can be made without concern for their implications on the general welfare of Montana. Therefore, the public in Montana has a legitimate interest in reviewing these decisions as to their impact on the welfare of Montana.

Not evaluating the need for certain facilities, as provided for in SB348 will have a substantial impact on Montana. We will be accepting a commitment of public resources without any assurance that such a commitment is warranted by the public need for the output of the facility. The state will be placing itself, its environment and its citizens at risk without any idea of the risk it is assuming or without any idea whether the benefits of the project merit such a risk. The state will be abdicating to the federal government responsibility for decisions that have profound impacts on the state and its citizens. We must retain the right to make an independent judgement on how these matters affect us.

I do not feel that the state should put itself in a position of committing substantial public resources and assuming substantial risk, without a public review of such risks. If anything, the Siting Act should be amended to have the state review need for all facilities covered by the Act instead of just utility facilities. Further, if there is a public review of the need for such facilities and need is demonstrated, the general public will probably be more willing to accept the impacts of the facility, than if no public review is done. This is a tremendous benefit to the project sponsor.

The second major change to the Siting Act in Senate Bill 348 is to substantially reduce the data gathering requirements at alternate sites that are compared to the applicant's preferred location. Proponents of Senate Bill 348 argue that collecting baseline data on the preferred and alternate locations for a proposed facility is unnecessary and costly. The Department of Natural Resources and Conservation emphatically disagrees with both of these assertions.

On the issue of cost, the Department believes it has reduced the cost of baseline data collection at the preferred and alternate locations with the adoption of new Major Facility Siting Act rules. The new rules substantially reduce the area where detailed information must be gathered, and in every instance the size of the area has been tied to the specific resource that is potentially affected. In addition, only data relevant to the proposed facility is required and the rules encourage the use of existing data to minimize the necessity for and cost of developing new information. No one has prepared an application using these new rules and the cost of compliance cannot, consequently, be substantiated. The fact that no affected party requested the Administrative Code Committee to undertake an economic impact statement might mean that the cost of the rules are reasonable or if not reasonable in the view of those impacted by these rules, the cost has been reduced significantly from the former requirements.

Regardless of what rules are used, it is undoubtedly true that gathering data at three sites costs the applicant more money than collecting data at one. This, of course, views costs only from the applicant's perspective. As I mentioned earlier, however others have significant resources at stake. Consider, for example, the costs of depreciated land value and lost production to a farmer when a transmission line is routed through his fields rather than along an existing linear corridor. Also consider the costs to a community of providing essential services to a booming population when another community with adequate services already in place could have more easily accommodated the facility.

With more at risk than the applicant's investment, cost to the applicant should not be the only basis for making public policy. Further, The Department does not feel the costs of collecting baseline data at three sites rather than one will be

incurred without commensurate benefits. In fact, the Board decision regarding minimum impact, as it has been outlined in the new rules, is driven by economics. The Board must find that a facility constructed at the minimum impact location will result in the lowest levelized delivered cost of energy when all costs are considered. This is not necessarily the location where an applicant's profits are maximized. It is the location where both the applicant's and the public's investment is collectively minimized. Having detailed information on the environmental and social costs at the preferred and alternate locations is essential to identifying what the public is investing and to prevent society from paying too much for the benefits it receives from the facility.

The issue of whether it is necessary to gather baseline data on three sites rather than one depends on whether the legislature wishes to have the location with minimum impacts certified or wishes to certify locations that meet acceptable criteria. Restated in the form of a question, should we select the best site for a facility or should we certify any adequate location? Selecting the best site requires a comparison with equivalent information on alternate locations; selecting an adequate site requires only a set of minimum standards and data to see that these standards are met at the proposed site.

The Department can see no reason to abandon our current comparative search for the best location for each proposed facility. The best location, after all, minimizes the costs to everyone, which includes the applicant's financial costs and the costs to public environmental resources in Montana.

Proponents of SB348 may argue that this bill does not eliminate the comparison of sites and strictly speaking they are correct. However, this bill does set up a situation where comparisons will be uncertain and speculative, since equivalent information will not be available for the alternate sites or routes. The situation this bill creates is analogous to choosing one of three gifts after you've opened one but have been prevented from opening the other two. Under those conditions, how confident could you be that your choice was the best possible choice?

This bill would eliminate baseline data requirements for alternative transmission line routes and alternate plant sites. Our recent experience in siting the Bonneville Power Administration's 500 kV transmission line provides a working example of how lack of comparable data confounds good decision making. In reviewing BPA's routing from Garrison to Idaho the Department and Board had detailed data on BPA's preferred route but had very limited data on all alternative routes. For example the number of miles of new access roads along BPA's preferred route were known, but what was not known was how many miles of new access roads were required along alternative routes. Who could tell which route was best? The public was

confused over what they knew about one route and didn't know about the others. BPA's route had been well studied and it seemed that because you knew more about it than other alternative routes it looked worse. Yet, what faith could be placed in the unknown. And, finally, how could anyone know what was the best choice?

Passage of this bill would force the Board into a similar situation with every Siting Act application. The Board's hearing record would be equivocal and its decisions required by the Siting Act would be questionable based on that record. Two possible results are predictable from the doubt the lack of equivalent information would create.

The Board may deny certification because it cannot confidently make the minimum impact findings required of it. Or the Board may grant a certificate that is highly susceptible to legal challenges brought by objectors who claim the record will not support the Board's decision. Both outcomes will be costly and both outcomes are undesirable.

Gathering baseline data at the preferred and alternate locations provides greater flexibility to the Board and reduces risk to the applicant. Currently if the Board can not defensibly certify the preferred site, it can certify one of the alternate sites. Under this bill sufficient information would not be available to make such a decision. Consequently, the Board may have to deny the certificate and the applicant would have to reapply on another site.

The alternative to a comparative process for selecting a site, studying a single site for conformity with a set of minimum standards, would require changes to the Siting Act that are not contemplated in this bill. Nor should they be contemplated! The comparative nature of the decisions required by the Siting Act is deliberate. The decisions required of the Board protect Montanan's from resource development impacts whenever a better alternative is available. The Siting Act seeks a minimum adverse impact finding by requiring a thorough comparative analysis.

In the final analysis we must look to the best interests of both the public and private sectors. I do not think that SB-348 does that. I urge you give it a "do not pass" recommendation.

Just another technical note. The bill's new definition of utility excludes wholesale power suppliers, such as Basin Electric Cooperative, from the definition. I do not know if this is intentional or not.

AMENDMENTS TO SB 348

1. Title, lines 6 through 10
   Strike: lines 6 through 10 in their entirety
   Insert: "AMENDING SECTION 75-20-104, MCA."

2. Page 1, line 13
   Strike: section 1 in its entirety
   Renumber: subsequent section

3. Page 3, lines 7 through 8
   Following: "compatibility"
   Strike: "or, in the case of a utility, the certificate of environmental compatibility"

4. Page 6, lines 19 through 22
   Following: "use should be typed then stricken or underlined"
   Strike: lines 19 through 22 in its entirety
   Insert: "ENGAGED IN ANY ASPECT OF THE PRODUCTION, STORAGE, SALE, DELIVERY, OR FURNISHING OF HEAT, ELECTRICITY, GAS, HYDROCARBON PRODUCTS, OR ENERGY IN ANY FORM FOR ULTIMATE PUBLIC USE AND WHO IS EITHER: (a) A COMPETITIVE UTILITY THAT HAS NEITHER A LEGALLY PROTECTED SERVICE AREA NOR A UTILITY MANDATE TO SERVE ALL DEMANDS FOR THE ENERGY FORM TO BE PRODUCED BY A PROPOSED FACILITY, OR (b) A SERVICE AREA UTILITY WITH A LEGALLY PROTECTED SERVICE AREA OR BODY OF CUSTOMERS FOR WHOM IT HAS A CONVENTIONAL UTILITY MANDATE TO SERVE ALL LOADS OR WHOLESALE ENERGY SUPPLIERS WITH REQUIREMENTS CONTRACTS, PARTICIPATION AGREEMENTS, OR SIMILAR ARRANGEMENTS WITH THESE UTILITIES FOR THE ENERGY FORM TO BE PRODUCED BY A PROPOSED FACILITY, INCLUDING BUT NOT LIMITED TO, INVESTOR-OWNED UTILITIES, RURAL ELECTRIC COOPERATIVES, MUNICIPAL ENERGY UTILITIES AND PUBLIC UTILITY DISTRICTS, AND GENERATING AND TRANSMISSION COOPERATIVES."

5. Page 6, line 23 through line 24, page 17
   Strike: line 23, page 6 through line 24, page 17 in their entirety
   Renumber: subsequent section

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TESTIMONY IN OPPOSITION TO SB 348

By Don Reed, Montana Environmental Information Center
February 20, 1985

Chairperson Eck and members of the Senate Natural Resources Committee, I'm Don Reed and I'm here on behalf of the members of the Montana Environmental Information Center in oppsition to SB 348.

Since the 1983 legislature when we opposed Senator Keating's SB 275, Montana EIC has participated in two significant processes which will make the siting of new energy facilities easier for developers. The first was a rulemaking proceeding before the Board of Natural Resources. After several years of working out new rules to implement the Siting Act, the Board adopted rules in December 1984. Most significantly, the rules spoke directly to two concerns developers have expressed about the Siting Act. First, the new rules specify what must be included in an application. Second, the new rules lay out decision-making standards which the Board will use in reaching its decisions.

The second process was the development of legislation to implement the "resource option" concept under the Siting Act. If passed by this legislature, the resource options concept will allow developers to build truly needed facilities more quickly.

The point here is that the implementation of the Siting Act is changing. Environmentalists and developers are working together with state government to make the Siting Act work better for all concerned. That's a positive trend. SB 348 runs contrary to that trend.

Montana EIC opposes SB 348 because it is goes to the very heart of the Major Facility Siting Act by eliminating the "need "evealuation for facilities which come under the Siting Act but are not regulated utilities. The "need" determination under the Siting Act is more than a mere finding that a facilitiy is needed. It also is half of the basic equation which the Board of Natural Resources must use in balancing the need for a facility against its environmental impacts. This balancing is the very heart of the Siting Act. SB 348 would remove that heart.

Under the new rules, synthetic fuels plants would only have to show that they could recover their direct production costs in the first five years of operation. This is the practical requirement which SB 348 would exempt such facilities from. Is this a reasonable requirement?

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SB348

Yes it is. All the applicant would have to show was that they were not going to go belly up, as have other synthetic fuel operations. That should not be a difficult thing to show for any legitimate business operation. Just as the developer would show to a board of directors that a project is viable before they would commit their financial resources, a synthetic fuels developer should show the same before the state commits its resources. There is a legitimate public interest in knowing that a synthetic fuel developer is not going to go belly up such as did the Colony Oil Shale Project in 1982 and leave the community with unemployed boom-town workers, over-extended local businesses, and suddenly un-needed community services.

Proponents argue that the "need" for the product of non--regulated energy facilities is determined in the market. It would be wonderful if that were true. In fact, the synthetic fuels industry is the recipient of corporate welfare in the form of substantial federal subsidies. In short, the industry does not operate in a free market.

SB 348 also relaxes the requirements for alternative sites. This is unnecessary. The new rules adopted by the Board of Natural Resources have already given non-regulated facilities a break on the sites which have to be evaluated.

SB 348 goes right to the heart of the Major Facility Siting Act. We believe that other changes in the act and rules will lead to more reasonable reforms of Montana's siting process for major facilities.

We urge you to give SB 348 a "Do Not Pass" recommendation.

EX 10

Madam Chairwoman and members of the Senate Natural Resources Committee

For the record, my name is Helen Waller. My husband, Gordy and I farm and ranch in McCone County , near Circle. This is an area which has been targeted for power plants and synthetic fuels facilities.

We are deeply concerned with the fact that this bill, by redefining "utility" exempts synthetic fuels plants from showing need for the facility. It is essential that the Board of Natural Resources consider need when determining certification because synfuels plants are not built in a "free market" context. They are constructed only with federal government guarantees of the investment through price supports, loan guarantees, or other subsidies.

For those of us who live in the areas proposed for synfuels development who are expected to sustain tremendous impacts, the least one can expect is that the developer should have to show a need for the end product.

We are also concerned that the alternative siting study locations would be limited to baseline studies of only one location, with only reconnaisance level studies of two other sites. The act clearly requires that facilities meet the test of minimum adverse impacts. If baseline data is gathered for only one site, there is no way for the Department or the Board of Natural Resources to make a comparative judgement.

I urge you to vote "Do not pass" on Senate Bill 348.

Thank you.

Helen Waller

SENATE NATURAL RESOURCES COMMITTEE
EXHIBIT NO. 10
DATE 022085
BILL NO. SB348

R. A. CAMPBELL
JACK STARKWEATHER

SAWTOOTH OIL CO.
Telephone (406) 252-5106
1222 North 27th Street
BILLINGS, MONTANA 59101

February 15, 1985

Senator Dorothy Eck
Chairman, Natural Resources Committee
State Capitol Building
Helena, Montana 59601

Re: Senate Bill No 377
Scheduled hearing February 20th,
12:30 p.m., Room 405

Dear Chairman Eck and Committee Members:

My name is R. A. Campbell and I am the President of Sawtooth Oil Co. Our office is located in Billings, Montana, where I have resided since February, 1952 and have been continuously active in oil and gas exploration to this date.

I sincerely solicit the committee's support, passage and adoption of the proposed legislation contained in the above bill.

In the interest of the State of Montana, its' citizens and the owners of mineral interests, adoption of this legislation would enhance the search for and the development of oil and gas in this State, resulting in increased energy reserves, provide employment and generate tax income for the State. Oil and gas producing states throughout the Rocky Mountains, as well as other major oil and gas producing states, have had similar legislation, as that proposed in Senate Bill No. 377, in place for many years.

Throughout my career I have witnessed and experienced numerous occasions where wells have not been drilled primarily due to the absence of legislation such as that proposed in this bill.

As a board member of the Board of Oil and Gas Conservation, Department of Natural Resources, State of Montana for the past 14 years and acting as its' chairman for the past 12 years, I have witnessed many inequities in the search for, and production of, oil and gas within the State due to the State's lack of legislation such as that provided for in the proposed bill.

I thank you for your consideration and, again, I solicit your support for enactment.

Very truly yours,

R. A. Campbell

R. A. Campbell

jhg

SENATE NATURAL RESOURCES COMMITTEE
EXHIBIT NO. 11
DATE 022085
BILL NO SB377

STANDING COMMITTEE REPORT

FEBRUARY 21, 19 85

MR. PRESIDENT

We, your committee on NATURAL RESOURCES

having had under consideration SENATE BILL No. 377

FIRST reading copy (WHITE color)

POOLED OIL AND GAS WELLS COST RECOVERY FROM REFUSING OWNER

Respectfully report as follows: That SENATE BILL No. 377

DO PASS

~~DO NOT PASS~~

SENATOR DOROTHY ECK Chairman.

STANDING COMMITTEE REPORT

FEBRUARY 21, 19 85

MR. PRESIDENT

We, your committee on SENATE NATURAL RESOURCES

having had under consideration SENATE BILL No 369

FIRST reading copy (WHITE color)

DAM SAFETY PROGRAM

Respectfully report as follows: That SENATE BILL No. 369

be amended as follows:

1. Page 5, line 10.
Following: "Exemptions."
Insert: "The provisions of 85-15-102(2) and (3), 85-15-103, and this act do not apply to dams subject to a permit issued pursuant to 82-4-335 for the period during which the dam is subject to the permit."

AND, AS AMENDED

DO PASS

XXXXXXXXX

SENATOR DOROTHY ECK Chairman.

STANDING COMMITTEE REPORT

FEBRUARY 22, 19 85

MR. PRESIDENT

We, your committee on NATURAL RESOURCES

having had under consideration SENATE BILL No 365

FIRST reading copy (WHITE color)

DESIGNATION OF CONTROLLED GROUND WATER AREA

Respectfully report as follows: That SENATE BILL No 365

be amended as follows:

1. Title, line 9.
Following: "MCA"
Strike: ";AND PROVIDING AN IMMEDIATE EFFECTIVE DATE"

2. Page 4, lines 15-16.
Strike: section 3 in its entirety

AND, AS AMENDED

DO PASS

~~DO NOT PASS~~

SENATOR DOROTHY ECK Chairman.