

MINUTES OF THE MEETING
SENATE NATURAL RESOURCES COMMITTEE
MONTANA STATE SENATE
March 6, 1985

The sixteenth meeting of the Senate Natural Resources Committee was called to order at 1:05 p.m., by Chairman Dorothy Eck, March 6, 1985, Room 405, State Capitol Building.

ROLL CALL: All members of the Senate Natural Resources Committee were present with the exception of Senator Mohar.

CONSIDERATION OF HB232: Representative Bardanoue, sponsor of HB232, stated the bill is being introduced at the request of farmers and ranchers in northern Montana. In the past, there have not been a substantial number of voters in elections for Water and Sewer District Commissioners. Representative Bardanoue feels if the Commissioners are elected at the same time the school elections are held, the voter turnout will be higher. Representative Bardanoue stated if SB169, a bill introduced by Jim Waltermire, Secretary of State, providing for elections by mail, passes, there will be no need for HB232.

There being no proponents and no opponents, the hearing was opened to questions from the committee.

Upon question from Senator Weeding, Representative Bardanoue stated he has no preference concerning which bill passes.

There being no further questions from the committee, the hearing was closed.

ACTION ON HB232: Senator Fuller moved HB232 BE CONCURRED IN. The motion carried. Senator Shaw questioned whether the committee should hold HB232 until SB169 is heard by the House of Representatives. Senator Christiaens reminded the committee that due to time constraints, it is important the committee not hold any bills.

CONSIDERATION OF HB336: Representative Quilici, sponsor of HB336, stated this bill will remove the requirement that the Pacific Northwest Electric Power and Conservation Planning Council submit an annual report to the Governor and the Legislature. Representative Quilici stated the legislators are currently receiving the annual report, but he wonders how many are actually taking the time to review the report. Upon request, legislators will still be able to receive the report. HB336 will only alleviate the mandatory reporting requirement and will attempt to do away with this portion of the bureaucratic process.

PROPONENTS: Mr. Morris Brusett, representing the Pacific Northwest Electric Power and Conservation Planning Council stated the annual report is necessary to inform the public what the Council is accomplishing, as well as its short and long-term goals, although an annual report has not been completed for two years. Mr. Brusett stated the Council has two objectives: (1) Keep electric rates as low as possible; and, (2) promote economic development. Mr. Brusett feels since reports are prepared which deal with all aspects of the Council's activities and are available upon request, an annual report is not necessary.

There being no further proponents and no opponents, the hearing was opened to questions from the committee.

Senator Halligan questioned how the Legislature would know what the Council is doing with regard to expenditures. Mr. Brusett informed Senator Halligan the Council is part of the budget and is required to prepare an audit report annually. This report, like any report prepared by the Council, is available upon request.

Upon question from Senator Christiaens as to what savings would be realized by not preparing an annual report, neither Representative Quilici, nor Mr. Brusett had the actual figures.

Senator Weeding asked if all reports prepared by the Council are kept in a central location where they could be easily located. Mr. Brusett stated a list of all reports prepared by the Council is available at its office in Helena, or a person could request to be placed on the Council's mailing list. Representative Quilici cautioned, however, once a person's name is placed on the mailing list, he will receive every report prepared by the Council.

There being no further questions from the committee, the hearing was closed.

CONSIDERATION OF HB372: Representative Grady, sponsor of HB372, stated he is sponsoring HB372 at the request of the Department of Natural Resources and Conservation. Representative Grady introduced Mr. Ray Beck.

PROPONENTS: Mr. Ray Beck, representing the Department of Natural Resources and Conservation, stated the bill is being introduced to meet the needs of smaller conservation districts in Montana. Mr. Beck submitted written testimony (Exhibit 1) and a copy of the current statute (Exhibit 2), which is in conflict with the election procedures of the conservation districts.

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Mr. Dave Donaldson, representing the Montana Association of Conservation Districts, stated he worked on preparing HB372 with the Department of Natural Resources and Conservation, and he supports HB372.

There being no further proponents and no opponents, the hearing was opened to questions from the committee.

Senator Weeding questioned whether the ten percent requirement for adding land to a conservation district also applied to dissolving a conservation district. Mr. Beck replied it did.

Senator Christiaens inquired how the Department of Natural Resources and Conservation arrived at the ten percent rate of interest referred to on page 6, line 21. Mr. Beck replied that this rate of interest is currently used to collect outstanding judgments. Senator Christiaens feels this rate of interest should be flexible, since interest rates are always fluctuating. Senator Christiaens feels the Department could ask for another increase or decrease in the interest rate at some point in the future, if the interest rate is set at a fixed percentage.

Upon question from Senator Halligan, Mr. Beck explained that the residency requirement is needed, because a person who actually lives in a supervisor area can better represent the people and their concerns. Mr. Beck stated this is particularly a problem in Musselshell County where the officials are usually elected from Roundup, even though the district also includes Golden Valley County. Mr. Beck stated this provision will only affect a few counties.

Senator Shaw inquired where the \$25 paid to Board members will come from. Mr. Beck stated this money will come from the conservation district; however, there never has been a need for a board meeting, so Mr. Beck did not feel this would be a very large expense for the district.

There being no further questions from the committee, the hearing on HB372 was closed.

ACTION ON HB372: Senator Weeding moved HB372 BE CONCURRED IN. The motion carried.

ACTION ON HB336: Senator Shaw moved HB336 BE CONCURRED IN. The motion carried with Senator Halligan voting in opposition.

FURTHER CONSIDERATION OF HB96: Senator Gage expressed the concerns of Representative Holliday to the amendments proposed by Mr. Pat Melby of the Montana Oil and Gas Association. Senator Gage stated that the amendments would provide that royalties not be paid until communitization or unitization is completed.

However, Senator Gage stated the sponsor's intent is to address this concern under section 4, since communitization and unitization involve "disputes" over the amount of minerals or royalties to be distributed to royalty owners or their disignees.

ACTION ON HB96: Senator Gage moved HB96 BE CONCURRED IN.
The motion carried.

FURTHER CONSIDERATION OF HB178: Chairman Eck submitted proposed amendments to HB178 (Exhibit 3) and stated there is much concern about hazardous waste in the State of Montana. Six percent of the Resource Indemnity Trust Fund money is currently earmarked for hazardous waste disposal. Eventually, Chairman Eck feels the generators of hazardous waste should have to pay for disposal of the waste. Chairman Eck feels the proper way to handle this is by requiring that a portion of the fees collected be used to offset the expense. Chairman Eck introduced Mr. Duane Robertson.

Mr. Duane Robertson, Chief of the Hazardous Waste Bureau, Department of Health and Environmental Sciences, feels there is a need to set up a transfer and collection procedure for the State of Montana. Mr. Robertson feels that by passing HB178, Montana will be assured waste is being disposed of properly. In addition, private individuals would get a disposal rate much cheaper than what they would have to pay if they had to arrange for disposing the waste themselves. Mr. Robertson cautioned that a high fee could lead to improper disposal of wastes by individuals trying to avoid the fee.

Upon question from Senator Shaw, Mr. Robertson stated used oil will fall into the category of hazardous waste, but it is only a matter of time before the federal government will put a ban on this type of waste. Mr. Robertson also feels it is only a matter of time before Montana will no longer be able to depend on out-of-state dumping facilities and will have to build a dumping facility of its own.

Upon question from Chairman Eck, Mr. Robertson stated because collection, transportation and disposal of hazardous wastes are expensive, recycling certain wastes will be encouraged.

Senator Halligan inquired whether the Department's definition of "hazardous waste facility" is broad enough to include not only collection and transportation of hazardous wastes, but also a disposal facility when Montana is required to construct such a facility. Mr. Robertson replied the definition includes both types of facilities.

Chairman Eck questioned whether research had been done to determine what types of waste we have and how much of this waste could be incinerated. Mr. Robertson stated incineration has been considered; however, construction of an incinerator would cost twenty million dollars. Mr. Robertson feels this is too costly for the amount of hazardous waste generated in the state. Mr. Robertson stated the Department would consider allowing existing facilities to incinerate hazardous wastes if they employ good, safe methods.

Chairman Eck stated she supports the proposed amendments, because the citizens of Montana would not get the impression the program is going to be a large expense to the State.

Mr. Robertson stated if the Legacy Program does not provide the necessary funding, a facility will not be built. Mr. Robertson feels confident the Department will receive the necessary funding, since the program is seventh or eighth on the priority list.

There being no further questions from the committee, the discussion was closed on HBL78.

FURTHER CONSIDERATION OF HB258: Chairman Eck explained that this bill makes the Director of the Department of Health and Environmental Sciences, or his designee, an ex-officio member of the Flathead Basin Commission.

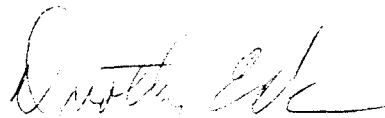
Senator Christiaens stated he feels a 15-member board is too large. Senator Christiaens feels it is unnecessary to add this member, unless the board is decreased at the same time.

Chairman Eck reminded the committee the purpose of adding the Director of the Department of Health and Environmental Sciences is to address the problem of water quality.

Senator Harding stated the committee could look at who the other members of the Commission are, but it will find the people on the Commission each represent an interest and all have a legitimate reason for being on the Commission.

ACTION ON HB258: Senator Harding moved HB258 BE CONCURRED IN. The motion carried with Senator Christiaens voting in opposition.

There being no further business to come before the committee, the meeting was adjourned at 2:37.



Senator Dorothy Eck, Chairman

ROLL CALL

Natural Resources

COMMITTEE

48th LEGISLATIVE SESSION -- 1985

Date 0306 85

SENATE
SEAT
#

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

Each day attach to minutes.

020685

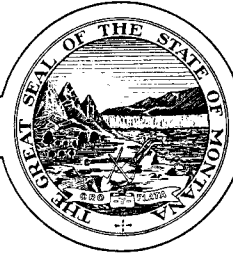
VISITORS' REGISTER

[illegible]

(Please leave prepared statement with Captain _____)

DEPARTMENT OF NATURAL RESOURCES
AND CONSERVATION

CONSERVATION DISTRICTS DIVISION



TED SCHWINDEN, GOVERNOR

32 SOUTH EWING

STATE OF MONTANA

(406) 444-6667

HELENA, MONTANA 59620

HB 372

Madam Chairman, members of the Committee, for the record, I am Ray Beck. I represent the Conservation Districts Division of the Department of Natural Resources and Conservation.

We asked Representative Grady to carry this piece of legislation for us, which consists of minor changes in the law that will address conservation district needs. Madam Chairman, with your permission, I would like to briefly go through the changes and explain the reason for need.

Page 1, Line 17

Presently 10 people, providing they are qualified electors, can sign a petition to add additional land to a conservation district. Once this request is filed with the Department, we are required to hold public and Board of Natural Resources and Conservation hearings and possibly a referendum. This process is very time consuming and in the majority of past cases, the people located within the area have been against becoming included into a district. The town of Whitehall is a recent example of where this has happened.

This change from 10 people to 10 percent would be more in accordance with percentage requirements for petitions and would include more individuals, which would result in greater public knowledge of the proposal.

Page 2, Line 21

By this change, if the district felt that supervisors should reside within the area they represent, they could propose an ordinance requiring area residency. An example of why this might be important to a district is Lower Musselshell Conservation district covers both Musselshell and Golden Valley Counties. The district cannot get a resident of Golden Valley County elected on the district board because of the voting base being the town of Roundup. The district feels that it is important to have a resident from Golden Valley on the board and this law change would allow this if an ordinance was passed.

SENATE NATURAL RESOURCES COMMITTEE

EXHIBIT NO. _____

DATE _____

BILL NO. _____

Page 3, line 16

This change allows a petition to be signed by any qualified elector within the district boundary. It would avoid confusion of a person signing a petition that did not reside within the proper district area.

Page 3, line 20

Since supervisors are elected on a non-partison vote, it is required that if more than two people are running for one position, that a primary be held. Where there may be up to five positions being voted on, this would allow up to 10 names on the ballot without a primary being held.

Page 3, line 23

The number six does not comply with the other election changes.

Page 4, line 6

This change takes the number 3 out and changes the law so that it complies with the present election procedures.

Page 4, line 11

This change allows the law to comply with election procedures.

Page 4, line 25

This change allows the law to comply with election procedures.

Page 5, line 17

It was suggested by the legislative auditors that 76-15-504 be deleted from the conservation district law. The reason was that this information was either not required or required in different form or time period by the budget process.

Page 6, line 21; page 7, line 6

It was felt that 5 percent interest was too low and did not provide enough incentive to complete the work required by the court.

Page 8, line 10,11

It was felt that \$4 per day was not sufficient for the board of adjustments and that it should be raised to \$25 per day.

We encourage a do pass recommendation in HB 372. Thank you.

Ray Beck

76-15-504. Submission of budget to department of administration. (1) The department shall submit to the department of administration a request for an appropriation as provided in the budget act on or before August 1 of each year preceding a regular session of the legislature.

(2) The request for an appropriation shall state in addition to the requirements of the budget act the following:

(a) the number and acreages of districts in existence or in process of organization, together with an estimate of the number and probable acreages of the districts which may be organized during the ensuing biennial fiscal period;

(b) a statement of the balance of funds, if any, available to the department and to the districts; and

(c) the estimates of the department as to the sums needed for its administrative and other expenses and for allocation among the several districts during the ensuing biennial fiscal period.

History: En. Sec. 15, Ch. 72, L. 1939, amd. Sec. 12, Ch. 431, L. 1971; amd. Sec. 95, Ch. 253, L. 1974; R.C.M. 1947, 76-115.3.

SENATE NATURAL RESOURCES COMMITTEE

EXHIBIT NO. 2

DATE 030685

BILL NO. HB 372

Proposed Amendments to HB 178:

1. Page 2, line 15

Strike: "to"

Insert: "that will, by July 1, 1992,"

Strike: "a portion"

Insert: "at least 80%"

Following: "the"

Insert: "annual"

2. Page 3, line 2

Strike: "may"

Insert: "shall"

3. Page 3, line 13

Strike: "to"

Insert: "that will, by July 1, 1992,"

Strike: "a portion"

Insert: "at least 80%"

Following: "the"

Insert: "annual"

SENATE NATURAL RESOURCES COMMITTEE

EXHIBIT NO. 3

DATE 030685

BILL NO. HB 178

STANDING COMMITTEE REPORT

MARCH 6, 1985

MR. PRESIDENT

We, your committee on NATURAL RESOURCES

having had under consideration HOUSE BILL No. 96

THIRD reading copy (blue)
(Gage) color

**OIL AND GAS OPERATOR MUST PAY INTEREST ON UNPAID ROYALTIES 60 DAYS
AFTER DUE**

Respectfully report as follows: That HOUSE BILL No. 96

BE CONCURRED IN

~~XXXXXXXX~~

~~XXXXXXXXXX~~

SENATOR DOROTHY ECK

Chairman.

STANDING COMMITTEE REPORT

MARCH 6,

1985

MR. PRESIDENT

We, your committee on NATURAL RESOURCES

having had under consideration HOUSE BILL No. 258

THIRD reading copy (blue)
(Harding) color

ADDS DIRECTOR OF DHEE TO FLATHEAD BASIN COMMISSION

Respectfully report as follows: That HOUSE BILL No. 258

BE CONCURRED IN

~~XXXXX~~
DO PASS

~~XXXXXXXXXX~~

SENATOR DOROTHY ECK

Chairman.

STANDING COMMITTEE REPORT

MARCH 6, 1985

MR. PRESIDENT

We, your committee on NATURAL RESOURCES
having had under consideration HOUSE BILL No. 232
THIRD reading copy (blue)
(Harding) color

WATER AND/OR SEWER DISTRICT COMMISSIONER ELECTION

Respectfully report as follows: That HOUSE BILL No. 232

BE CONCURRED IN

~~DOES~~

~~DOES~~

SENATOR DOROTHY ECK

Chairman.

STANDING COMMITTEE REPORT

MARCH 6, 1985

MR. PRESIDENT

We, your committee on NATURAL RESOURCES

having had under consideration HOUSE BILL No. 336

THIRD reading copy (blue)
(Gage) color

REMOVE ANNUAL REPORTING REQUIREMENT OF NORTHWEST POWER PLANNING COUNCIL

Respectfully report as follows: That HOUSE BILL No. 336

BE CONCURRED IN

~~XXXXXX~~

~~XXXXXXXXS~~

SENATOR DOROTHY ECK

Chairman.

STANDING COMMITTEE REPORT

MARCH 6, 1985

MR. PRESIDENT

We, your committee on NATURAL RESOURCES

having had under consideration HOUSE BILL No. 372

THIRD reading copy (blue)
(Weeding) color

CONSERVATION DISTRICT LAW GENERAL REVISION

Respectfully report as follows: That HOUSE BILL No. 372

BE CONCURRED IN

~~XXXXX~~
DO PASS

~~XXXXXXXXX~~
DO NOT PASS

SENATOR DOROTHY ECK

Chairman.

STANDING COMMITTEE REPORT

MARCH 6,

1985

Mr. PRESIDENT

We, your committee on NATURAL RESOURCES

having had under consideration HOUSE BILL No. 178

THIRD reading copy (blue)
(Hager) color

ASSESSMENT OF FEES FOR STATE OPERATED HAZARDOUS WASTE FACILITY

Respectfully report as follows: That HOUSE BILL No. 178

BE CONCURRED IN

~~XXXXXX~~S

~~XXXXXXXXXX~~

SENATOR DOROTHY ECK

Chairman.