

MINUTES OF THE MEETING
SENATE NATURAL RESOURCES COMMITTEE
MONTANA STATE SENATE
March 28, 1985

The twenty-seventh meeting of the Senate Natural Resources Committee was called to order at 6:30 p.m., by Chairman Dorothy Eck, March 28, 1985, Room 405, State Capitol Building.

ROLL CALL: All members of the Senate Natural Resources committee were present.

ACTION ON HB670: Senator Halligna moved HB670 BE CONCURRED IN. The motion carried.

ACTION ON HB695: Chairman Eck informed the committee Representative Asay had indicated he was not satisfied with HB695 as amended by the House of Representatives. Senator Shaw moved HB695 BE TABLED. The motion carried.

FURTHER CONSIDERATION OF HB750: Senator Gage submitted proposed amendments to HB750 (Exhibit 1) for the committee's consideration and moved the proposed amendments BE ADOPTED. Senator Gage explained the amendments will amend Section 2 of HB750 to address concerns that the State of Montana will be duplicating the efforts of the federal government. At present, the federal information is available to the Department of Natural Resources and Conservation (hereafter DNRC). Senator Gage feels the costs of these duplicated efforts will be reflected in the rate base and, ultimately, be passed on to the ratepayer. The State currently has a means of examining witnesses and a means of presenting its own witnesses. In addition, the DNRC can require an Environmental Impact Statement (hereafter EIS). These proposed amendments will reduce the effect of Section 2.

Senator Mohar does not feel comfortable with the proposed amendments because he feels it makes the information available to DNRC but does not provide DNRC with the resources to evaluate the information. Senator Mohar feels with these amendments, Montana would be giving up its State's rights. Section 2 is the way to keep the State involved in determining where hydroelectric facilities are located.

Senator Weeding was involved in the Kootenai Falls project, and although he does not know what costs were incurred by the DNRC, he is sure it was less expensive than what a full study would have been. Senator Weeding feels it is necessary to leave Section 2 in the bill, so the State can intervene.

Senator Fuller expressed concerns about the State duplicating the actions of the federal government. Senator Fuller questioned

what the difference is between the Federal Energy Regulatory Commission (hereafter FERC) applications and Major Facility Siting Act applications. Mr. Mike Zimmerman, The Montana Power Company (hereafter MPC), stated FERC implements the Federal Power Act and is subject to the requirements of the National Environmental Policy Act. Mr. Zimmerman explained his company must first predict the building of a project. At the same time MPC prepares a FERC application, it files an application for an appropriation of water. The payment of FERC fees is based on the price of constructing the project and this fee will be used to prepare an EIS. HB750 will require MPC to file an application providing the same information to the State and will require an additional fee to allow the State to prepare an EIS-type study on its own.

Mr. Don MacIntyre, DNRC, stated it is the intent of HB750 to make a policy decision as to whether DNRC is going to be involved in FERC decisions.

Senator Halligan questioned whether the process could be internalized to assess the available alternatives. Mr. MacIntyre stated that the costs could be internalized. The applicant could perform the study and then turn the information over to DNRC.

Upon question from Chairman Eck as to whether the entire fee submitted by an applicant was used, Mr. MacIntyre responded the entire fee was used on the Colstrip project; however, the costs were much lower on the Kootenai Falls project.

Senator Gage's motion the proposed amendments BE ADOPTED failed by roll-call vote (Exhibit 2).

Senator Daniels moved the committee strike "noncontested case" on page 5, line 5, and the word "contested" be inserted. Senator Shaw stated both DNRC and MPC were opposed to this amendment, since they want to sit down and negotiate instead of going to court. Mr. Fasbender, DNRC, stated by striking this language, the questions would be raised as to whether the legislature preferred a contested hearing. Senator Daniels withdrew his motion.

Senator Shaw moved HB750 BE CONCURRED IN. The motion carried with Senator Gage voting in opposition.

FURTHER CONSIDERATION OF HB913: Senator Mohar related to the committee the actions and considerations of the subcommittee appointed to review the Legacy Program. The basic question is

whether the committee wants a bill which contains earmarking. The subcommittee is also considering taking the water development program out of the Legacy Program. The subcommittee agreed this would be the route to take and is making this recommendation to the committee. The subcommittee is also recommending 50 percent of the legacy funds be used for natural resource research and reclamation with preference given to mineral research and reclamation. Senator Mohar stated the committee needs to decide which way to proceed. If the committee would like a bill which earmarks, HB913 is the route to take. SB277 is currently tabled in the House of Representatives. If the committee does not like either bill, another bill could be introduced in the 1987 session. However, if a program is not adopted this session, there is a good chance the money will simply be placed in the general fund. Chairman Eck urged the committee members to discuss any questions they may have with the members of the subcommittee.

Senator Christiaens stated he does not mind the earmarking as long as it is only for a set period of time. Senator Christiaens questioned whether the subcommittee considered using the earmarking with a sunset provision.

Chairman Eck stated the reason SB277 is opposed by the environmental groups is because these groups wanted more than six percent earmarked for hazardous waste. Senator Christiaens suggested leaving the water programs as they are, but adding a sunset provision for the remaining programs. Senator Gage reminded the committee they had discussed funding the hazardous waste program only until it became self-supporting.

Senator Halligan questioned whether the committee really wanted to put a substantial amount of work into HB913 only to have the bill die on the floor of the Senate.

Senator Fuller stated by not earmarking the funds, any program could qualify for funding. Senator Fuller feels there are advantages in earmarking. Senator Mohar does not believe a strict earmarking of projects will reduce the number of project applications.

Senator Tveit stated the committee should come up with a plan and at least one bill should pass. Senator Tveit does not feel waiting two years will help, since the money may not be available in two years. Chairman Eck agreed, stating this would be the responsible way to act.

Senator Halligan would like to see the earmarking of funds contained in the Statement of Intent rather than in the body

of the bill. Senator Harding agreed with Senator Christiaen's idea of using a sunset provision on the earmarking of funds. Senator Christiaens stated he would like it to be the firm intention of each legislative session to review the legacy program.

Mr. Larry Fasbender, DNRC, suggested putting into the bill directions for evaluating applications for the next biennium. Each legislature would be required to set priorities to be used by the next legislature. That legislature would then determine whether it wanted to follow these priorities. Mr. Fasbender would prefer this language be inserted in SB277.

Senator Mohar stated the committee could force the House of Representatives to act on SB277 by moving to table HB913 or giving a "not be concurred in" recommendation. Chairman Eck feels this move is dangerous, since it is impossible to predict what the House of Representatives will do. Chairman Eck is concerned both bills could be lost.

Senator Fuller wanted to know how close six percent was to what the hazardous waste program needs. Senator Mohar stated the Department of Health and Environmental Sciences would prefer eleven percent.

The decisions of the committee were to (1) remove the umbrella and deal with the unallocated 64 percent of the Resource Indemnity Trust Fund; (2) under this 64 percent there is to be no earmarking; however, hazardous waste, data collection, and legislative committee recommendations will be given special consideration; (3) the Statement of Intent will contain preferences for the upcoming biennium only; and, (4) each legislative session will review the recommendations of the preceeding session.

Mr. Thompson stated he would incorporate these suggestions into HB913 and present them to the committee.

There being no further business to come before the committee, the meeting was adjourned.



Senator Dorothy Eck, Chairman

ROLL CALL

Natural Resources

COMMITTEE

48th LEGISLATIVE SESSION -- 1985

Date 03/29/85
6:20

SENATE
EAT
#

NAME	PRESENT	ABSENT	EXCUSED
ECK, Dorothy (Chairman)	✓		
HALLIGAN, Mike (Vice Chairman)	✓		
WHEELING, 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.

AMENDMENTS TO HOUSE BILL 750 (third reading)

be amended as follows:

1. Page 2, line 12.

Following: "person"

Insert: "making application to the federal energy regulatory commission"

2. Page 2, line 12.

Following: "file"

Strike: "and"

Insert: "with"

3. Page 2, line 12 and 13.

Following: "department"

Strike: "shall accept an"

Insert: "notice of and a copy of the federal"

4. Page 2, line 13.

Following: "application"

Strike: "and complete a study of"

Insert: "regarding"

5. Page 2, line 14.

Following: "(1)"

Strike: "as provided in 75-20-211 through 75-20-216"

6. Page 2, line 15.

Following: "on"

Strike: "the"

Insert: "its"

7. Page 2, line 16.

Following: "study"

Strike: "completed under this chapter"

Insert: "of the federal application and other material gained through intervention in the federal proceeding"

SENATE NATURAL RESOURCES COMMITTEE

EXHIBIT NO. 1

DATE 032885

BILL NO. HB750

ROLL CALL VOTE

SENATE COMMITTEE Natural Resources

Date 032885 House Bill No. 750 Time 6:55

NAME	YES	NO
ANDERSON, John	X	
CHRISTAENS, Chris		X
DANIELS, M. K.		X
FULLER, David		X
GAGE, Delwyn	X	
HALLIGAN, Mike (Vice Chairman)		X
HARDING, Ethel	X	
MOHAR, John		X
SHAW, Jim	X	
TVEIT, Larry	X	
WEEDING, Cecil		X
ECK, Dorothy (Chairman)		X

Cynthia A. Peterson
Secretary

Dorothy Eck
Chairman

Motion: Senator Gage moved the committee adopt his proposed
amendments to HB750 (Exhibit 1). The motion failed.

STANDING COMMITTEE REPORT

MARCH 29

19 85

MR. PRESIDENT

NATURAL RESOURCES

We, your committee on

having had under consideration

HOUSE BILL

No. 670

THIRD

(HALLIGAN)

reading copy (BLUE)
color

TO REQUIRE RECLAMATION OF TAILING, WASTEROCK, AND ORE
PROCESSING

Respectfully report as follows: That

HOUSE BILL

No. 670

BE CONCURRED IN

~~REMARK~~

~~REMARK~~

SENATOR DOROTHY ECK

Chairman.

STANDING COMMITTEE REPORT

MARCH 29 1985

MR. PRESIDENT

We, your committee on **NATURAL RESOURCES**

having had under consideration **HOUSE BILL** No. **750**

THIRD reading copy (**BLUE**)
(**NOHAR**) color

GENERALLY REVISING MAJOR FACILITY SITING ACT

Respectfully report as follows: That **HOUSE BILL** No. **750**

BE CONCURRED IN

XEROXAS

XEROXIXAS

SENATOR DOROTHY ECK

Chairman.

MINUTES OF THE MEETING
SENATE NATURAL RESOURCES COMMITTEE
MONTANA STATE SENATE
March 29, 1985

The twenty-ninth meeting of the Senate Natural Resources Committee was called to order by Chairman Dorothy Eck at 8:37 a.m., March 29, 1985, Room 405, State Capitol Building.

ROLL CALL: The following Senators were present: Chairman Eck, Senator Mohar, Senator Tveit, Senator Anderson and Senator Harding.

FURTHER CONSIDERATION OF HB913: Mr. Bob Thompson, staff researcher, submitted proposed amendments to the committee for consideration (Exhibit 1). Mr. Thompson explained the Statement of Intent no longer refers to "loans," but is now limited to "grants." The Statement of Intent also incorporates language from SB277 regarding the eligibility requirements. The committee may consider adding this language to the body of HB913. Preferential consideration is given to natural resource data systems, projects recommended by legislative committees and hazardous waste projects. The Statement of Intent also defines the process used by future legislatures for giving guidance preferences for programs valued in the next legislative session.

Section 2 is the policy and purpose section. This section now defines "activity" and "public benefits." Mr. Thompson explained "person" is still defined because the liability clause refers to person; however, a person will not be eligible for funding.

With these proposed amendments, the Department of Natural Resources and Conservation must evaluate applications under one and only one program. Senator Mohar feels this is a good concept and will alleviate the problem of applicants jumping from one program to another until they get funding.

Mr. Thompson reviewed the remaining amendments which set forth evaluation criteria, remove project categories and specific earmarking and incorporate the amendments proposed by Representative Brown.

Senator Mohar stated the committee needs to determine whether the eligibility requirements are to be placed in the body of the bill. Senator Mohar believes they need to be in both the Statement of Intent and codified in the bill. The committee elected to place the eligibility requirements only in the bill.

There being no further business to come before the committee, the meeting was adjourned.



Senator Dorothy Eck, Chairman

ROLL CALL

Natural Resources

COMMITTEE

48th LEGISLATIVE SESSION -- 1985

Date 032985
8:00a.m

SENATE
SEAT

#

NAME	PRESENT	ABSENT	EXCUSED
ECK, Dorothy (Chairman)	✓		
HALLIGAN, Mike (Vice Chairman)			
WHEELING, 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.

Proposed Amendments to HB 913:
Third Reading Copy
Senate Natural Resources Committee
March 29, 1985

Statement of Intent

1. Statement of Intent

Page 1, lines 10 through 13

Following: "grants"

Strike: "and loans under the water development program, the renewable resource development program, and the mineral reclamation and research"

Insert: "under the Montana mineral legacy"

2. Statement of Intent

Page 1, lines 14 and 15

Following: "grant"

Strike: "and loan"

3. Statement of Intent

Page 1, lines 18 through 21

Following: "define"

Strike: "by subject matter which grant or loan application will be evaluated under each of the three programs: water development, renewable resource development, and mineral reclamation and research"

Insert: "whether a grant application will be evaluated under the Montana mineral legacy program or another department program"

4. Statement of Intent

Page 1, line 22, through line 25, page 2

Strike: page 1, line 22 through line 25, page 2 in its entirety.

Insert: "It is the intent of the legislature that programs eligible for the Montana mineral legacy program provide benefits in one or more of the following categories:

- (a) mined land reclamation;
- (b) reclamation for past oil and gas extraction, exploration, or processing;
- (c) reforestation of areas damaged by mining or smelting activities;
- (d) recreational or natural areas that compensate for loss of recreation or natural areas because of resource extraction;
- (e) mitigation of social and economic impacts of natural resource development not covered by other statutes;
- (f) research demonstration and technical assistance that promotes the wise use of Montana's natural resources and makes processing more environmentally compatible;
- (g) protection of the state's natural resources through sound soil and water conservation, weed control, and other restoration programs;

EXHIBIT NO. 1

DATE 032985

42913

SENATE NATURAL RESOURCES COMMITTEE

- (h) research which assesses past or potential environmental damage resulting from natural resource development; and
- (i) investigation and remediation of sites when hazardous and toxic wastes threaten the environment and when funding from liable parties or the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is unavailable.

The legislature further intends that projects or activities in the following areas be given preferential consideration for funding under the Montana mineral legacy program for the 1985-86 biennium: 85-87

- (a) projects or activities that collect, organize, and retrieve natural resource data;
- (b) projects or activities consistent with the policy and purpose of the Montana mineral legacy program that are recommended by standing or interim legislative committees; and
- (c) projects or activities that promote effective hazardous waste management

Preferential consideration means that, if a project in one of these categories is ranked nearly as high as a project outside these categories, that project must be given priority despite its inferior ranking.

[The legislature further recognizes that effective hazardous waste management is of immediate and utmost importance to the citizens of the state of Montana. Therefore, it is the legislature's intent projects or activities that promote a comprehensive state-wide hazardous waste management program receive a high level of funding during the 1985-86 biennium.]

Finally, it is the intent of the legislature that future legislatures provide guidance to the department of natural resources and conservation concerning the evaluation of applications under the Montana mineral legacy program. This guidance is to be given by the attachment of directives regarding preferred program areas for the evaluation process two years in advance in the appropriations for project funding in the upcoming biennium."

Section 1: no amendments

Section 2

5. Page 1, line 25.

Following: "purpose."

Insert: "It is the policy of this state to provide security against loss or damage to our environment from the extraction of nonrenewable resources. Recognizing that the total environment consists of our air, water, soil, flora, fauna, and also of those social, economic, and cultural conditions that influence our communities and the lives of our individual citizens, it is necessary that this state be indemnified for the extraction of those resources."

6. Page 2, line 12.
Following: "economy"
Strike: "based on natural resource development"

Section 3

7. Page 2.
Following: line 14
Insert: "(1) "Activity" means an action or program to repair, reclaim, or mitigate environmental damage from past or future resource extraction or to provide for the protection of Montana's renewable resources through sound conservation or restoration."
Renummer: subsequent subsections.

8. Page 3.
Following: line 8.
Insert: "(7) "Public benefits" means those benefits which accrue to the citizens as a group and enhance the common well-being of the people of Montana."

Section 4

9. Page 3, lines 11 through 21
Following: "by"
Strike: remainder of line 11 through line 21.
Insert: "funding grants for projects or activities consistent with the policy and purpose provided in [section 2]."
10. Page 3, lines 24 and 25
Following: "grant"
Strike: "and loan"
11. Page 3, line 25, and line 1, page 4
Following: "with"
Strike: "subsections (1) (a) through (1) (c)"
Insert: "subsection 1"
12. Page 4, line 3.
Following: "Any"
Strike: "person or"
13. Page 4, lines 7 through 11.
Strike: subsection (c) in its entirety.
Insert: "(c) The department may not accept an application for a grant under the Montana mineral legacy program if an application for the same project or activity has been filed under any other program of the department for funding during the same biennium. If an application for a part of the project or activity has been filed under another program of the department, only that part for which the Montana mineral legacy program would be the sole possible funding source may be accepted for consideration under the Montana mineral legacy program. An application filed under another program of the department subsequent to a grant awarded under the Montana mineral legacy program may not be considered under that program for the duration of the biennium."

14. Page 4, line 25, through line 7, page 5.

Following: "established"

Strike: remainder of line 25 through "(iv)" on line 7, page 5.

Insert: "by"

15. Page 5, lines 10 and 11.

Following: "session"

Strike: "a prioritized list of projects that he recommends to receive grants or loans under the Montana mineral legacy program"

Insert: "all projects determined eligible for grants or loans under the Montana mineral legacy program with his recommended priorities"

16. Page 5, line 13.

Following: "appropriation"

Insert: "to the department"

17. Page 5, line 14.

Following: "grants"

Strike: "and loans"

18. Page 5, lines 16 and 17.

Following: "grants"

Strike: "and loans"

19. Page 5, line 25, through page 6, line 2

Following: "subsection (2) (g)."

Strike: "The report may be issued in separate parts, each corresponding to one or more of the categories listed in subsection (1)."

Section 5

20. Page 6, line 7.

Following: "grants"

Strike: "and loans"

21. Page 6, line 9.

Following: "grants"

Strike: "and loans"

22. Page 6, line 11.

Following: "grants"

Strike: "or loans"

23. Page 6, line 12.

Following: "defining"

Strike: "by subject matter of the application"

24. Page 6, line 13.

Following: "make the"

Strike: "determination"

Insert: "determinations"

25. Page 6, line 14
Following: "[section 4(2) (c)];"
Insert: "and"

26. Page 6, lines 15 through 25.
Strike: subsections (6) and (7) in their entirety.
Renumber: subsequent subsection.

Section 6

27. Page 7, lines 8 through 19.
Strike: subsection (2) in its entirety.
Insert: "(2) There must be paid into the Montana mineral legacy account all money allocated from the resource indemnity trust interest account set forth in Title 15, chapter 38, with the exception of those allocations made in 15-38-202."

28. Page 7, lines 20 through 22.
Following: "account"
Strike: "or any account or funds within programs that are part of the Montana mineral legacy program"

Section 7

29. Page 7, lines 24 and 25.
Following: "funds" on line 24
Strike: "to project categories"

30. Page 8, line 17, through line 14, page 9.
Strike: subsections (3) and (4) in their entirety.
Insert: "(3) The remaining funds may be appropriated as grants to qualified projects or activities under the Montana mineral legacy program."
(4) Any fees collected by the department of health and environmental sciences from users of any facility funded under subsection (3) must be allocated to the department to pay operational costs of such facilities or, if the operational costs are adequately funded, to obtain matching funds under the federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980. Fees collected in excess of these needs must be deposited in the Montana mineral legacy account."

Section 8

31. Page 9, line 19.
Following: "(1)"
Insert: "There is created an environmental contingency account within the state special revenue fund established in 17-2-102. The environmental contingency account is controlled by the office of the governor. (2)"
Following: "subsection"
Strike: "(3)"
Insert: "(5)"

32. Page 9, lines 22 and 23.

Following: "account"

Strike: "controlled by the office of the governor"

33. Page 9, line 24.

Strike: "(2)"

Insert: "(3)"

34. Page 10, following line 21.

Insert: "(4) Interest from funds in the environmental contingency
account accrues to the Montana mineral legacy account."

Renumber: subsequent subsections.

Section 9: no amendments.

Sections 10 and 11

*35. Page 11, line 19, through line 8, page 13.

Strike: sections 10 and 11 in their entirety.

Section 12

36. Page 13, lines 11 and 12.

Following: "under the"

Strike: "mineral reclamation and research"

Insert: "Montana mineral legacy"

37. Page 14, line 2.

Following: "self-sustaining"

Insert: "; and (e) consider the degree to which jobs are created for
persons who need job training, receive public assistance, or
are chronically unemployed"

38. Page 14, lines 7 through 9.

Following: "relieve"

Strike: "a liable party, as defined in rules adopted under [section 9],
of any financial liability or other legal liability.

(4) Applications for projects under the mineral reclamation
and research program may relate to any mineral as defined in
15-38-103."

Insert: "any person of any obligations or liabilities under federal or
state law, including common law, with respect to reclamation of
mined land or to releases of hazardous substances or other
pollutants or contaminants"

(4) Each legislature may set broad program areas to receive
priority for the next project evaluation process under the
Montana mineral legacy program. These priorities may not
specify program areas according to geographic criteria or
target specific projects or activities for funding."

[(5) In applying these evaluation criteria, reclamation
projects and activities that directly relate to mitigation of
resource extraction must be given preferential consideration.]"

19a. Page 6.

Following: line 2

Insert: "NEW SECTION. Section 5. Eligibility requirements. To be eligible for funding under the Montana mineral legacy program, the proposed project or activity must provide benefits in one or more of the following categories:

- (a) mined land reclamation;
- (b) reclamation for past oil and gas extraction, exploration, or processing;
- (c) reforestation of areas damaged by mining or smelting activities;
- (d) recreational or natural areas that compensate for loss of recreation or natural areas because of resource extraction;
- (e) mitigation of social and economic impacts of natural resource development not covered by other statutes;
- (f) research demonstration and technical assistance that promotes the wise use of Montana's natural resources and makes processing more environmentally compatible;
- (g) protection of the state's natural resources through sound soil and water conservation, weed control, and other restoration programs;
- (h) research which assesses past or potential environmental damage resulting from natural resource development; and
- (i) investigation and remediation of sites when hazardous and toxic wastes threaten the environment and when funding from liable parties or the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is unavailable."

Renumber: subsequent sections.

Sections 18, 19, 20, 21, 22, 23, 24, 25, 26, and 27

48. Page 21, line 5 through line 23, page 31.
Strike: sections 18 through 27 in their entirety.

Section 28

49. Page 31, lines 24 and 25.
Following: "sections"
Strike: "85-1-611, 85-1-612, 85-1-622"
Insert: "90-2-101 through"

50. Page 31, line 25.
Following: "90-2-107 through"
Strike: "90-2-112"
Insert: "90-2-113, and"

51. Page 32, line 1.
Following: "90-2-121 through"
Strike: "90-2-103, and 90-2-126 through"

52. Page 32.
Following: line 2.
Insert: "NEW SECTION. Section . Severability. If a part of this act is invalid, all valid parts that are severable from the invalid part remain in effect. If a part of this act is invalid in one or more of its applications, the part remains in effect in all valid applications that are severable from the invalid applications."

Sections 29 and 30: no amendments

Section 31

53. Page 32, lines 10 through 17.
Strike: section 31 in its entirety.
Renumber: subsequent section.

Section 32: no amendments

Section 13

39. Page 16.

Following: lines 4 and 5

Insert: "(g) 1½% to the credit of the renewable resource development bond fund until July 1, 1987;"

Renumber: subsequent subsections. 40. Page 16, line 23.

Following: "1½%"

Insert: "1½% until July 1, 1987; and"

Following: "2.3125%"

Insert: "thereafter"

41. Page 16, lines 25 and 26

Following: "~~fund~~"

Strike: "Montana mineral legacy account established in [section 6]"

Insert: "to the credit of the water development debt service fund"

42. Page 17, line 2.

Following: "(k)"

Insert: "for the fiscal years following June 30, 1987,"

Section 14

43. Page 17, line 7, through line 12, page 18.

Strike: section 14 in its entirety.

Section 15: no amendments.

Section 16

44. Page 19, line 9, through line 13, page 20.

Strike: section 16 in its entirety.

Section 17

45. Page 20, line 16

Following: "~~tax~~"

Strike: "Montana mineral legacy account"

Insert: "coal severance tax"

46. Page 20, line 22.

Following: "~~37.5%~~"

Strike: "37%"

Insert: "2.3125% through the biennium ending June 30, 1989, and then 2.5%"

47. Page 21, lines 1 through 4.

Following: "~~Montana~~"

Strike: "by the montana mineral legacy account established in [section 6] and remaining after the allocations provided for in [section 7(1) and (2)]"

Insert: "from the coal severance tax collected under Title 15, chapter 35, and remaining after allocation of the tax to the trust fund established under Article IX, section 5, of The Constitution of the State of Montana"

MINUTES OF THE MEETING
SENATE NATURAL RESOURCES COMMITTEE
MONTANA STATE SENATE
March 29, 1985

The twenty-eighth meeting of the Senate Natural Resources Committee was called to order by Chairman Dorothy Eck at 12:11 p.m., March 29, 1985, Room 405, State Capitol Building.

ROLL CALL: All members of the Senate Natural Resources Committee were present.

ACTION ON HB913: Senator Mohar, Chairman of the subcommittee appointed to address the Legacy Program, submitted the minutes of the subcommittee (Exhibits 1, 2, 3 and 4) to the committee. Senator Mohar also submitted a chart depicting the allocation of funds from the Resource Indemnity Trust interest account (Exhibit 5).

Mr. Bob Thompson, staff researcher, submitted what is essentially a gray bill (Exhibit 6). These amendments strike HB913 and insert new language. Chairman Eck is concerned about doing this for fear of losing the ability to negotiate in a conference committee. Senator Fuller reminded the committee if the House of Representatives concurs there will not be a conference committee.

Senator Gage had problems with the title of HB913, since it refers to the Resource Indemnity Tax rather than the Resource Indemnity Trust Fund Interest Account. Senator Mohar agreed the title should refer to the proceeds from the interest. Mr. Bob Thompson agreed stating the word "interest" should be inserted in the title. Senator Fuller suggested the title should also refer to the statute which provides for the Resource Indemnity Trust Fund. Mr. Thompson cautioned the committee members amending the title too much could change the scope of the bill.

Mr. Thompson informed the committee members the small print on Exhibit 1 is language taken directly from HB913. The larger print is from proposed amendments previously adopted by the subcommittee or from directions given by the committee.

Senator Gage questioned whether direction was given in the bill indicating the hazardous waste and data collection programs would receive funding only until these programs become self-sustaining. Mr. Thompson replied this was addressed.

Senator Mohar is concerned about amendment No. 5 of the amendments reviewed by the committee earlier (Exhibit 7). Senator Mohar disagrees with the use of the word "security"

on the first line of the inserted language, because he feels the correct language should be "indemnify against." Senator Gage feels possibly it would be better to use both "security" and "indemnify against," since it is the policy of the State of Montana to do both. Senator Gage also stated if it is the intention of the State to indemnify, the \$100 million dollar cap should have never been used.

Senator Tveit is concerned private entities will no longer be eligible for funding. Chairman Eck reminded the committee members SB277 did not include private entities, only public agencies.

Although Senator Halligan feels the issue of employment is an important issue, he is not sure it was the intent of the RIT fund to provide jobs. Senator Gage agreed stating the new language may encourage a program to provide employment opportunities to receive priority in funding.

Senator Christiaens questioned whether it was stated that these funds will be one-time grants and not on-going funds. Mr. Thompson stated that issue was addressed in Section 11.

Upon question from Senator Halligan, Mr. Thompson explained he feels the language "hazardous waste programs" is broad enough to include collection, transportation and disposal of hazardous waste.


Chairman Eck reminded the committee the bill needs to be effective upon passage and approval so programs which have already applied for funding can be considered immediately.

Senator Christiaens moved the amendments including the Statement of Intent, BE ADOPTED. The motion carried.

Although Senator Gage feels a definition of "natural resources" should be contained in HB913, Mr. Thompson stated under the current bill draft, the definition is not necessary. Chairman Eck stated this concern would be addressed by the eligibility requirement.

Senator Christiaens moved HB913 BE CONCURRED IN AS AMENDED. The motion carried.

There being no further business to come before the committee, the meeting was adjourned.



Senator Dorothy Eck, Chairman

ROLL CALL

Natural Resources

COMMITTEE

48th LEGISLATIVE SESSION -- 1985

Date 032985

SENATE
SEAT

#

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

Each day attach to minutes.