MINUTES OF THE MEETING
BUSINESS AND LABOR COMMITTEE
50TH LEGISLATIVE SESSION

March 19, 1987

The meeting of the Business and Labor Committee was called to order by Chairman Les Kitselman on March 19, 1987 at 8:30 a.m. in Room 312-F of the State Capitol.

ROLL CALL: All members were present.

EXECUTIVE ACTION

ACTION ON HOUSE BILL NO. 832

Rep. Thomas moved that House Bill No. 832 BE TABLED. The motion carried 13 to 5.

ACTION ON HOUSE BILL NO. 863

Rep. Brandewie moved that House Bill No. 863 DO PASS.

Rep. Brandewie moved the amendments to include a grandfather clause for existing keno machines for a period of two (2) years. The motion carried unanimously.

Rep. Pavlovich moved to amend House Bill No. 863 to coordinate with House Bill No. 189. The motion carried with Rep. Thomas opposed.

Rep. Pavlovich moved to amend number two (2) from $500 to $100. The motion carried 10 to 8.

Rep. Cohen moved to amend the rate from 15% to 20%. The motion failed 10 to 8.

Rep. Brandewie moved that House Bill No. 863 DO NOT PASS. The motion failed with 14 to 4.

Rep. Pavlovich moved that House Bill No. 863 DO PASS AS AMENDED. The motion carried.

HOUSE BILL NO. 867 - Appropriation to Support Montana As Site For Super Collider Research Facility, sponsored by Rep. John Vincent, House District No. 80, Bozeman. Rep. Vincent stated this bill would appropriate funds to the Governor's office for establishment of the Super Collider Task Force, data collection, proposal preparation, and related physical improvements in support of Montana as the location for the superconducting super collider (SSC) research facility proposed by the U.S. Department of Energy. Rep. Vincent stated he would like to amend the bill and allocate $250,000 for the first phase instead of $100,000.

PROPONENTS

Rep. Budd Gould, House District No. 61, Missoula. Rep. Gould stressed the need for Montana to become competitive and aggressive in pursuing this industry for the state.

Lee Walker, Northern Engineering and Testing. Mr. Walker presented his investigations to date on prospective sites and specifics for the SSC in the state of Montana. Exhibit No.1.

Jack Sherick, President, MSE, and Montana Ambassador. Mr. Sherick stated there is broad support in every community working towards this project. He presented an outline on Montana's ability to put together the team and the proposal for successfully competing on this project. Exhibit No. 2.

Rep. Bob Marks, House District No. 75, Clancy. Rep. Marks stated that Montana is not the only state competing for this project. He questioned whether $250,000 was enough for the first phase of the proposed project. He stated options needed to be addressed including consideration of private land that could be affected by this project. He noted adequate funding should be provided to ensure Montana has the ability to submit a good first phase proposal. He added the Siting Act and the Hard Rock Mining Act should be researched for any complications that would arise relative to laws for the protection of environmental interests.

Alan Evans, President, President, Big Sky Chapter 45, International Right of Way Association. Mr. Evans submitted written testimony. Exhibit No. 3.

Charles Herringer, representing Billings Chamber of Commerce. Mr. Herringer stated that this was a win-win situation for Montana, and applauded the remarks of Rep. Vincent that Montana would not be out-hustled.

Don Ingles, representing Montana Chamber of Commerce. Mr. Ingles stated he wanted to add to the enthusiastic support of this bill.

Bill Tietz, President, Montana State University and a member of Montana Ambassadors. Dr. Tietz explained how Montana's University System enhances the state's ability to compete for the SSC. He said that MSU presents an attractive environment for technical personnel, has six units that are well distributed in the state. He said this was a massive project that would require massive training capabilities, and the special personalities of each of the units in the system would contribute to that.

Paul Schmechel, Montana Power Company, and President of Montana Ambassadors. stated the SSC is the highest priority

item on their agenda in 1987. He stated that the role the ambassadors would play in the super collider project would be an organization in place to keep the project ongoing that has been generated, and coordination through the entire super collider process. He submitted information on the Ambassadors. Exhibit No. 4. He also submitted a fact sheet that described what the super collider project would consist of. Exhibit No. 5.

Rose Levitt, representing the Helena Area Economic Development Council. Ms. Levitt stated that she was impressed with the statewide support for the project.

Bruce Carpenter, President of Eastern Montana College. Dr. Carpenter stated he has talked to colleagues in a number of states to ask them about their states' efforts in this venture. He said in most cases the other states won't have the kind of cooperative venture that Montana has.

Bill Olson, representing the Montana Contractors Association. Mr. Olson stated that the Superconducting, Super Collider would generate about 4500 construction jobs in addition to 3,000 permanent jobs.

John Morrison, Civil Engineers, Helena. Mr. Morrison stated that $100,000 was not enough to submit a proposal for this type of project. He said Montana will be competing against some of the top engineering firms in the states who will also be submitting proposals.

Tom Staples, Montana International Trade Commission. Mr. Staples stated that Montana is in a period of enormous transition, and turbulance, more so than any state in the nation. He commented this project offers the vehicle, the momentum and the opportunity to go beyond breaking even and to become a world class leader in demonstrating the results that a commitment of a public-private partnership can result in, which is success. He said this project contains the goals and objectives of every person and dreams for the future of Montana.

Rep. Kelly Addy, House District No. 94, Billings. Rep. Addy stated that we have already established credibility in this state with the Department of Energy, and with this project we could respond to the world as a pro-active force.

Exhibit No. 6 contains more facts on the project as well as newspaper clippings, and Exhibit No. 7 is a compilation of information from the SSC conference held at Fairmont Hot Springs, Anaconda, on March 16, 1987.

OPPONENTS

None.

QUESTIONS

Rep. Grinde asked Dr. Tietz to explain and assure that there is nothing to fear from the nuclear wastes that may occur from the project. Dr. Tietz stated there are no radioactive elements that are a product of this interaction in the SSC. Responding to questions from Rep. Grinde, Mr. Tietz stated there are no radioactive elements that are a product of this interaction in the SSC. He stated the only issue may be a matter of large volumes of water that will be required. He stated there is a possibility the ground above the 52 mile track could be farmed depending upon facility security access. Mr. Tietz noted there had been some concern that very heavy equipment or fault lines could cause vibrations in the track.

Rep. Grinde, asked Rep. Vincent to explain the function of the task force. Rep. Vincent responded that one of the primary functions of the task force is to explore the feasibility of the proposed sites and determine the site with the optimum potential for this facility for the Montana proposal.

Rep. Thomas asked Rep. Vincent if there would be a problem with the environmental laws in Montana and the Major Facility Siting Act. Rep. Vincent responded that the task force would have to evaluate what the impact of the project would be in its relationship to the environmental laws in the state.

Rep. Simon asked Rep. Vincent to explain the structure of the task force provided in the bill. Rep. Vincent responded that the bill was open ended to allow for the maximum amount of executive flexibility in putting this effort together. He stated the possibility exists that some of the task force members would be paid as full time staff, and that some of the money may be spent on consulting services necessary to provide the task force with necessary information.

Rep. Swysgood asked Rep. Vincent to explain the $1 million limit in section 2, page 2 of the bill. Rep. Vincent responded that he has an amendment prepared allowing the $1 million to be used for the first phase effort. He commented this was his original preference.

CLOSING

Rep. Vincent stated that his proposed amendment to the bill to strike subsections 2 and 3 of section 1 and create a new section 1 for the appropriation. He said there was an appropriation to the Governor's office of $1 million from the general fund to be used by the Governor's office for establishment of a nine (9) member super collider task force, information gathering, research. proposal preparation, travel, and other expenses necessary for Montana's

participation in the federal site selection process for the superconducting super collider proposed by the U.S. Department of Energy. He commented that a basis is needed so that Montana can compete and the state needs to step boldly into this project and the future.

HOUSE JOINT RESOLUTION 42 - Interim Study of Economic Development Tax Incentives, sponsored by Rep. John Vincent, House District No. 80, Bozeman. Rep. Vincent stated this bill requested an interim study of the effects of the Business Improvement District Act and of Montana's tax incentives for small businesses, and requiring a report to the 51st Legislature.

PROPONENTS

None.

OPPONENTS

None.

QUESTIONS

None.

CLOSING

Rep. Vincent made no further comments.

HOUSE BILL NO. 853 - Appropriating Money For Annual Conference on State of Business, sponsored by Rep. John Vincent, House District No. 80, Bozeman. Rep. Vincent stated that this bill would authorize the Department of Commerce to establish an annual conference on the state of Montana's businesses and appropriated funds for this effort.

PROPONENTS

None.

OPPONENTS

None.

CLOSING

Rep. Vincent made no further comments.

HOUSE BILL NO. 854 - Funding To Develop Plans for One-Stop Business Licensing, sponsored by Rep. John Vincent. Rep. Vincent stated this bill would appropriate money to the Department of Commerce to develop plans for one-stop business licensing and requiring a report to the 51st Legislature.

PROPONENTS

Tom Staples, President, Montana Trade Commission. Mr. Staples stated that this issue and the problems related to it continuously comes up relative to any kind of small business and/or larger industry. He said and continuously it is pointed out that it is an obstacle to continuing business or bringing new business into Montana. He encouraged this as a tool for economic development in the state.

OPPONENTS

None.

QUESTIONS

None.

CLOSING

Rep. Vincent made no further comments.

HOUSE BILL NO. 855 - Funds to Match Expenditures By Montana Ambassadors for Business Recruitment, sponsored by Rep. John Vincent. Rep. Vincent stated this bill would appropriate money to the Department of Commerce for matching expenditures by the Montana Ambassadors for new business recruitment.

PROPONENTS

Tom Staples, Montana Trade Association. Mr. Staples stated that this bill addresses an age old problem in Montana. He said there has never been a vehicle for business recruitment that allows for even the basic courtesies to be provided, such as business dinners and lunches.

OPPONENTS

None.

QUESTIONS

None.

CLOSING

Rep. Vincent made no further comments.

HOUSE BILL NO. 856 - Create The Montana Value-Added Commission; Authorize Appropriation, sponsored by Rep. John Vincent. Rep. Vincent stated that this bill would establish the Montana Value-Added Commission and would authorize loans from the general fund and provide for an appropriation. He submitted an editorial from the Great Falls Tribune stating support of the bill. Exhibit No. 9.

PROPONENTS

Tom Staples, Montana Trade Commission. Mr. Staples stated the proposed commission should be structured with representatives of those groups that are potential value-added opportunities, such as the Wood Products Association, Petroleum Association, Mining Association, Coal Council, Montana Manufacturers Association, Tourism Association, Bureau of Business and Economic Research, Montana Chamber of Commerce, Montana Stockgrowers, Montana Woolgrowers, a University representative, and someone from the legislature. He commented that government does not create jobs, and the commission should be structured by the businesses to report to the government.

OPPONENTS

None.

QUESTIONS

Rep. Simon asked Rep. Vincent how the $200,000 stated in the bill was developed. Rep. Vincent responded it was developed relative to approximately the amount of money that representatives of the Department of Commerce and he felt it would take to do the consulting, and for the personnel of the Department to bring the business representation together.

Rep. Simon asked why form a new commission, when they have councils that could possibly do the job. Rep. Vincent responded that he looked at that possibility, and he determined that this was so important that it deserved the focus and attention that only a new entity could give to it.

CLOSING

Rep. Vincent stated that in all of the states that he had studied over the last two years that have aggressive, vital and successful economic development packages, one of the main factors is a partnership between the private sector and government in which the private sector plays the primary role, and the public sector coordinates and facilitates. He commented that it is the private sector that creates the jobs.

HOUSE BILL NO. 869 - Appropriating Money for Information Infrastructure Commission, sponsored by Rep. John Vincent. Rep. Vincent stated this bill would establish the Montana Information Infrastructure Commission, and provide for an appropriation for the commission. He distributed material with national data on those industries significantly represented in Montana. Exhibit No. 10.

PROPONENTS

Sara Parker, State Librarian. Ms. Parker stated that there are a great many people in Montana who are earning a living through information and there are tremendous possibilities in this area.

Rep. Ben Cohen, House District No. 3, Whitefish. Rep. Cohen stated that telecommunications technology area allows people to live where they want to live.

OPPONENTS

Jim Hughes, Mountain Bell Telephone. Mr. Hughes stated this is an ill advised bill for several reasons: (1) it may be misleading because the issue is the development of a conduit for the movement of ideas, which is already developed and (2) this legislation establishes a new commission that is not needed and whose proposed activities are already covered in the state of Montana.

QUESTIONS

Rep. Simon asked Rep. Vincent why the University System was eliminated from the bill as a vital role in this process to bring information to the entire state. Rep. Vincent responded that it was an oversight.

CLOSING

Rep. Vincent stated Montana could lead the way in this area by taking the initiative now and establishing this commission.

EXECUTIVE ACTION

ACTION ON HOUSE BILL NO. 867

Rep. Cohen moved that House Bill No. 867 DO PASS.

Rep. Cohen moved the amendments proposed by Rep. Vincent. The motion carried unanimously.

Rep. Cohen moved that House Bill No. 867 DO PASS. The motion carried unanimously.

ACTION ON SENATE BILL NO. 295

Rep. Thomas moved that Senate Bill No. 295 BE CONCURRED IN.

Rep. Thomas moved an amendment. The motion carried unanimously.

Rep. Thomas moved that Senate Bill No. 295 BE CONCURRED IN AS AMENDED. The motion carried.

ADJOURNMENT

The meeting was adjourned at 11:00 a.m.

REP. LES KITSELMAN, Chairman

DAILY ROLL CALL

BUSINESS & LABOR COMMITTEE

55th LEGISLATIVE SESSION -- 1987

Date MARCH 19, 1987

NAME	PRESENT	ABSENT	EXCUSED
REP. LES KITSELMAN, CHAIRMAN	✓		
REP. FRED THOMAS, VICE-CHAIRMAN	✓		
REP. BOB BACHINI	✓		
REP. RAY BRANDEWIE	✓		
REP. JAN BROWN	✓		
REP. BEN COHEN	✓		
REP. JERRY DRISCOLL	✓		
REP. WILLIAM GLASER	✓		
REP. LARRY GRINDE	✓		
REP. STELLA JEAN HANSEN	✓		
REP. TOM JONES	✓		
REP. LLOYD MCCORMICK	✓		
REP. GERALD NISBET	✓		
REP. BOB PAVLOVICH	✓		
REP. BRUCE SIMON	✓		
REP. CLYDE SMITH	✓		
REP. CHARLES SWYSGOOD	✓		
REP. NORM WALLIN	✓		

CS-30

STANDING COMMITTEE REPORT

MARCH 19 19 87

Mr. Speaker: We, the committee on BUSINESS AND LABOR

report HOUSE BILL NO. 363

☒ do pass ☐ be concurred in ☒ as amended
☐ do not pass ☐ be not concurred in ☐ statement of intent attached

REP. LES KITSELMAN Chairman

AMENDMENTS AS FOLLOWS:

1) Title, line 10
Following: "SECTIONS"
Insert: "17-7-502,"

2) Page 4, line 5
Following: "premises"
Insert: "or an establishment licensed under 23-5-421"

3) Page 5, line 5
Following: "one"
Strike: "bingo"
Insert: "keno"

4) Page 5, line 6
Following: "or"
Strike: "bingo"
Insert: "keno"

5) Page 5, line 11
Strike: "$500"
Insert: "$100"

6) Page 5, line 12
Strike: "90"
Insert: "$100"

7) Page 6, lines 16 through 18
Following: "expires" on line 16
Strike: The remainder of line 16 and lines 19 in its entirety and line 20 through "after"
Insert: "for all purposes no later than"

8) Page 7, line 25
Following: "the"
Strike: "numbered objects"
Insert: "numbers"

Rep. Pavlovich will sponsor

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9) Page 7, line 11
Strike: "$500"
Insert: "$100"

10) Page 8, line 1
Strike: "[illegible]"

11) Page 8, line 3
Following: "number"
Strike: "in the receptacle"
Following: "The"
Strike: "numbered objects"
Insert: "numbers"

12) Page 8, line 5
Following: line 4
Insert: "(e) Each game must have a field of numbers from 1
to 75 or 1 to 80 for each game of keno or bingo that is
played. There must be at least [illegible] numbers drawn in
each game."
Renumber: subsequent subsections

13) Page 8, line 6
Following: "two"
Insert: "or more"

14) Page 8, line 10
Following: "the"
Strike: "other"
Insert: "others"

15) Page 8, line 16
Following: "quarters"
Strike: ";"
Insert: ". The machine may have a mechanism that accepts
cash in the form of bills
(g) each quarter must represent one credit;
(h) the game must display the combinations for which
free games or credits will be awarded and the number of
free games or credits for each combination;"
Renumber: subsequent subsections

16) Page 9, line 13
Following: "(i)"
Insert: "total"
Following: "by"
Strike: "each"
Insert: "both"
Following: "coin"
Strike: "acceptor"
Insert: "acceptors"

17) Page 9, line 14
Following: line 13
Insert: "(ii) the machine may have a mechanism that accepts bills of any type of bills;"
Renumber: subsequent subsections

18) Page 9, line 22
Following: line 21
Insert: "(iii) if the machine has a bill acceptor, it must contain electronic metering using meters that record total coins in mechanisms 1 and 2 combined and total credits in the bill acceptor;"
Renumber: subsequent subsections

19) Page 10, line 8
Following: line 7
Insert: "(c) the terminal shall maintain 3 separate copies in independent, non-volatile memories of all data in subsections (4)(i)(i) through (4)(i)(vi) and any current game data. Two of those independent, non-volatile memories shall be contained in a removable module to allow off-line data recovery;

(d) any time critical data is accessed, there must be a comparison of all 3 independent non-volatile memories. If at any time one copy does not match with the other two, an error must be recorded and the mismatched copy corrected. A system failure must result when none of the 3 match or a detected error cannot be corrected;

(e) access to the area containing the logic board and software must be detected even if access is made with power removed;"
Renumber: subsequent sections

20) Page 10, line 20
Following: "subsection"
Strike: "(4)(a)"
Insert: "(4)(1)"

21) Page 10, line 24
Strike: "25%"
Insert: "15%"

22) Page 11, line 15
Following: "(4)
Insert: "(a)"
Following: "The"
Insert: "department must deposit two-third of the"

23) Page 11, lines 15 and 16
Following: "(3)"
Strike: the remainder of line 15 and line 16 through "deposit"

24) Page 11, line 21
Following: line 20
Insert: "(b) The department must deposit the remaining two-thirds of the tax collected under subsection (3) to the treasurer of the county, or the clerk, finance officer, or treasurer of the city or town in which the licensed machine is located, for deposit to the county or municipal treasury. Counties are not entitled to proceeds from taxes on license from video draw poker and keno machines located in cities and towns. The two-thirds local government portion of tax collected under subsection (3) is statutorily appropriated to the department as provided in 17-7-502 for deposit to the county or municipal treasury."
Insert: "Section 10. Section 17-7-502, MCA, is amended to read:
"17-7-502. Statutory appropriation -- definition -- requisites for validity. (1) A statutory appropriation is an appropriation made by permanent law that authorizes spending by a state agency without the need for a biennial legislative appropriation or budget amendment.
(2) Except as provided in subsection (4), to be effective, a statutory appropriation must comply with both of the following provisions:

(a) The law containing the statutory authority must be listed in subsection (3).

(b) The law or portion of the law making a statutory appropriation must specifically state that a statutory appropriation is made as provided in this section.

(3) The following laws are the only laws containing statutory appropriations:

(a) 1-9-204;
(b) 1-17-105;
(c) 2-18-812;
(d) 10-3-203;
(e) 10-3-312;
(f) 10-3-314;
(g) 10-4-301;
(h) 13-37-304;
(i) 15-31-702;
(j) 15-36-112;
(k) 15-70-101;
(l) 16-1-404;
(m) 16-1-410;
(n) 16-1-411;
(o) 17-3-212;
(p) 17-5-404;
(q) 17-5-424;
(r) 17-5-804;
(s) 19-3-504;
(t) 19-5-701;
(u) 19-9-1007;
(v) 19-10-205;
(w) 19-10-305;
(x) 19-10-506;
(y) 19-11-512;
(z) 19-11-513;
(aa) 19-11-606;
(bb) 19-13-301;
(cc) 19-13-604;
(dd) 20-6-406;
(ee) 20-8-111;
(ff) 23-5-612;
(gg) 37-51-501;
(hh) 53-24-206;
(ii) 75-1-1101;
(jj) 75-7-305;
(kk) 80-2-103;
(ll) 80-2-228;
(mm) 90-3-301;
(nn) 90-3-302;

(oo) 90-15-103;
(pp) Sec. 13, HB 861, L. 1985; and
(qq) [section 9].

(4) There is a statutory appropriation to pay the principal, interest, premiums, and costs of issuing, paying, and securing all bonds, notes, or other obligations, as due, that have been authorized and issued pursuant to the laws of Montana. Agencies that have entered into agreements authorized by the laws of Montana to pay the state treasurer, for deposit in accordance with 17-2-101 through 17-2-107, as determined by the state treasurer, an amount sufficient to pay the principal and interest as due on the bonds or notes have statutory appropriation authority for such payments."

Renumber: subsequent sections

STANDING COMMITTEE REPORT

MARCH 19 19 87

Mr. Speaker: We, the committee on BUSINESS AND LABOR

report SENATE BILL NO. 295

☐ do pass ☒ be concurred in ☒ as amended
☐ do not pass ☐ be not concurred in ☐ statement of intent attached

REP. LES KITSELMAN Chairman

AMENDMENTS AS FOLLOWS:

1) Title, line 12
Following: "EXAMINATION"
Insert: "CERTAIN"

2) Page 3, line 23
Following: "certification"
Insert: "before January 1, 1988"

Rep. Fred Thomas will sponsor

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STANDING COMMITTEE REPORT

MARCH 19 19 87

Mr. Speaker: We, the committee on BUSINESS AND LABOR

report HOUSE BILL NO. 867

☒ do pass ☐ be concurred in ☒ as amended
☐ do not pass ☐ be not concurred in ☐ statement of intent attached

REP. LES KITSELMAN Chairman

AMENDMENTS AS FOLLOWS:

1) Page 2, line 7
Strike: "(1)"

2) Page 2, lines 8 through 11
Following: "fund" on line 7
Strike: the remainder of line 8, lines 9 and 10 in their entirety and line 11 through "shall"
Insert: "to"

3) Page 2, line 15
Following: "in"
Strike: "the first phase of "

4) Page 2, line 17
Following: "energy."
Insert: "No expenditures from this appropriation may be made after June 30, 1989."

5) Page 2, lines 18 through 24
Strike: subsection (3) in its entirety

Rep. Cohen will sponsor

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reading copy (color)

Northern Engineering and Testing, Inc.

STANDARD COMPUTATION SHEET

PROJECT ______ JOB NO. ______

PURPOSE ______ SHEET ______ OF ______

COMPUTED BY ______ CHECKED BY ______ DATE ______

EXHIBIT 1
DATE 3-19-87
HB 867

INVESTIGATIONS TO DATE:

CONVINCED US THAT A PROPOSAL CAN BE PREPARED IN RESPONSE TO THE SITE PARAMETER REQUIREMENTS

1. THERE ARE A NUMBER OF SITES ALREADY IDENTIFIED WHICH MEET THE TOPOGRAPHIC, GEOLOGIC, GROUNDWATER, SOILS AND SEISMIC CRITERIA.

2. SEVERAL OF THE ABOVE SITES MEET THE CRITERIA, OR CAN DO SO (WITH MODEST EFFORT) FOR POWER, WATER, FIRE SERVICES, HIGHWAY, RAILROAD AIR TRAVEL SERVICE, AND COMMUNICATIONS.

3. WE HAVE THE CAPABILITY TO DEAL WITH A NUMBER OF [illegible] (OF SIMILAR) MAGNITUDE - WE HAVE TWO UNDER OUR BELT, THE MINUTEMAN MISSILE EFFORT IN THE 60'S, AND THE COLSTRIP PROJECT IN THE 70'S-80'S. WE HAVE CONTRACTORS WHO ARE EXPERIENCED AND

Northern
Engineering
and Testing, Inc.

STANDARD COMPUTATION SHEET

PROJECT ____________ JOB NO. ____________

PURPOSE ____________ SHEET ______ OF ______

COMPUTED BY ____________ CHECKED BY ____________ DATE ____________

CAPABLE IN THE TYPE OF WORK REQUIRED (TWO FIRMS ARE AMONG THE TOP 200 IN THE COUNTRY; THE NATIONAL PRESIDENT OF ASSOC GEN CONTRACTORS IS FROM GT. FALLS). EVEN MORE IMPORTANT WE HAVE A SKILLED WORK FORCE AVAILABLE - HIGHLY PRODUCTIVE, INNOVATIVE, DEPENDABLE

4. WE HAVE INTERNATIONALLY RECOGNIZED SCIENTISTS AND TECHNICAL PERSONNEL

THE REGIONAL SURFACE PHYSICS EXPERIMENTAL FACILITY IS AT MSU -

THROUGH THE MONTS PROGRAM, UNDER GARY STROBEL - MONTANA SCIENCE HAS ACHIEVED HIGH RESPECT AND CREDIBILITY AMONG NSF, NAS AND THE LEADERS

5. OTHERS MAY SPEAK TO OTHER ASPECTS OF THE PROJECT, I AM HERE TO ASSURE YOU THAT MONTANA CAN MEET THE CONSTRUCTION AND CONSTRUCTA-BILITY REQUIREMENTS AND THAT WE CAN PREPARE A PROPOSAL RESPONDING POSITIVELY

Northern
Engineering
and Testing, Inc.

STANDARD COMPUTATION SHEET

PROJECT ______________________ JOB NO. ______________

PURPOSE ______________________ SHEET ________ OF ________

COMPUTED BY ____________ CHECKED BY ____________ DATE ____________

TO THE SITE PARAMETERS, IN ADDITION TO THIS LEGISLATION — WE NEED ASSURANCE OF THE ~~[illegible]~~ INVOLVEMENT OF THE UNIVERSITY SYSTEM, THE CONGRESSIONAL DELEGATION; SUPPORT OF THE EXECUTIVE DEPARTMENTS AND ~~THE~~ ASSISTANCE [illegible] PREDICATE BEFORE OUR INITIAL STUDIES

MAY INDICATE THE NEED FOR ADDITIONAL LEGISLATIVE CONSIDERATION (NON-MONEY); IT IS TOO EARLY TO KNOW.

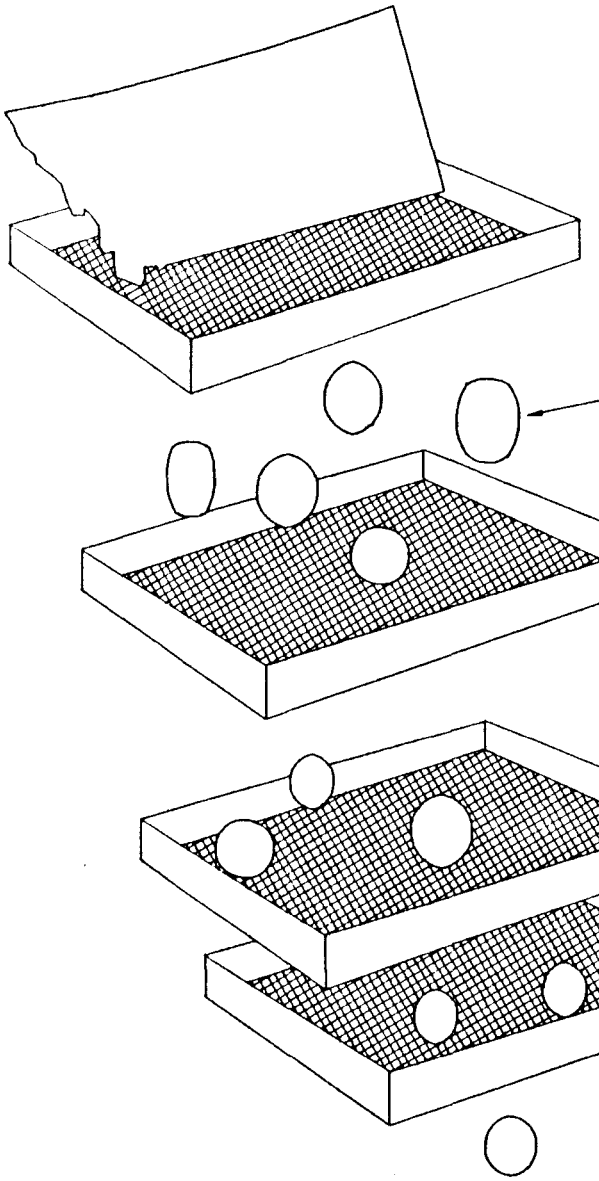
WE ASK THAT YOU FAVORABLY ACT ON THIS BILL [illegible]

[illegible]

[illegible]

EXHIBIT 2
DATE 3-25-87
HB 862

STUDY AREA



PRELIMINARY SCREENING

MUSTS – THAT ARE INHERENT.

QUALIFYING SITES

SECONDARY SCREENING

MUSTS – THAT CAN READILY BE PROVIDED.

FINAL SCREENING

WANTS – WEIGHTED IN ORDER OF RELATIVE IMPORTANCE.

PRIME CANDIDATE SITE FOR SUPERCONDUCTING SUPER COLLIDER.

BASIC PROCEDURE FOR SELECTING SITES FOR SSC PROPOSAL.

SITE SELECTION SCREENING

1. WHAT SELECTED SITES MUST PROVIDE THAT CANNOT BE READILY PROVIDED BY ECONOMIC CONSTRUCTION OR OTHER MEANS TO BE ELIGIBLE FOR PROPOSAL CONSIDERATIONS

   EXAMPLE: SEISMICALLY STABLE
   ESSENTIALLY FLAT
   WATER TABLE BELOW 100 FEET
   READILY AVAILABLE UTILITIES
   READY ACCESS TO HIGHWAYS, RAILROADS, COMMERCIAL AIRLINES
   NONPERVIOUS SOIL
   ENVIRONMENTALLY SUITABLE

2. WHAT SELECTED SITES MUST PROVIDE THAT CAN BE PROVIDED ECONOMICALLY BY LOCATION, CONSTRUCTION, OR OTHER MEANS

   EXAMPLE: LEGISLATIVE JURISDICTION
   AVAILABLE WORKFORCE
   INDUSTRIAL RESOURCES
   WASTE DISPOSAL RESOURCES

3. WHAT SELECTED SITES CAN PROVIDE THAT ARE DESIRED, IN ORDER OF THEIR RELATIVE IMPORTANCE

   EXAMPLE: EDUCATIONAL AND RESEARCH FACILITIES
   HOUSING AND COMMUNITY SERVICE
   RECREATIONAL RESOURCES

RESOURCES WE NEED TO INVEST

PEOPLE WHO ARE KNOWLEDGEABLE AND HAVE THE FACILITIES TO PROVIDE DETAILED INFORMATION IN THE FOLLOWING AREAS:

- ENVIRONMENT OF THESE SITES
- GEOLOGY OF THESE SITES
- CONSTRUCTION - TUNNELLING
- AVAILABLE WORK FORCE (BOTH TECHNICAL AND ADMINISTRATIVE)
- HOUSING AND COMMUNITY SERVICES
- INDUSTRIAL RESOURCES
- EDUCATIONAL AND RESEARCH FACILITIES
- RECREATIONAL AND CULTURAL RESOURCES
- TRANSPORTATION RESOURCES
- POWER AND FUEL RESOURCES
- WATER RESOURCES
- WASTE DISPOSAL RESOURCES
- NOISE AND VIBRATION AT SITE AREAS
- CLIMATE HISTORY
- COSTING AND SCHEDULING
- LEGISLATIVE CRITERIA, TAXES
- RADIOACTIVITY MONITORING

KEY PROPOSAL ELEMENTS

1. EXECUTIVE SUMMARY

2. TECHNICAL PROPOSAL

3. MANAGEMENT PROPOSAL

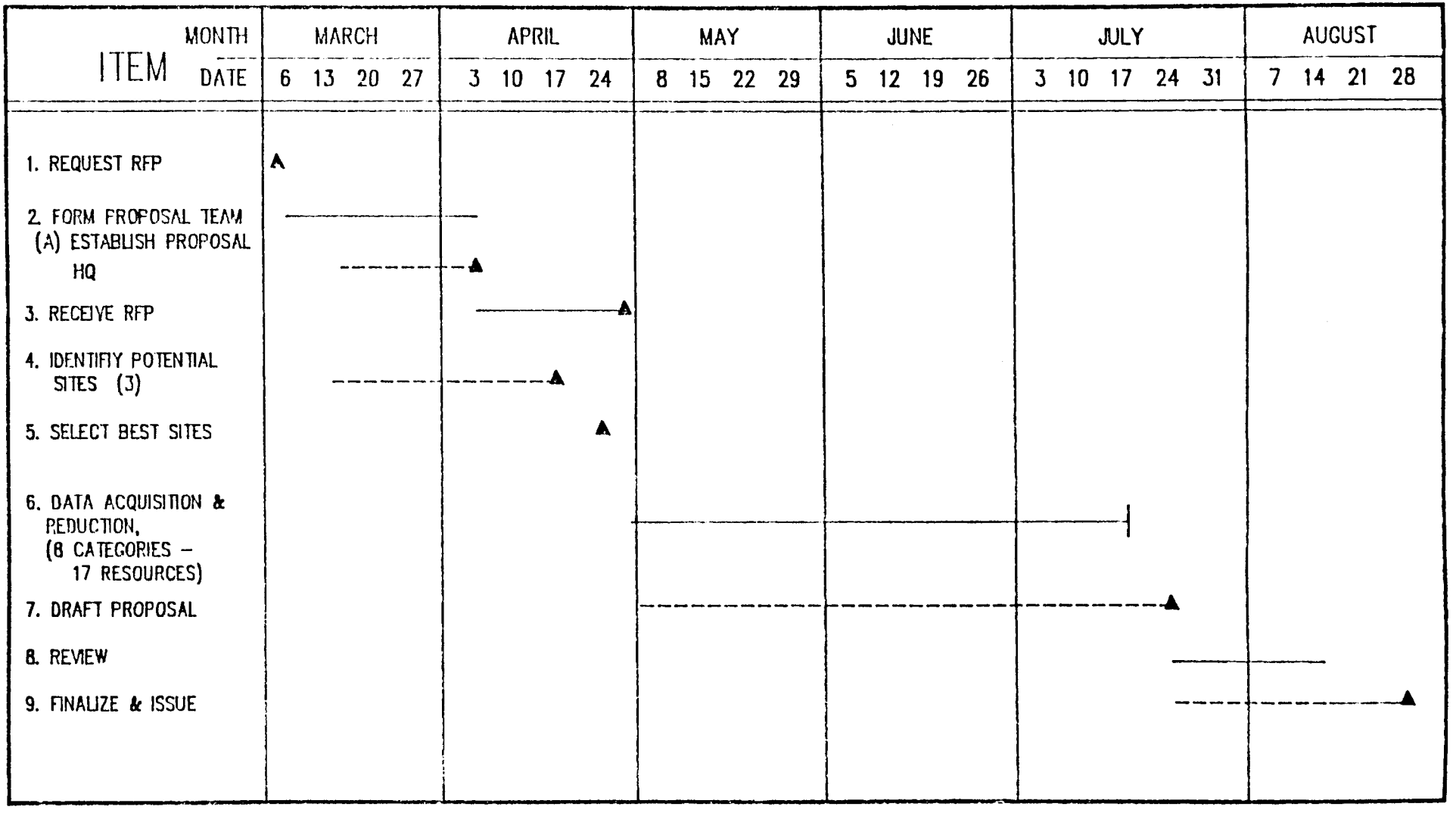
4. COST PROPOSAL

RESPONSIBILITIES OF THE PROPOSAL TEAM

- INSURING PROPOSAL SCHEDULE MAINTAINED
- ESTABLISHING FORMAT AND GENERAL LAYOUT
- PROVIDING EXECUTIVE SUMMARY AND ALL INTRODUCTORY MATERIAL
- ORGANIZING PROJECT/PROGRAM TEAM CAPABILITIES
- INSURING OVERALL PROPOSAL CONSISTENCY
- OVERSEEING PREPARATION OF PROPOSAL
- COORDINATING REVIEWS
- RESOLVING REVIEW COMMENTS
- PROVIDING REWRITES IF NECESSARY
- COORDINATING REPRODUCTION/PRINTING
- INSURING DELIVERY

DOE SCHEDULE AS PROVIDED FEBRUARY 23

4/87	REQUEST FOR PROPOSALS AVAILABLE FROM: SSC SITE TASK FORCE OFFICE OF ENERGY RESEARCH , ER-22, GTN U.S. DEPARTMENT OF ENERGY WASHINGTON, D.C. 20545
8/87	PROPOSALS DUE
9/87	QUALIFIED PROPOSALS TO NAS/NAE FOR EVALUATION
12/87	NAS/NAE RECOMMENDS BEST QUALIFIED SITES
12/88	SELECT PREFERRED SITES
(1/89) (12/88)	ENVIRONMENTAL IMPACT ASSESSMENT
(12/88) (1/89)	FINAL SITE SELECTION


MONTH
ITEM
DATE
MARCH
6 13 20 27
APRIL
3 10 17 24
MAY
8 15 22 29
JUNE
5 12 19 26
JULY
3 10 17 24 31
AUGUST
7 14 21 28
1. REQUEST RFP
2. FORM PROPOSAL TEAM
(A) ESTABLISH PROPOSAL HQ
3. RECEIVE RFP
4. IDENTIFY POTENTIAL SITES (3)
5. SELECT BEST SITES
6. DATA ACQUISITION & REDUCTION, (8 CATEGORIES – 17 RESOURCES)
7. DRAFT PROPOSAL
8. REVIEW
9. FINALIZE & ISSUE

TESTIMONY BEFORE HOUSE COMMITTEE
FOR BUSINESS AND LABOR
ON
HB 867

MARCH 19, 1987

THANK YOU FOR THIS OPPORTUNITY TO TESTIFY.

I AM ALAN EVANS, PRESIDENT OF BIG SKY CHAPTER 45, INTERNATIONAL RIGHT OF WAY ASSOCIATION. I REPRESENT 140 MONTANA PROFESSIONALS THAT WORK IN THE FIELDS OF LAND TITLE, RIGHT OF WAY, AND MAJOR PROJECT SITING. WE ARE AN AFFILIATE OF THE 10,000 MEMBER INTERNATIONAL ORGANIZATION WITH ASSOCIATES IN THE U.S., CANADA, AND ELSEWHERE.

WE ENDORSE THE MONTANA QUEST FOR SSC.

YOUR SUPPORT OF HB 867 WILL BE AN EXCELLENT BUSINESS DECISION FOR MONTANA NOT ONLY IN TERMS OF SSC--BUT MORE IMPORTANTLY IN TERMS OF DEVELOPING A TEAM TO MARKET MONTANA AND ITS BROAD BASE OF OPPORTUNITY.

WE IN IR/WA HAVE LAYED THE KEEL FOR AN INTERNATIONAL LINK WITH CANADA FOR SSC SITING IN MONTANA. THERE HAS ALSO BEEN DISCUSSION OF A MONTANA-JAPAN CONNECTION. THESE, WITH OTHER MONTANA UNIQUE AND IN-PLACE RESOURCES, MAY TIP THE SCALE IN OUR FAVOR IN THE SITING DECISION.

CHARTER

MONTANA AMBASSADORS SUPERCONDUCTING SUPER COLLIDER AD HOC COMMITTEE

The Montana Ambassadors SSC Ad Hoc Committee will provide the following:

-Coordination between the nine-member State of Montana task force created according to the guidelines established under HB 867 and legislative and other public and private sector groups;

-Liaison with the Montana Congressional delegation;

-Serve as a protocol committee with national and international scientific organizations and federal agencies.

It is the purpose of the Montana Ambassadors SSC Ad Hoc Committee to facilitate the work of the nine-member task force established under HB 867 by undertaking those elements not directly related to proposal preparation.

COMMITTEE MEMBERS

Jack Sherick, Chairman, Butte
President, MSE, Inc.

Lee Walker, Great Falls
Chairman, Northern Engineering and Testing

George Ruff, Helena
Regional Vice President, Mountain Bell

Chuck Herringer, Billings
Executive Director, Billings Area Chamber of Commerce

Dan Regan, Butte
Vice President for Marketing, Montana Power Company

Bill Tietz, Bozeman
President, Montana State University

Lee Carothers, Kalispell
Manager, Pacific Power and Light

Lola Hansen, Sidney
President, Hansen Enterprises

Keith Colbo, Helena
Director, Montana Department of Commerce

FACTSHEET FOR MONTANA

SUPERCONDUCTING SUPER COLLIDER

EXHIBIT 5
DATE 1/17/91
HB

Montana has an even chance for the Superconducting Super Collider. The SSC will be the world's most sophisticated particle research facility. It will consist of a 52-mile-long, closed loop tunnel, buried 30 feet underground. It will allow scientists from around the world to explore the most minute features of the atom and the forces that bind it.

In Montana we have participated in large projects before, from the Minuteman Missile complex in the 1950s, to the Colstrip generating project in the 1970s and '80s to the magnetohydrodynamics project at Butte today. We know how to use our skills and how to assemble the teams required for sophisticated, technology-related projects.

It is important to consider the benefits Montana would receive from the SSC and what Montana can offer the SSC. Those comparative benefits include:

1. $5 billion in construction and start-up services, a large part of which would be seen in labor costs involving 4,500 construction jobs.
2. An annual operating budget of $270 million, with 2,500 permanent jobs and an influx each year of 500 "visiting" scientists.
3. An abundance of high tech jobs and other positions for graduates of Montana's academic and technical institutions.
4. An environmentally clean non-weapon facility that would draw world recognition as the largest scientific installation of its kind.

5. A critical mass of professional and technical persons who would interact to create related kinds of endeavors and activities. This would continue to build our economy in diverse ways.
6. If we do not secure the SSC, even then as a state we will have enhanced Montana's presence when other major projects become available, and we will have an infrastructure within our state poised to achieve success for the future.
7. As a state, Montana offers persuasive reasons for the SSC to locate here:
   - large areas of sparsely populated and level land;
   - abundant, inexpensive energy;
   - adequate water supplies;
   - a talented support system through our universities;
   - the nation's fourth most productive work force;
   - an unexcelled lifestyle for scientists;
   - absence of disruptive social conditions;
   - a moderate humidity, temperate climate;
   - good transportation links, and
   - a hospitable people.

Water, workforce bolster state's super collider hopes

By LINDA CARICABURU
Tribune Regional Editor

FAIRMONT HOT SPRINGS — Montana's productive workforce, relatively cheap electricity and abundant water will be major factors in attracting a multi billion-dollar science project to the state, promoters said at an all-day conference here Monday.

The apparent consensus of the conference, which attracted about 150 people from across the state, was that representatives from the business, government and educational communities should submit a bid for the superconductor super collider.

The superconductor super collider, known as the SSC, is a U.S. Department of Energy project that has drawn the attention of over half the states in the country. The SSI, which would cost between $4.3 and $5.3 billion, would be a 52-mile, oval-shaped track in an underground tunnel and would be used for highly advanced experiments in physics.

Site specifications for the SSI will be released next month, but many states are already putting together bid packages, hoping to attract the 4,500 construction jobs and 2,500 professional jobs promised by the project.

Stanley Wojcicki, a member of the SSC design group, described the SSC as "very similar to a big telescope" in that a telescope is needed to examine the outer worlds of space, while the SSC is needed to examine the inner worlds of the tiniest particles of matter.

Wojcicki said the SSC tunnel will be 10 feet in diameter and will be buried a minimum of 30 feet underground. He said a site of about 20 miles by 20 miles is necessary for the tunnel and campus that will accompany it. At least 8,000 acres would have to be deeded to the project.

Though the land must be relatively flat, he said the tunnel could follow some terrain, but a flat plane is preferred. Wojcicki said not all the land on top of the tunnel must be committed to the project, because it does not pose a health problem or any other kind of threat to people working or living above it.

"This is not a chemical waste plant; it is not a nuclear reactor; it is not a manufacturing plant; and it is definitely not a weapons lab," Wojcicki said. "What it is is a scientific laboratory. That's all."

He said the preferred site would be seismically stable, have little or no interference with groundwater or a water table, would have 2,000 to 2,500 gallons of water per minute available and up to 250 megawatts of electrical power available with an average of fewer than two power outages per year. He said there should also be an adequate fuel supply and communication system and an avoidance of excessive man-made noise and vibration.

Wojcicki said other site selection criteria would be the abilitiy of the area to handle up to 10,000 additional people, including schools, educational opportunities, cultural facilities and all-weather transportation both on roads and at a major airport. He said there is also a preference for a site that does not experience extreme weather, though he said this is "soft criteria," and that an average temperature of 25-30 degrees in winter and up to 80 degrees in summer may be acceptable.

Paul Schmechel, chief executive officer of Montana Power, encouraged a bid for the project, saying that Montana "has the fourth-highest productive labor force in the nation ... and we ought to sell it, sell it, sell it." Schmechel also said the energy costs to the SSC would be "far, far below the national average."

Citing one of his "gut rules" of business, Schmechel told the audience "it's not enough to talk big, you also have to think big." He said the Montana Ambassadors, of which is he president, will spearhead the super collider project until a steering committee is set up by the governor.

Rep. John Vincent, D-Bozeman, said he currently has a bill before the Legislature that would authorize expenditure of up to $1 million to get the project to Montana. He said the bill would allow up to $100,000 to be spent before August, when the proposal is due. The remainder could be spent afterward if Montana is selected as the preferred site.

Paul Schmechel

Rep. John Vincent

"We are going to get outspent ... but we aren't going to get out-hustled," Vincent said. His bill would also mandate that a steering committee be set up to oversee the bid process.

Gov. Ted Schwinden urged those at the conference to support Vincent's bill, saying lawmakers shouldn't "use the current financial stress that occupies the Legislature to undercut our commitment" to the SSC project. He said meetings should begin within the next week to determine the makeup of a nonpartisan steering committee.

Meanwhile, a Bureau of Land Management geologist, David Coppock of Billings, presented seven sites in the state that may be able to handle the project. There locations are:

- Northwest of Billings in the Commanche Basin. The area is north of the Yellowstone River and near the Musselshell. The area is primarily covered by wheatfields.
- Near Hardin, partially on the Crow Indian Reservation. Interstate 90 cuts through this area, which is near the Bighorn and the Yellowstone rivers.
- North of Forsyth in the Porcupine Dome area. The Big Porcupine Creek runs in through the flat rangeland.
- North of Wolf Point on the Fort Peck Indian Reservation. The well-drained area includes the Poplar River and the West Fork of the Poplar River.
- North of Harlem near the Canadian border. This area encompasses the communities of Turner and Hogeland. The Milk River is to the south.
- North of Havre. Fresno Reservoir is to the southeast and the Canadian border is directly north. This area may have some drainage problems.
- About 75 miles north of Great Falls in the Lonesome Prairie area west of Big Sandy. Tiber Dam is to the southwest and the Marias River is nearby. The area is primarily covered by wheatfields.

Coppock said these are only examples of suitable areas and that, until more exact siting specifications are released, no areas of Montana should be excluded. He noted that areas north of Glasgow may also meet the requirements.

Among others speaking in support of the project were Sen. Max Baucus; Leland Walker, head of Northern Engineering and Testing of Great Falls; Al Evans, president of the International Right of Way Association; and Leonard Porter, chairman of the physics and astronomy department at the University of Montana.

"You need a Butte mentality and a Butte personality" to get this project going, Schmechel concluded. "Let's think the big thoughts, let's not examine all the negatives of the thing."

2/17/87

Anaconda / Area

Supercollider: We can compete

By Rich Simpson
Standard Staff Writer

Montana has the resources to win the $4.4 billion Department of Energy "superconducting, supercollider" project and should jump into the nationwide competition.

That was the consensus of about a dozen speakers from the state's public and private sectors at the Montana Superconducting Conference Monday at Fairmont Hot Springs. About 150 people attended.

"We have the capabilites," said Leland Walker of Northern Engineering and Testing. "No one should go away feeling that we can't find the location and site for this proposal."

The first steps towards developing Montana's proposal are expected to be taken Tuesday morning in Helena when Gov. Ted Schwinden, House Minority Leader Rep. John Vincent (D-Bozeman) and Paul Schmechel, Montana Power's chief executive officer, will select a supercollider proposal steering committee.

The committee will push the proposal until state supercollider legislation is approved, Schmechel said. House Bill 867 would provide up to $1 million to develop a Montana proposal and authorizes Schwinden to selec[illegible]ne-member task force. The[illegible] strong bipartisan support and will be heard by the House Business and Labor Committee Thursday.

Schmechel proposed the steering committee to ensure state interest in the 20-mile-wide wheel-like proton accelerator does not diminish.

MONTANA HAS ONLY FOUR months to submit a site proposal to DOE. State leaders began expressing interest in the project about one month ago.

Montana should attempt to obtain the accelerator for the long and short term economic benefits the state will garner from its acquisition, speakers said Monday.

A 10,000-person community will be created by the accelerator, where a high-tech workforce of 3,000 is expected to be employed when construction is completed in 1996, said Dr. Stanley Wojcicki, deputy director of the SSC design group at Berkeley, Calif. The plant will have a public campus that will need cultural events and supportive services, he said.

High-tech service-oriented companies and additional federal grants will follow the acquisition of the project, other speakers said.

Federal research and development grant money acts as a magnet for other funds, said Schwinden.

Montana's share of federal research money, however, has been minute compared to many other states.

Its share wasn't even listed in a National Association of City Planners report because it was so small, Schwinden said. Only three federal research facilities are located in the state.

About 80 percent of all federal research dollars were given to 14 states, Schwinden said. California was the largest recipient.

"The greatest concentration of (research) and (development), the stronger pull for monies it brings," Schwinden said.

The supercollider, however, may not go to states which have received large amounts of federal dollars, U.S. Sen. Max Baucus, D-Mont., said. Many congressmen and senators want to "see the spoils spread more evenly throughout the country. If it is successful, it will put Montana on the map," Baucus said.

The state will jump into the bidding fray for the accelerator at least one-year behind several states and with a much smaller war chest.

Texas has several site proposals developed and large amounts of funds earmarked for obtaining the project. Illinois, California, Washington, Idaho and New York have also developed proposals. In t[illegible] about 40 states are working on supercollider proposals, according to DOE information.

Montana leaders, however, believe they can prepare a competitive proposal, despite the time crunch they face.

HB 867 was not submitted until Vincent was assured that Montana still had a chance in the competition, he said. A High Energy Research Division deputy director told Vincent "if you got the talent, if you got the resources, then you should put a proposal together."

A 10,000-person community will be created by the accelerator, where a high-tech workforce of 3,000 is expected to be employed when construction is completed in 1996. The plant will have a public campus that will need cultural events and supportive services.

The state must complete four steps before it can obtain the supercollider, said Jack Sherick, president of Mountain State Energy.

It must collect data, decide to proceed with the project, prepare the proposal and then sell it, Sherick said.

MONTANA WILL HAVE to meet the DOE's specifications on issues relating to seismic activity, water tables, the environment, utilities and transportation, Sherick said.

Conference speakers said the state should be able to meet those requirements.

How critical a role the state's university system and cultural atmosphere will play in the final selection was debated.

Sherick played the cultural issue down because by 1996, technology may allow the scientists to monitor the plant's operations by computer. Others feel the national academies of scientists and engineers will view aesthetics critically.

"I think we can make it a little different in our proposal," Sherick said.

Montana's universities are willing to assist the program, said representatives of the three campuses. Its credentials compare well with out-of-state colleges, they said.

While Baucus and Schwinden support the project, they also want Montanans to be realistic about the supercollider. The possibility still exists that it may never be built, they said.

President Ronald Reagan has included $35 million in the 1988 federal budget, Schwinden said. The project's costs will then increase by 10 percent and then 20 percent the following two years after Reagan has left the White House, he said.

The project may also face some Congressional opposition because it will spend much of the federal money earmarked for research, Baucus said.

"YOU HAVE TO REALIZE that Congress may say that the superconducting supercollider is a grand experiment that the country can't afford," Schwinden said.

Schwinden also wants Montana's leaders to keep their economic development ideas in perspective. The majority of the state's businesses are small so, supporters of the supercollider should not forget to keep fighting for local development, he said.

Schwinden urged conference participant's to lobby for the reinstatement of the Commerce Department's business assistance division.

"Whether we are talking about SSC or travel promotion, we have to do everything we can for Montana," Schwinden sa[illegible]

OPINION

THE BILLINGS GAZETTE

GAZETTE OPINION

Supercollider light in tunnel

Tomorrow, a contingent of Billings boosters will pull out of the Magic City, trailing exhaust smoke and bound for the future.

The group will join other Montanans at Fairmont Hot Springs to talk about the supercollider, a $4.4 billion research project proposed by the U.S. Department of Energy.

Montana is only one of several states interested in the project and its multi-million dollar annual payroll.

Illinois has been working on a preliminary supercollider site design for two years; Texas has researched six possible locations. Colorado, California, New York and Washington are already off and running to acquire the project.

The project is a plum.

It requires a below-ground tunnel 50-miles in circumference. Construction would employ 4,500 workers. Once the project is on line, it will require the services of 2,500 highly professional, highly paid workers.

It is a rock on which we can build our state's future.

If the Department of Energy chooses to put the collider in the state, our university system will take on new luster. Montana will be the frontier for bright young people aiming to live on the leading edge of new technology.

Over a period of years, other projects would follow because the base would be established here, the first building block of a staircase that would carry us higher and higher.

Clean, highly technological industry would give this state the best of both worlds, the beauty of the land and people and the means to live here with style.

There are some people, of course, who question whether the collider should be built.

New discoveries in highly conductive oxidized copper compounds suggest that the supercollider could be built on a smaller scale at lower costs some time in the future.

But as other scientists point out, if we take the years necessary to develop those theories, we may have lagged so far behind the rest of the world in fusion technology that we may never catch up.

It won't be easy to bring the collider to Montana. There is a reasonable question whether accomplishing that is even possible.

But we have a chance if we try, and no chance at all if we don't.

There are two points that might boost our chances.

First, we have just as many senators as any other state in this nation. Rep. Ron Marlenee has been working hard on behalf of the project, but he is only one of 435 congressmen. Sens. John Melcher and Max Baucus, particularly because of their committee assignments, must take an active role in bringing the project here.

Second, we have millions of dollars in our coal trust fund, aimed at easing us away from a dependence on an energy economy when the coal bust comes. What better investment could we make with that money.

That doesn't mean, of course, that we should throw money at the project. But if the energy department would bring the collider to Montana *if* we provided a site, for example, that would be money well invested.

Those people going to Fairmont Hot Springs tomorrow are taking the first step of what we hope will be a long and successful journey.

U.S. DEPARTMENT OF ENERGY
OFFICE OF THE PRESS SECRETARY
WASHINGTON, DC 20585

DOE FACTS:

THE SUPERCONDUCTING SUPER COLLIDER (SSC)

What is the super collider?

- A basic research tool in high energy physics, the field that studies the fundamental nature of matter and energy.

- The world's largest particle accelerator; a proton-proton collider with an energy of 40 trillion electron volts (TeV), twenty times the energy of the Tevatron collider in Illinois, the highest energy accelerator in the world. (A flashlight battery has 1.5 volts.)

- It will accelerate two beams of protons in opposite directions to nearly the speed of light and bring them into collision at four points where detectors will observe the results of the collisions.

- The heart of the super collider is two rings of superconducting magnets located in a 52-mile circumference, race-track shaped tunnel that is 10 feet in cross-section diameter.

- Other facilities include four large interaction halls where experiments will be conducted, a series of injector accelerators (comparable in size to the Fermilab accelerator in Illinois) and technical support buildings and offices.

Why build it?

- The super collider will continue scientists' search for the fundamental nature of matter and energy. Scientists have made great progress in understanding the ultimate building blocks of matter and the basic forces which govern the transformations of matter and energy. However, important questions remain unanswered. The super collider will help answer these questions.

- Continued progress in high energy physics research in the mid-1990's requires the study of collisions at energy levels that cannot be achieved with any accelerator now in operation or under construction.

- A new, higher energy accelerator is essential; the super collider is such a facility.

- Basic science has always led to discoveries and innovations that profoundly affect our lives.

- Advances in basic knowledge contribute to the economic and technological competitiveness of the nation through applications of discoveries and new knowledge and through spinoffs.

- High energy physics involves the use and development of the most advanced technologies. Frontier science stimulates frontier technology; there are numerous instances of the impact of high energy physics in the areas of nuclear medicine, electronics, superconductivity, cryogenics, etc.

- The super collider will inspire young students to pursue careers in science and technology.

- The super collider will ensure a world leadership position for the U.S. in this important field of basic science into the next century.

How much will it cost?

- In the fiscal years 1984-1986, $60 million was spent on R&D and design studies. In fiscal year 1987, the department plans to spend $20 million.

- Construction cost for the accelerator and laboratory is estimated to be $3.2 billion (FY 1988 dollars); costs of R&D, detectors, computers and pre-operating activities are about $1.2 billion (FY 1988 dollars) for a total of $4.4 billion.

- Annual budget after operation begins is estimated to be $270 million in FY 1988 dollars.

- Land is assumed to be provided free of charge by site proposers.

- International collaboration and cost sharing with other countries, private industry and state and local governments is being sought.

When will the super collider be built?

- If authorized in FY 1988, the facility could be completed in 1996.

Who are the key players involved in the super collider?

- DOE provides about 90% of the federal support for high energy physics and will be the responsible Government agency.

- DOE will select a contractor to manage the construction and operation of super collider.

- The R&D and design studies in progress at DOE laboratories, universities, and industry are being carried out for DOE under the management of the SSC Central Design Group formed by Universities Research Association, Inc., a consortium of 56 universities.

- Construction of conventional facilities and fabrication of technical components will be carried out by subcontractors and industry to the maximum extent possible.

How many people will be involved with the super collider?

- The onsite work force during construction will peak at about 4,500 people.

- Once the facility is operating, the super collider staff will be about 2,500 and about 500 visiting scientists are expected to be on-site at any given time.

-DOE-

February 1987

U.S. DEPARTMENT OF ENERGY
OFFICE OF THE PRESS SECRETARY
WASHINGTON, DC 20585

DOE FACTS:

THE SUPERCONDUCTING SUPER COLLIDER (SSC) SITE SELECTION PROCESS

The selection process for a site on which to build the Superconducting Super Collider (SSC) will be a fair and open competitive process. The established Departmental Energy System Acquisition Advisory Board (ESAAB) site selection process will be used. This process comprises seven major steps described below.

1. DOE to Issue Invitation for Site Proposals — April 1987

   The Invitation will contain a description of the SSC, description of the site requirements for the SSC, real estate ownership requirements, qualification criteria which must be met in order for a proposal to be considered further, evaluation criteria, and a list of the information requested of proposers. This action will be announced in the Federal Register and a letter enclosing the Invitation will be sent to the Governor of each State.

2. DOE to Receive and Screen Proposals — August 1987

   The proposals will be received by a special DOE SSC Site Task Force and enter a confidential site proposal qualification process. The proposals will be screened within the Department against the qualification criteria to determine which are qualified to be considered further.

3. DOE to Refer Qualified Proposals to NAS/NAE for Evaluation — September 1987

   The Department will refer qualified proposals to a Select Panel of the National Academy of Sciences and National Academy of Engineering. The Panel, composed of about 15 distinguished individuals appointed by the Presidents of the Academies, will review the proposals forwarded to them to determine their overall excellence in meeting the needs of the Nation for an outstanding science facility. They will evaluate proposals against the site evaluation criteria set forth in the Invitation.

4. NAS/NAE to Recommend Best Qualified Sites — December 1987

   The Academies will recommend to DOE a small set of the most excellent proposals. The number of proposals that would be in the final unranked group provided to DOE cannot be foreseen at this time; however, it is expected that only a few, the most excellent, would be included.

(MORE)

5. DOE to Designate Preferred Site July, 1988

Following the receipt of the list of most excellent sites from the Select Panel, additional geological and environmental information may be requested of finalists and confirmatory investigations will be conducted by DOE. Detailed staff analyses and environmental information will be presented to the DOE Site Selection ESAAB as input into the decision process. Based on the Select Panel evaluation, this additional information, the ESAAB findings and other input as appropriate, the Secretary will designate the preferred site.

6. Safety and Environmental Review Process

An Environmental Impact Statement (EIS) will be prepared for the SSC in accordance with the National Environmental Policy Act (NEPA) process. This process will begin shortly after the issuance of the Invitation for Proposals. It will include comment on the proposed scope of the EIS, preparation of a Draft EIS with opportunity for public comment, preparation of a Final EIS, and issuance of a Record of Decision.

Environmental impacts of constructing and operating the SSC, including those relating to public health and safety (particularly radiation safety) will be addressed in the EIS. The issuance of the Record of Decision based on the final EIS is the last step of the site selection process.

7. Final Site Selection and Site Preparation January, 1989

The Secretary of Energy will announce the final site selection following completion of the NEPA process. Preliminary and Final Safety Analyses will be prepared during the design and construction phases of the project.

- DOE -

February, 1987

IN REPLY REFER TO:

EXHIBIT
DATE
HB

United States Department of the Interior

BUREAU OF LAND MANAGEMENT
222 North 32nd Street
P.O. Box 36800
Billings, Montana 59107

March 16, 1987

Dear Conference Participant:

The enclosed material was prepared to facilitate the Bureau of Land Management (BLM) presentation at the Superconducting Super Collider (SSC) Conference held at Fairmont Hot Springs, Anaconda, Montana. It represents, in large part, the visuals presented and discussed at the meeting.

In regard to our participation in the conference, the BLM was asked to present certain natural resource information concerning the Department of Energy SSC proposal. A wide variety of information and range of areas were reviewed. No final conclusions or site-specific recommendations were developed and none should be implied.

Superconducting Super Collider Conference
Fairmont Hot Springs, Anaconda, Montana
March 16, 1987

Bureau of Land Management Presentation

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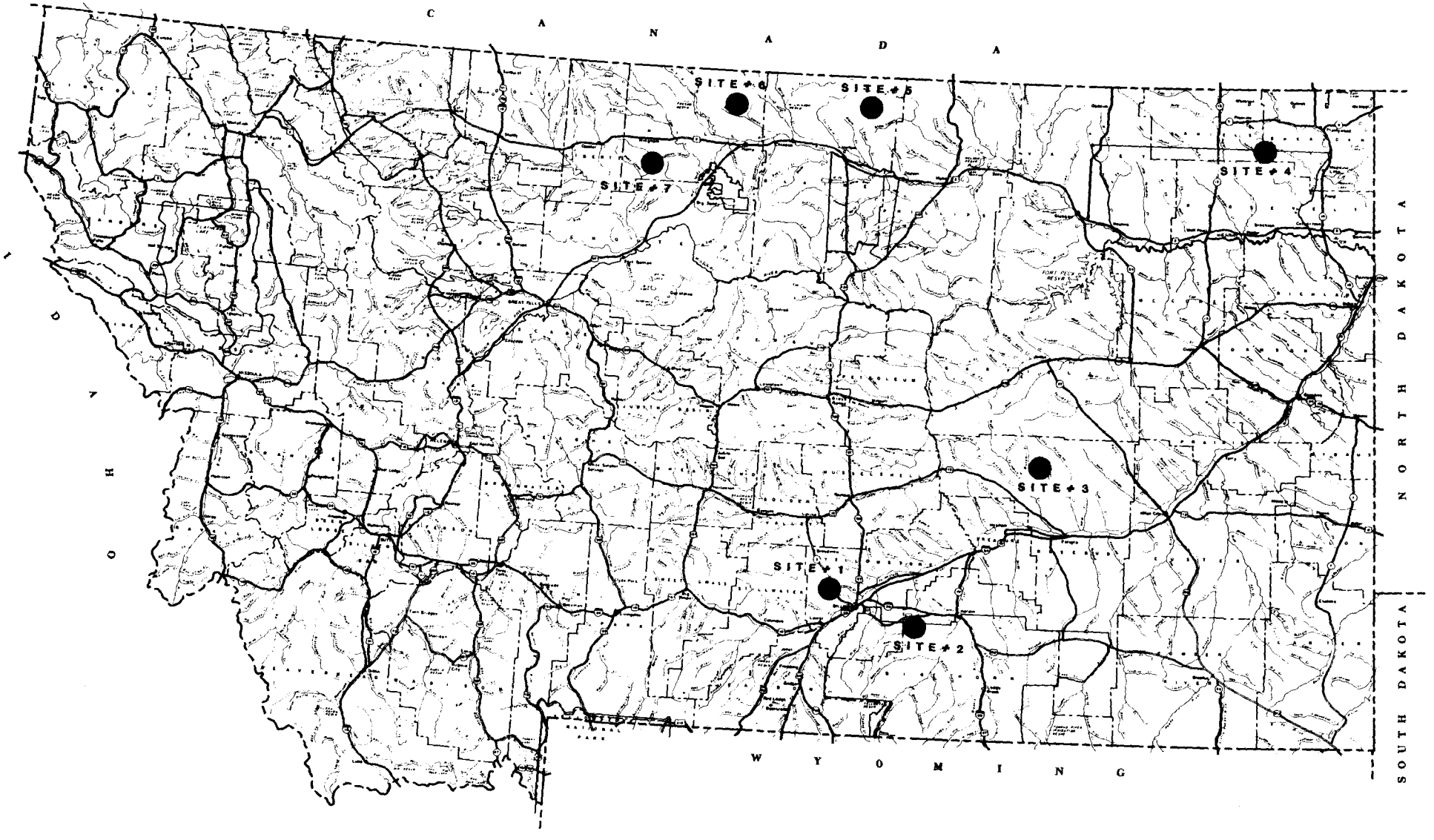
C A N A D A
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SITE # 5
SITE # 4
SITE # 7
SITE # 3
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SITE # 2
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SOUTH DAKOTA
W Y O M I N G
MONTANA
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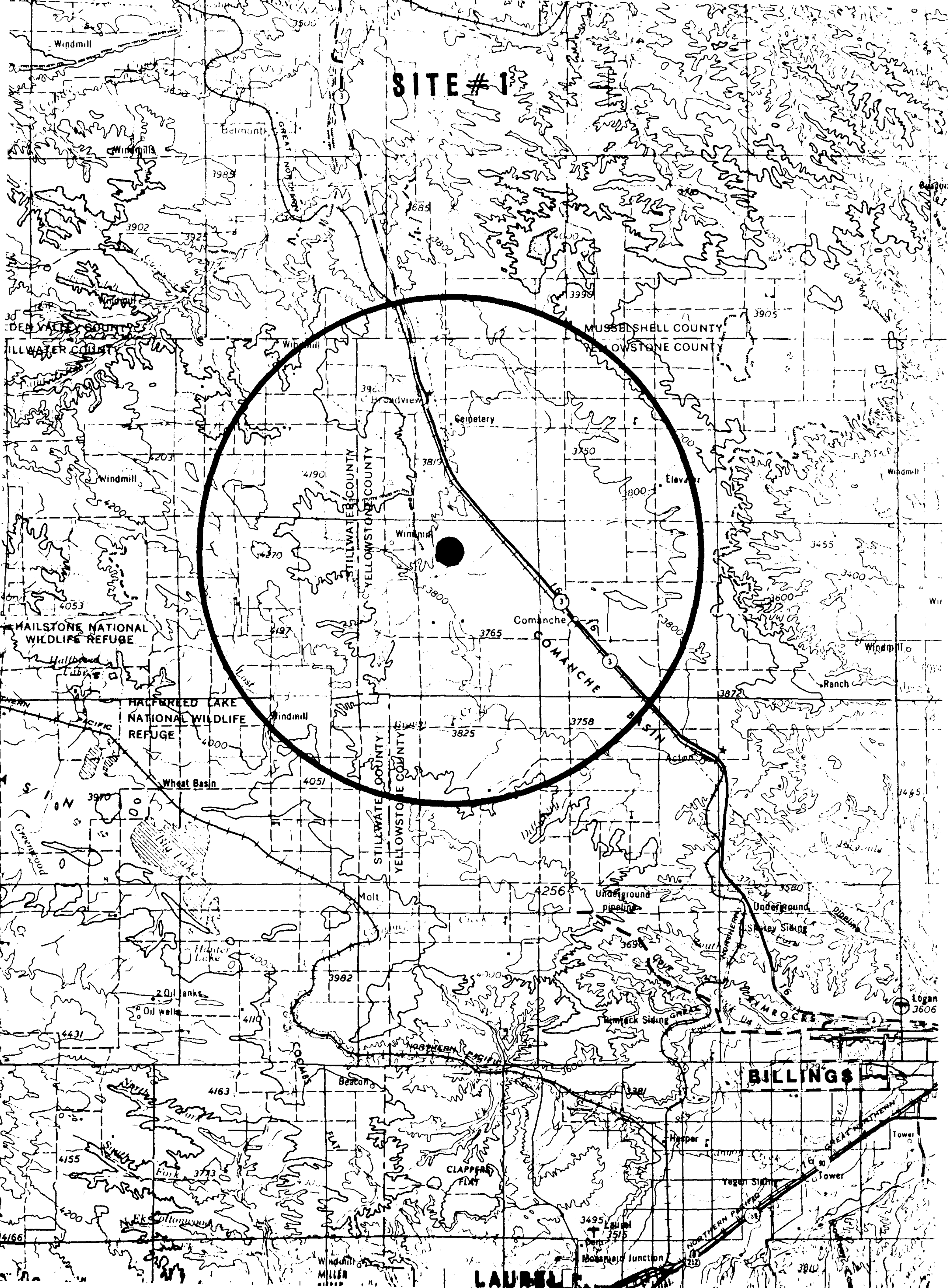
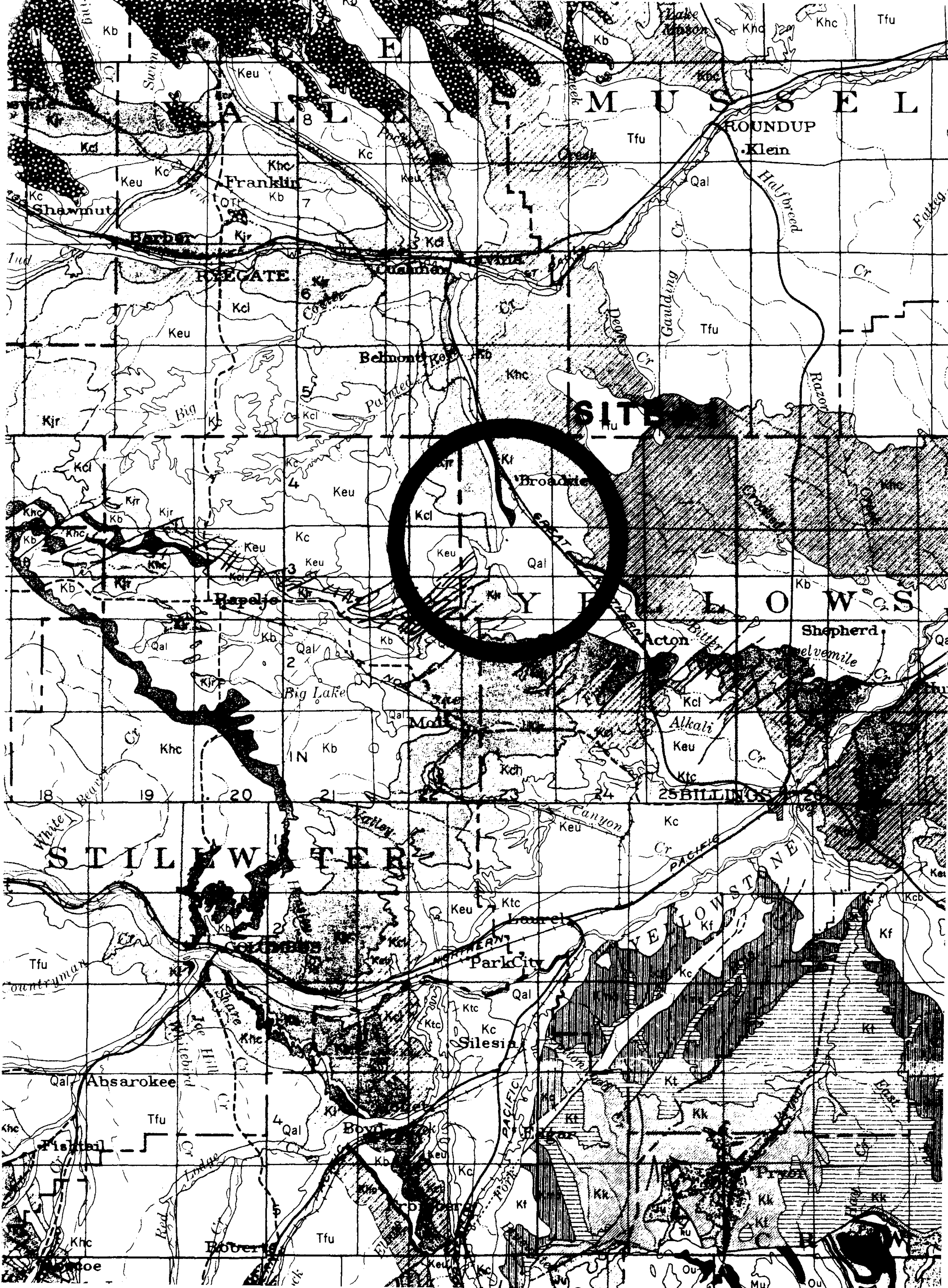


SITE #1
MUSSELSHELL COUNTY
YELLOWSTONE COUNTY
STILLWATER COUNTY
YELLOWSTONE COUNTY
Broadview
Cemetery
Elevator
Windmill
Comanche
COMANCHE BASIN
Acton
HAILSTONE NATIONAL WILDLIFE REFUGE
HALFBREED LAKE NATIONAL WILDLIFE REFUGE
Wheat Basin
Molt
Underground pipeline
Shorey Siding
Rimrock Siding
RIMROCKS
Logan
BILLINGS
Beacon
Hesper
CLAPPERS FLAT
Yegen Siding
Tower
Laurel
Mossmain Junction
LAUREL
Ranch
Belmont
2 Oil tanks
Oil wells
COOMBS FLAT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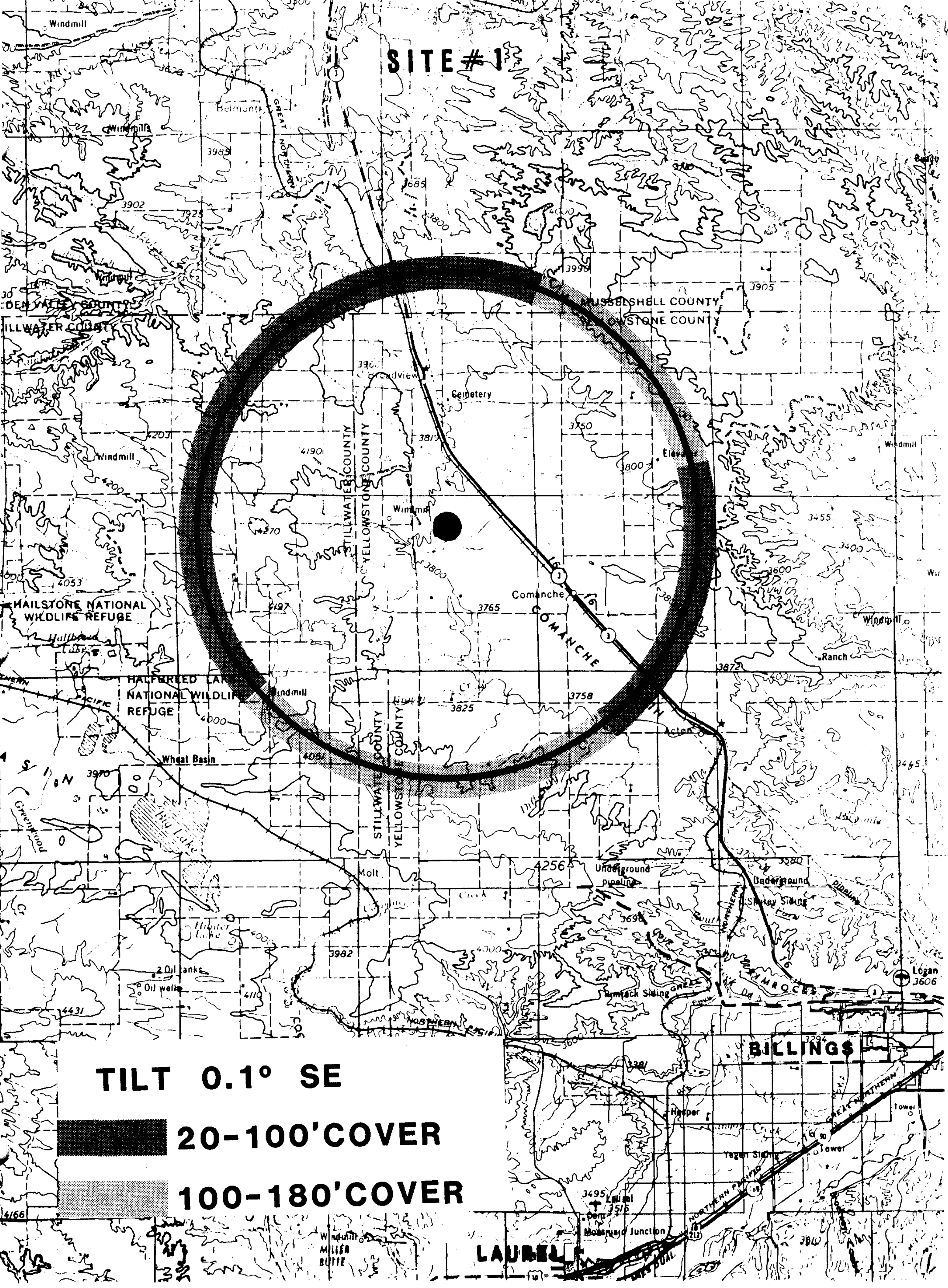
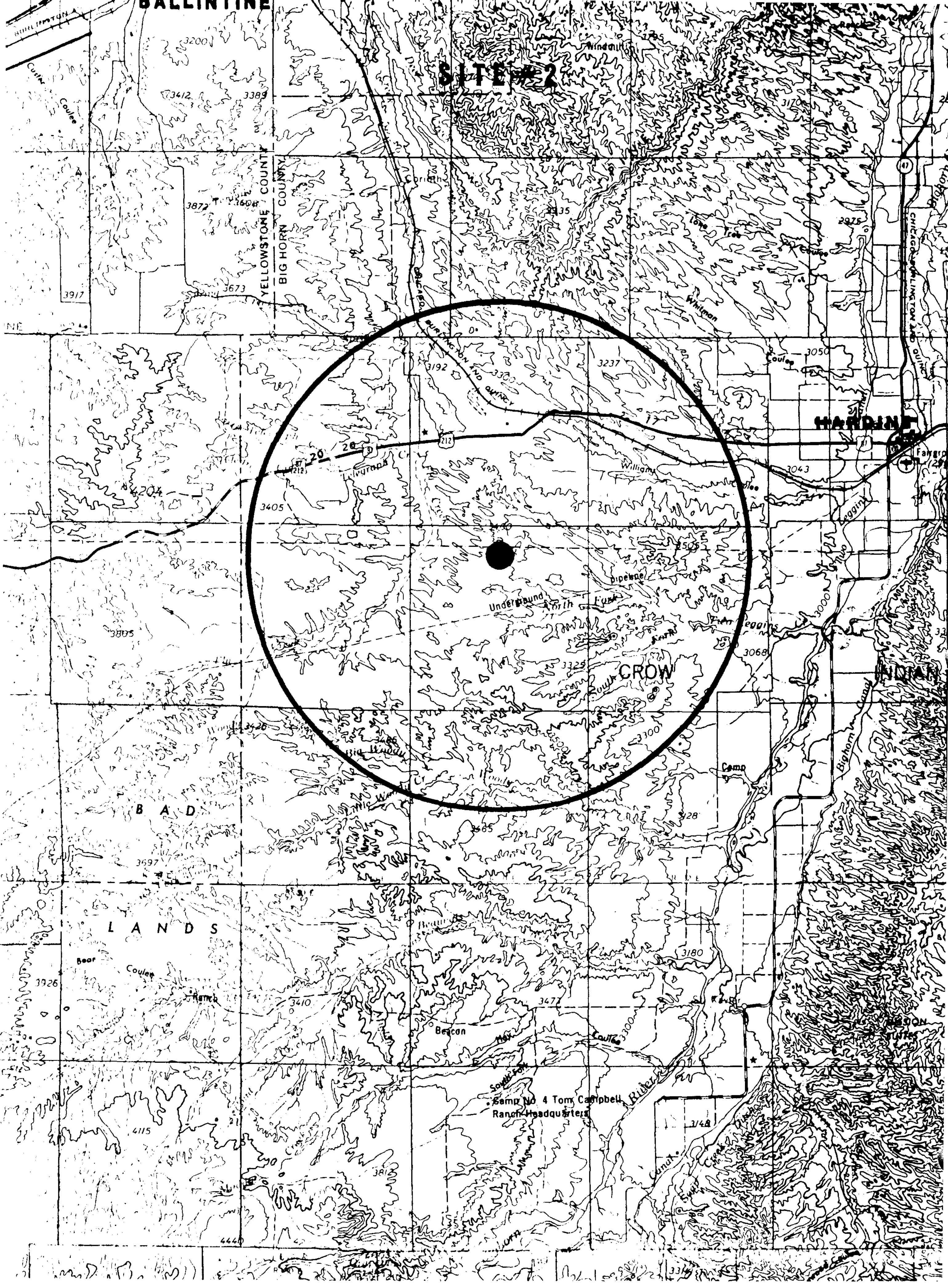
VALLEY
ROUNDUP
Klein
Franklin
Shawmut
Barber
RYEGATE
Belmont
SITE
Broadview
Rapelje
Acton
Shepherd
Big Lake
Molt
BILLINGS
STILLWATER
YELLOWSTONE
Laurel
Columbus
Park City
Silesia
Absarokee
Boyd
Edgar
Fishtail
Roberts
Pryor
Halfbreed
Razor
Gaulding
Alkali
Canyon
Countryman
White Beaver
Big
Painted
Bitter
Twelvemile
PACIFIC
NORTHERN
GREAT NORTHERN
Tfu
Qal
Keu
Kcl
Kc
Khc
Kb
Kjr
Kt
Kk
Kf
Ktc


SITE #1
MUSSELSHELL COUNTY
STILLWATER COUNTY
YELLOWSTONE COUNTY
HAILSTONE NATIONAL WILDLIFE REFUGE
NATIONAL WILDLIFE REFUGE
REFUGE
COMANCHE
Comanche
Broadview
Cemetery
Windmill
Elevator
Ranch
Acton
Wheat Basin
Molt
Underground pipeline
Underground
Shepherd Siding
Big Lake
2 Oil tanks
Oil wells
Rimrock Siding
RIMROCKS
Logan
BILLINGS
Hesper
Yegen Siding
Tower
Laurel
Mossmain Junction
LAUREL
MILLER BUTTE
TILT 0.1° SE
20-100'COVER
100-180'COVER


BALLINTINE
SITE #2
YELLOWSTONE COUNTY
BIG HORN COUNTY
CHICAGO BURLINGTON AND QUINCY
HARDIN
CROW
INDIAN
Underground
North Fork
Pipeline
Big Woody
Little Woody
Telegraph Cr
Whitman
Lone Tree
Bighorn Canal
B A D
L A N D S
Bear
Coulee
Ranch
Beacon
Camp
Camp No. 4 Tom Campbell
Ranch Headquarters
River
Canal
212
3200
3412
3389
3872
3917
3673
4204
3405
3805
3192
3237
3335
3170
2975
3050
3043
3068
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3300
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3697
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3148
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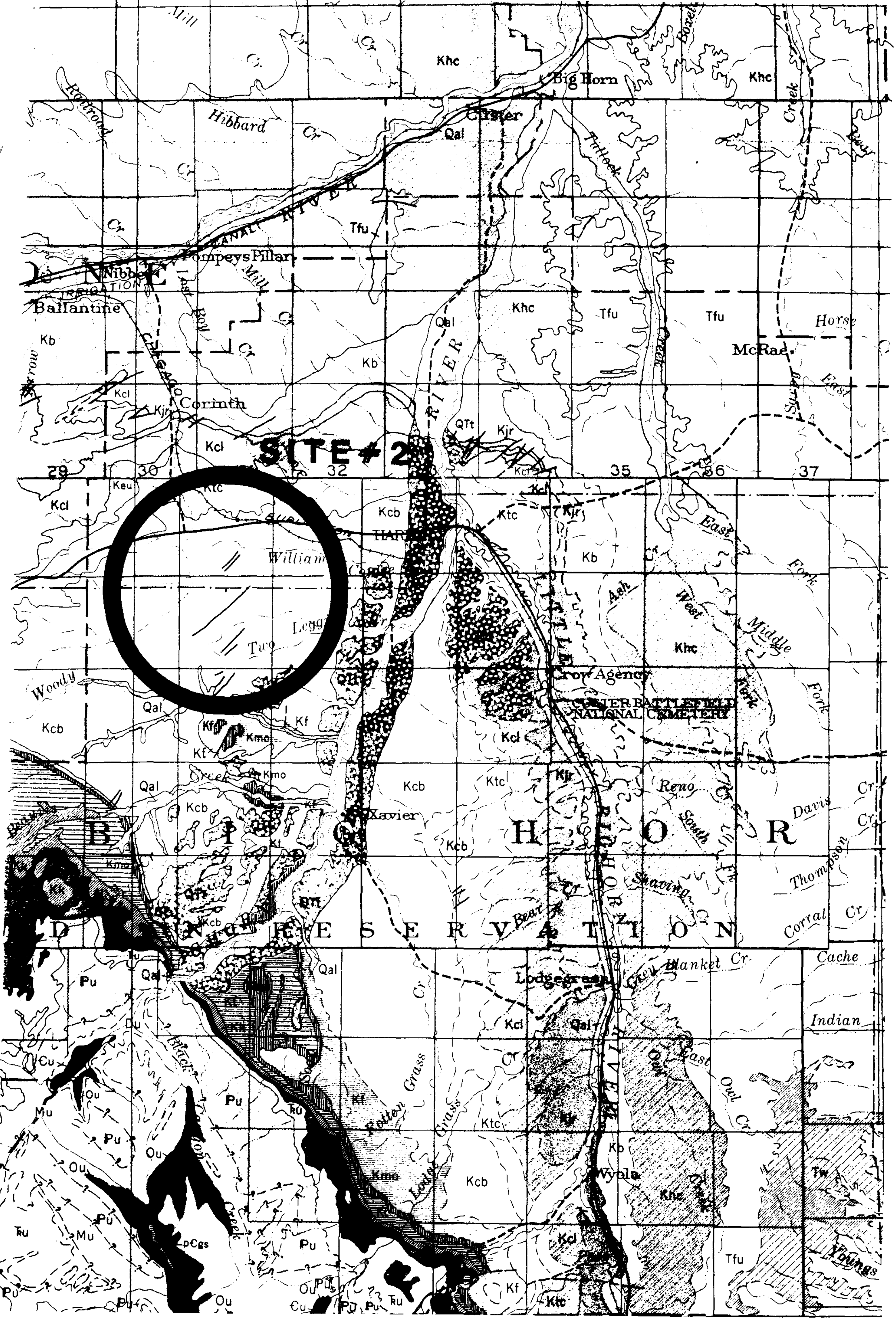
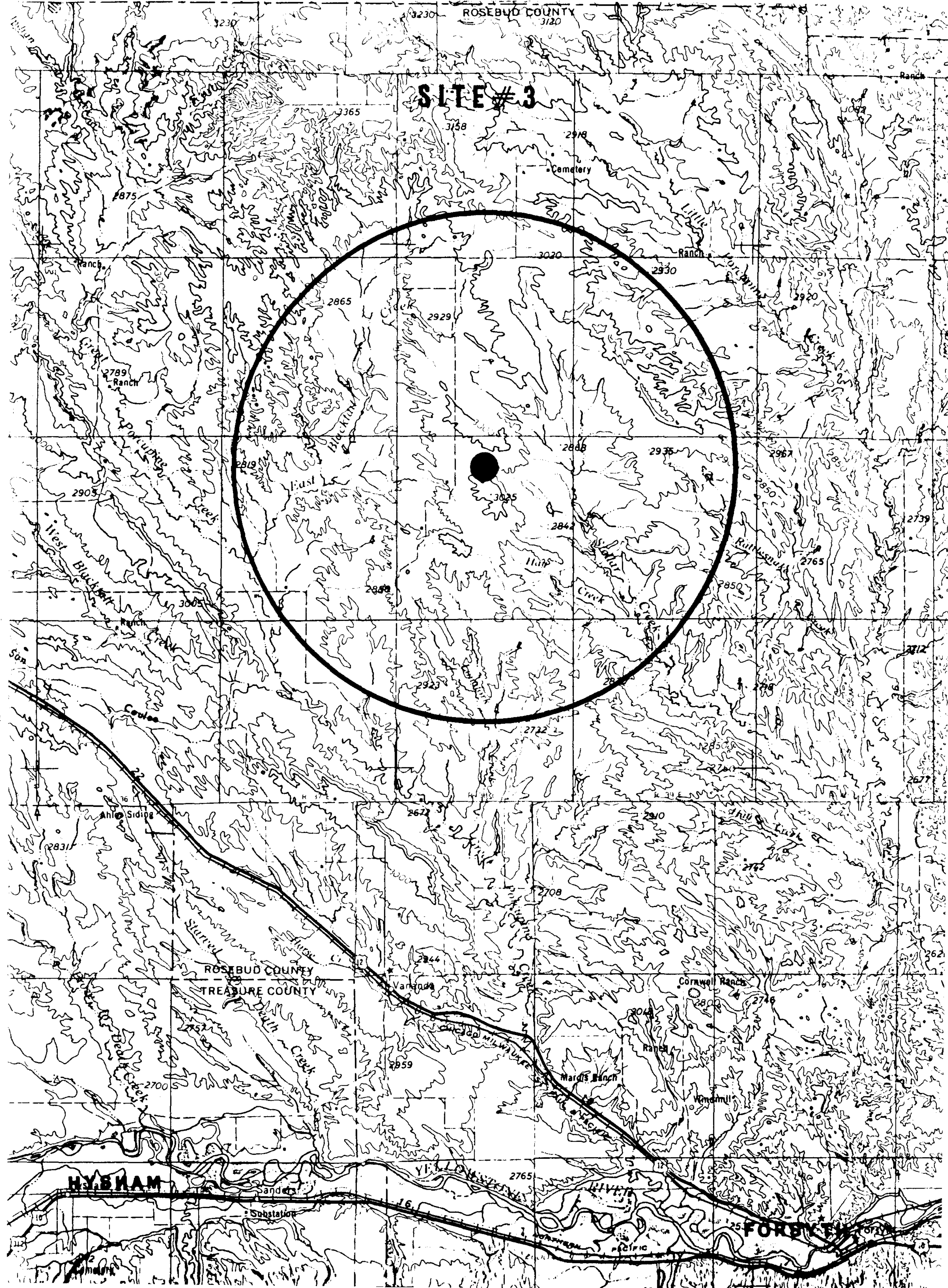


SITE #2
Big Horn
Custer
Pompeys Pillar
Nibbe
Ballantine
Corinth
McRae
Hardin
Crow Agency
CUSTER BATTLEFIELD NATIONAL CEMETERY
Xavier
Lodgegrass
Wyola
BIG HORN
RESERVATION
Hibbard Cr.
Railroad
Mill Cr.
Lost Boy
Williams
Two Leggins
Woody
Tullock Creek
Sarpy Creek
Horse
East
Ash
West
Middle Fork
East Fork
Reno
South
Davis Cr.
Thompson
Shaving
Corral Cr.
Cache
Indian
Grey Blanket Cr.
Owl Cr.
Rotten Grass
Lodge Grass
Black Canyon Creek
Youngs
29
30
32
35
36
37
Khc
Qal
Tfu
Kb
Kcl
Kjr
QTt
Ktc
Keu
Kcb
Kf
Kmo
Kk
Pu
Ou
Mu
Cu
Tw


SITE #3
ROSEBUD COUNTY
Cemetery
Ranch
East
Blackfoot
Creek
West
Blacktail
Porcupine
Hay
Little
Rattlesnake
Coulee
Ahles Siding
Starved
Horse
ROSEBUD COUNTY
TREASURE COUNTY
Vananda
Death
Cornwell Ranch
Mardis Ranch
Windmill
CHICAGO MILWAUKEE
YELLOWSTONE
RIVER
HYSHAM
Sanders
Substation
FORSYTH
PACIFIC
3230
3120
3365
3158
2918
2875
3020
2930
2865
2929
2920
2789
2819
2868
2935
2967
2905
3035
2842
2739
2765
2850
3005
2923
2732
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2671
2910
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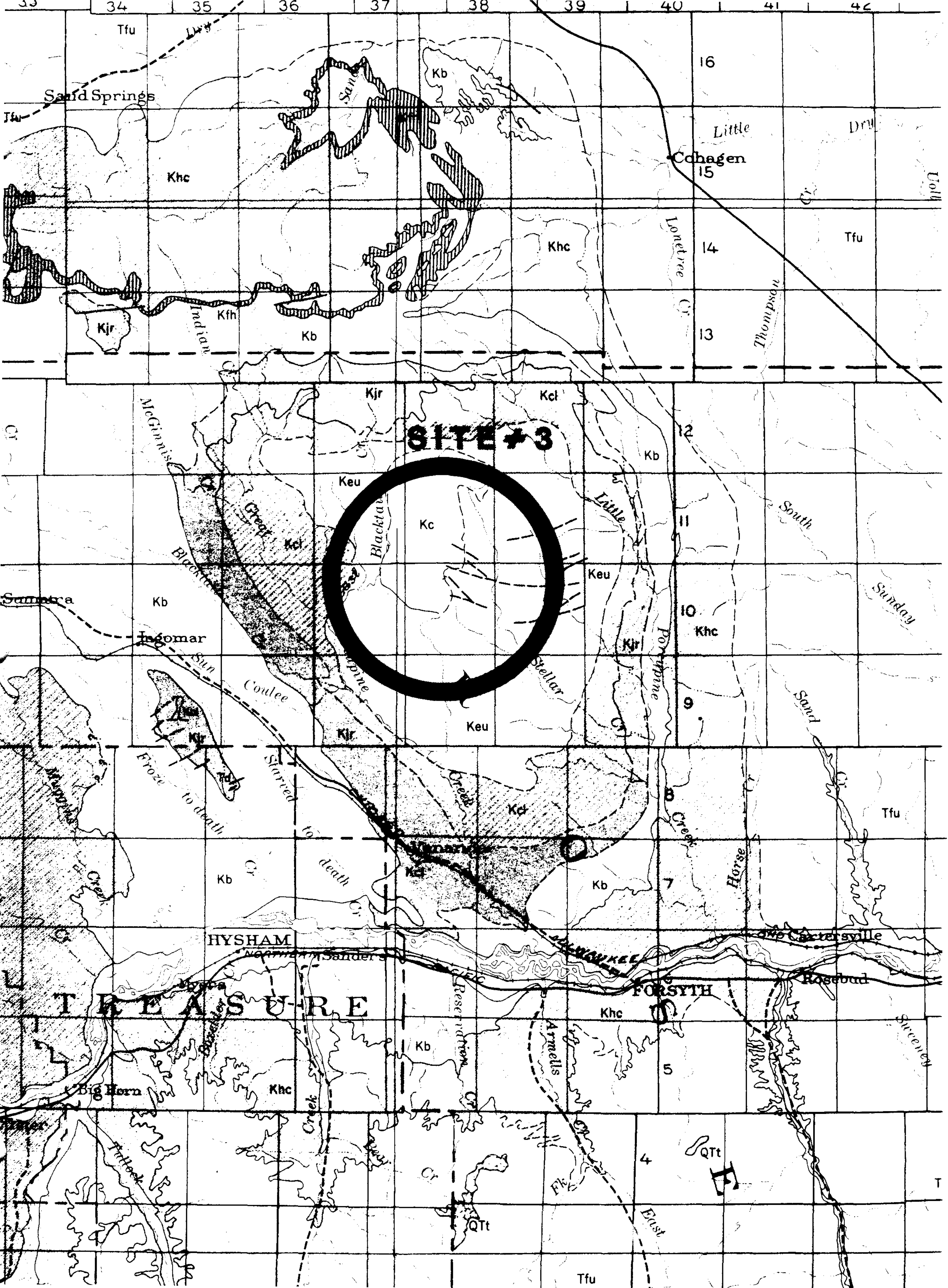
2708
2844
2757
2959
2700
2765
3042
2746


SITE #3
Sand Springs
Cohagen
Sumatra
Ingomar
HYSHAM
Sanders
Myers
FORSYTH
Cartersville
Rosebud
Big Horn
TREASURE
Little Dry
Lonetree Cr
Thompson
Indian Cr
McGinnis Cr
Great Blacktail
Blacktail
Porcupine
Stellar
Little Porcupine Cr
South Sunday
Sand Cr
Horse Cr
Sun Coulee
Froze to death Cr
Starved to death Cr
Reservation Cr
Armells Cr
East Fk
Tullock
Sweeney
MILWAUKEE
Tfu
Kb
Khc
Kfh
Kjr
Kcl
Keu
Kc
Kbl
QTt
16
15
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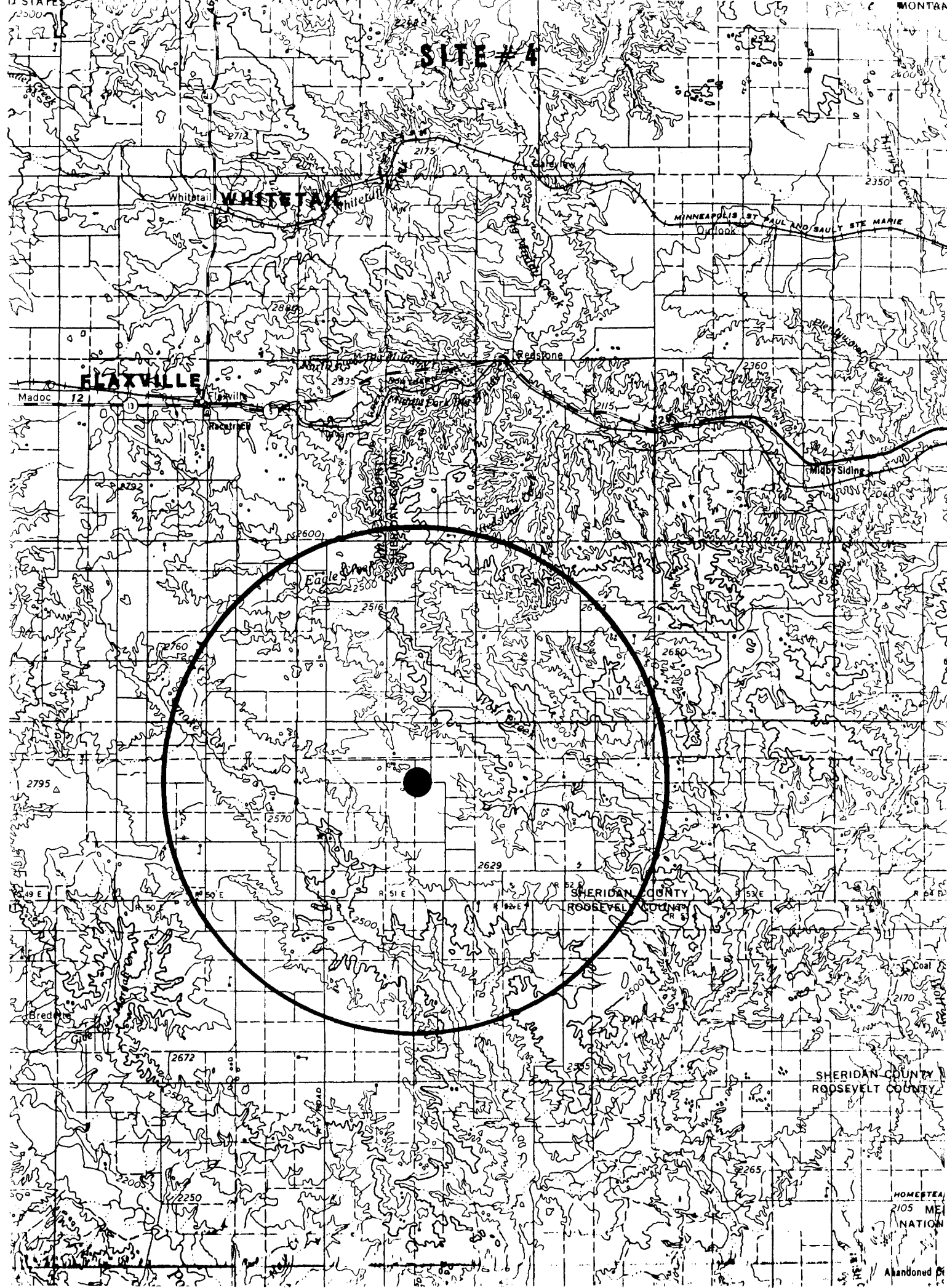
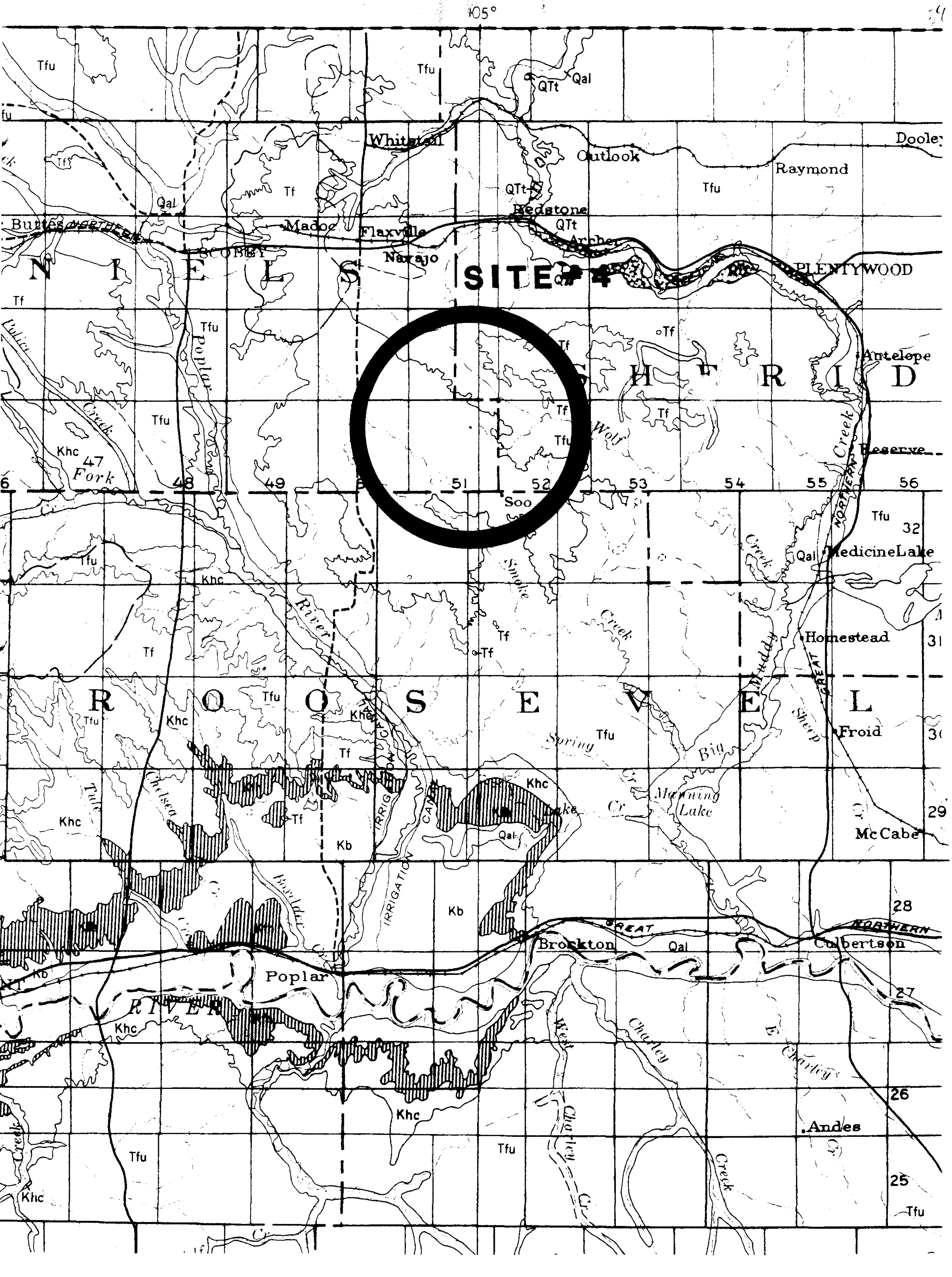

SITE #4
WHITETAIL
FLAXVILLE
Whitetail
Flaxville
Madoc
Redstone
Outlook
Midby Siding
Eagle Creek
SHERIDAN COUNTY
ROOSEVELT COUNTY
MINNEAPOLIS ST PAUL AND SAULT STE MARIE
Coal
SHERIDAN COUNTY
ROOSEVELT COUNTY



105°
SITE#4
Whitetail
Outlook
Dooley
Raymond
Redstone
Buttes
Madoc
Flaxville
Scobey
Navajo
Archer
PLENTYWOOD
Antelope
Reserve
Medicine Lake
Homestead
Froid
McCabe
Brockton
Poplar
Culbertson
Andes
Soo
N I E L S
S H E R I D A N
R O O S E V E L T
Poplar
Creek
Fork
River
Smoke
Creek
Wolf
Spring
Big
Muddy
Sheep
Creek
Manning Lake
Lake
Chelsea
Tule
Boulder
IRRIGATION CANAL
West
Charley
E. Charley
Creek
GREAT NORTHERN
Tfu
Tf
Qal
QTt
Khc
Kb
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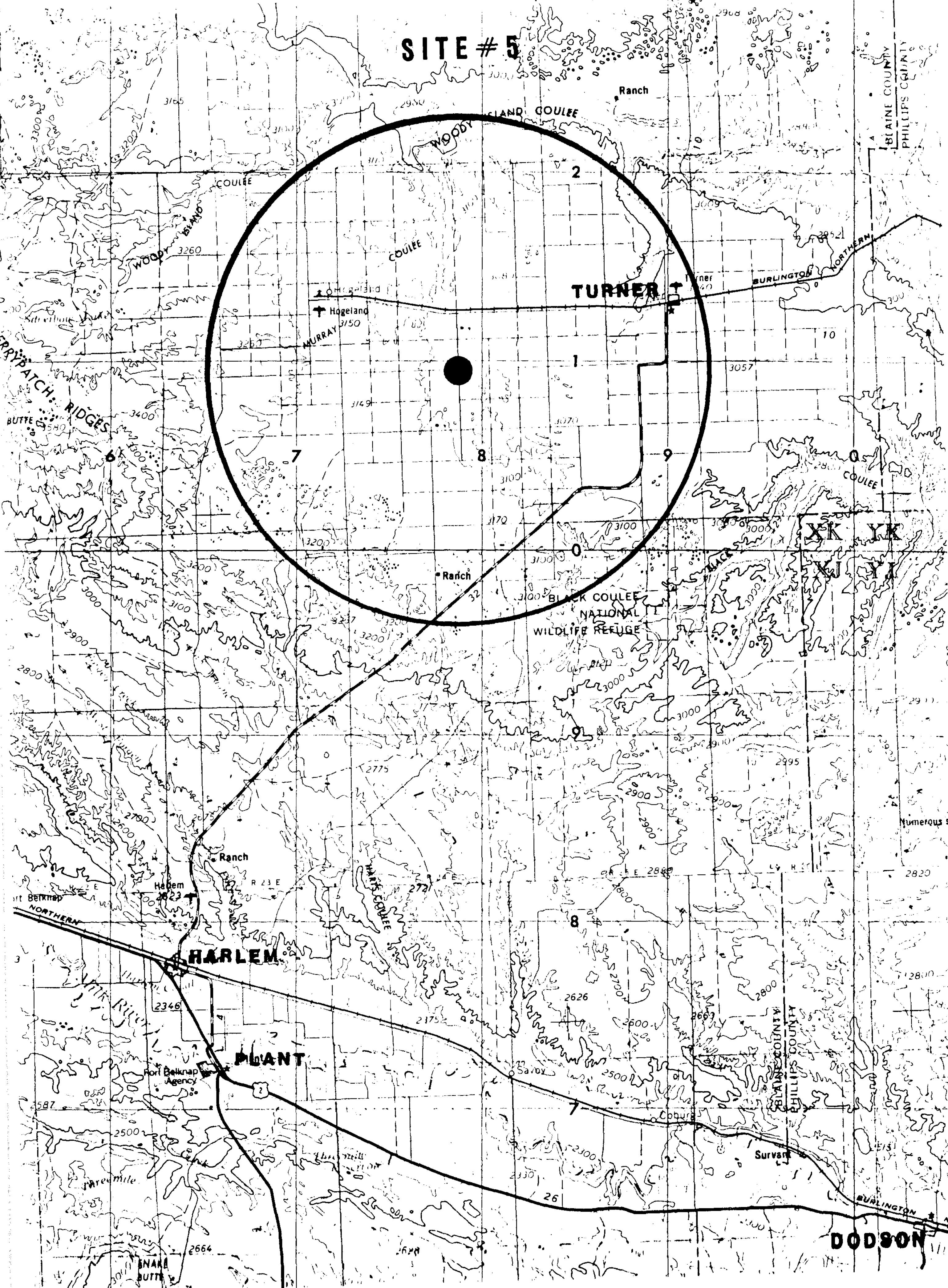
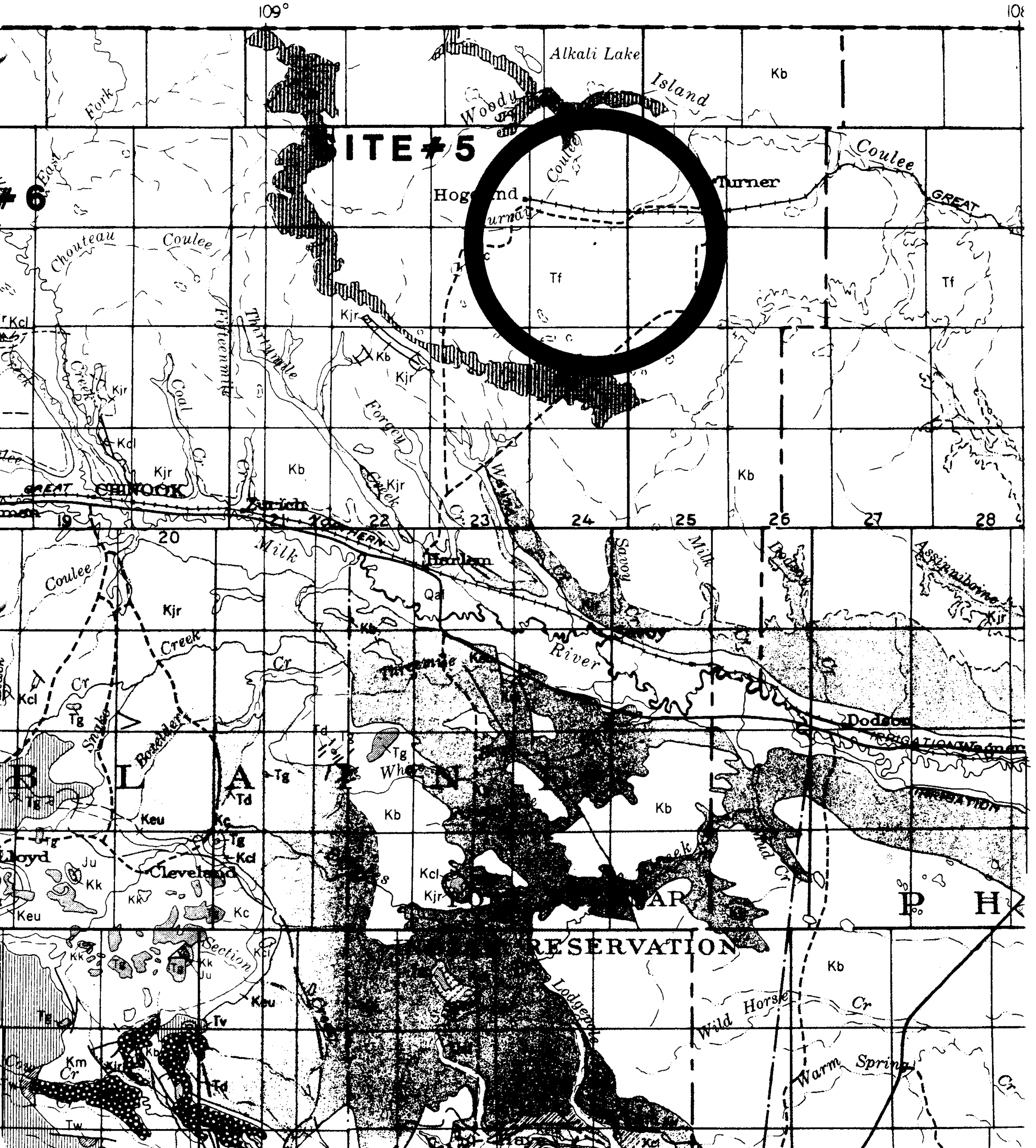
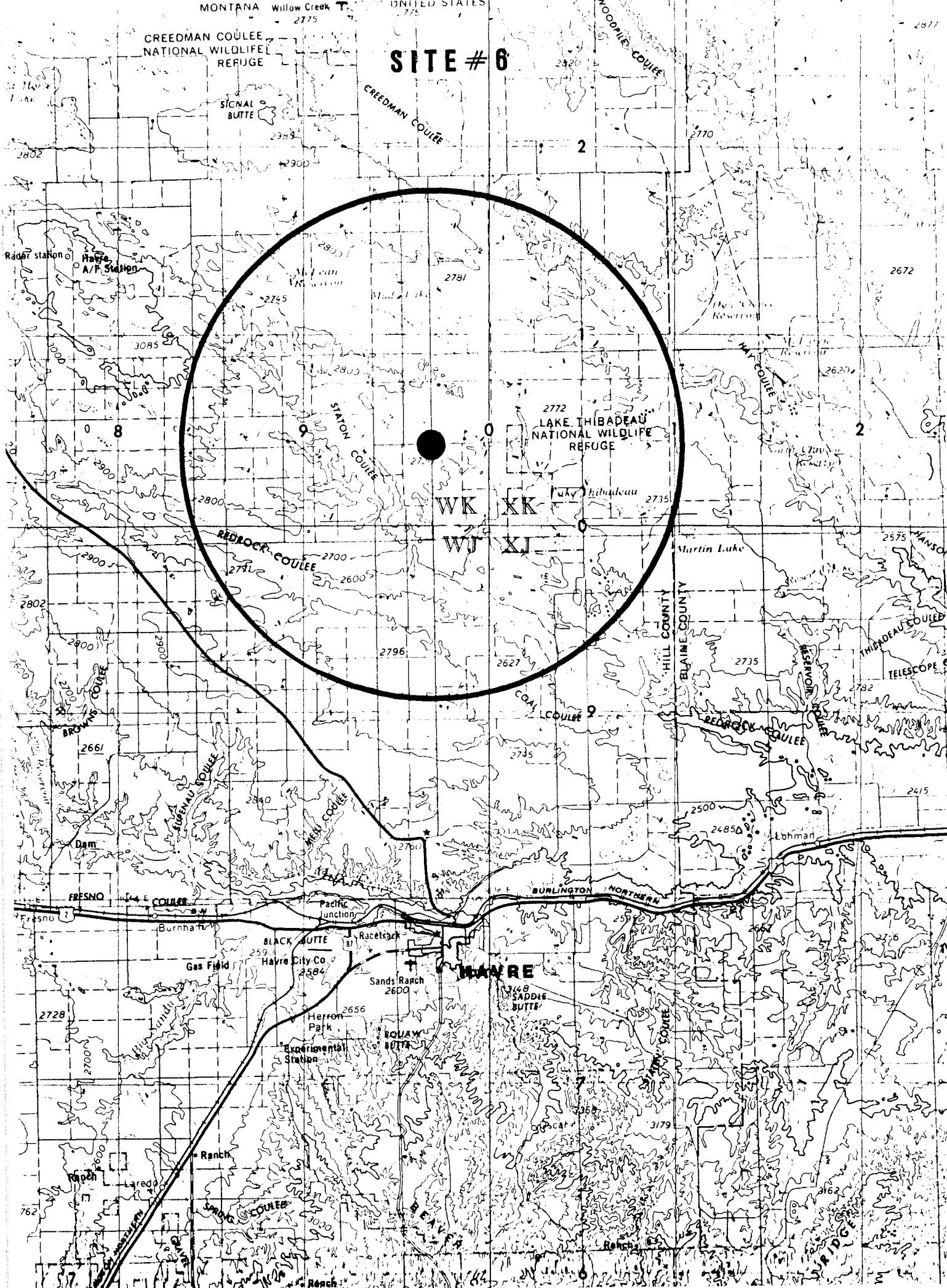
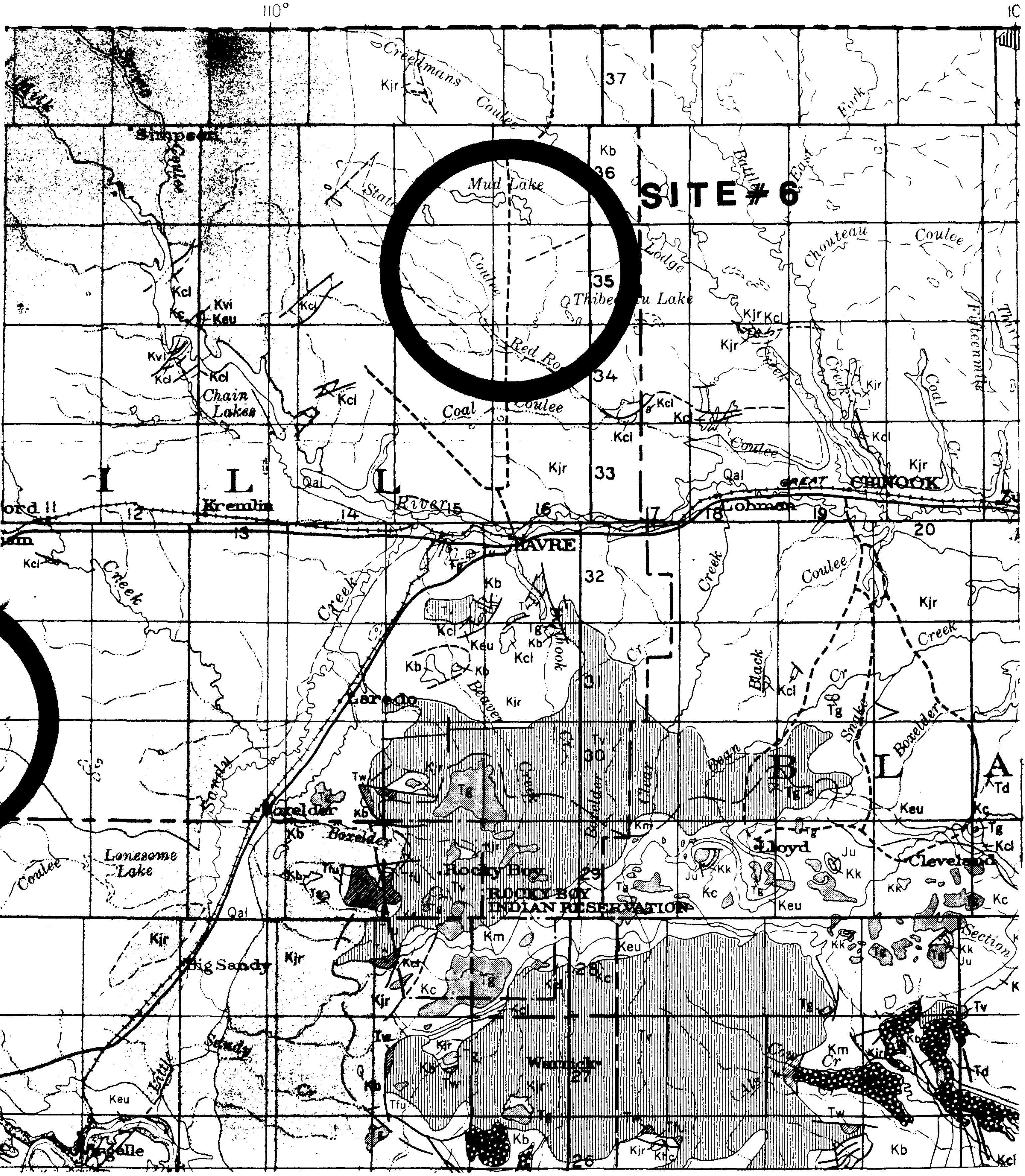
27
26
25

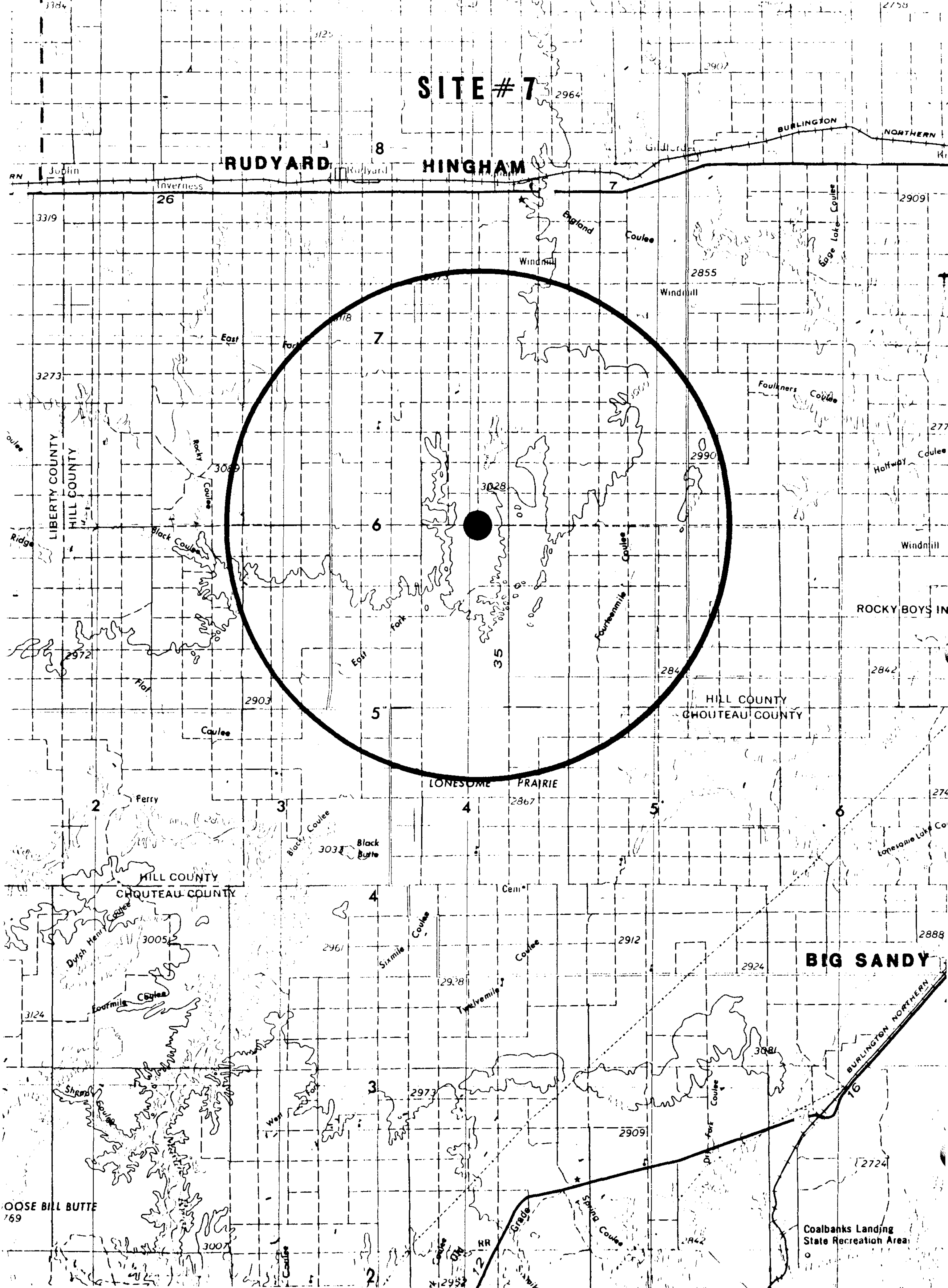

SITE # 5
Ranch
WOODY ISLAND COULEE
BLAINE COUNTY
PHILLIPS COUNTY
COULEE
COULEE
TURNER
BURLINGTON NORTHERN
Hogeland
MURRAY
RIDGES
Ranch
BLACK COULEE NATIONAL WILDLIFE REFUGE
Ranch
Harlem
R 23 E
HARLEM
NORTHERN
PLANT
Fort Belknap Agency
Savoy
Coburg
Survant
BLAINE COUNTY
PHILLIPS COUNTY
BURLINGTON
DODSON
Numerous
SNAKE BUTTE


SITE #5
#6
109°
Alkali Lake
Woody Island Coulee
Hogeland
Turner
Coulee
GREAT
Chouteau Coulee
Fifteenmile
Thirtymile
Coal Cr.
Forgey Creek
CHINOOK
Zurich
Harlem
Milk River
Savoy
Dodson
Assiniboine
Threemile
Snake Cr
Cleveland
Lloyd
RESERVATION
Lodgepole
Wild Horse Cr
Warm Spring
19
20
21
22
23
24
25
26
27
28


SITE #6
MONTANA
CREEDMAN COULEE NATIONAL WILDLIFE REFUGE
SIGNAL BUTTE
CREEDMAN COULEE
Radar station
Havre A/F Station
STATION COULEE
LAKE THIBADEAU NATIONAL WILDLIFE REFUGE
WK XK
WJ XJ
REDROCK COULEE
Martin Lake
HILL COUNTY
BLAINE COUNTY
THIBADEAU COULEE
RESERVOIR
TELESCOPE
COAL COULEE
BROWNS COULEE
SUSENAU COULEE
MEAN COULEE
Dam
FRESNO COULEE
Fresno
Burnham
Pacific Junction
BURLINGTON NORTHERN
Lohman
BLACK BUTTE
Racetrack
Gas Field
Havre City Co.
Sands Ranch
HAVRE
SADDLE BUTTE
Herron Park
Experimental Station
SQUAW BUTTE
Ranch
Laredo
SPRING COULEE
BEAR PAW RIDGE

1


110°
SITE # 6
Creedmans Coulee
Mud Lake
Thibeau Lake
Red Rock Coulee
Coal Coulee
Lodge Creek
Chouteau Coulee
Simpson
Chain Lakes
Kremlin
HAVRE
CHINOOK
Lohman
Laredo
Box Elder
Lonesome Lake
Rocky Boy
ROCKY BOY INDIAN RESERVATION
Big Sandy
Lloyd
Cleveland
Warrick
Big Sandy Creek
Little Sandy Creek
Clear Creek
Boxelder Creek
Snake Creek
Black Coulee
Beaver Creek
Milk River
Fifteenmile Creek
East Fork



SITE #7
RUDYARD
HINGHAM
Joplin
Rudyard
Inverness
Gildford
BURLINGTON
NORTHERN
England
Coulee
Windmill
2855
2964
2909
3319
3273
Sage Lake Coulee
East
Fork
Faulkners Coulee
LIBERTY COUNTY
HILL COUNTY
Rocky
Coulee
3089
Black Coulee
Ridge
2990
3028
Halfway Coulee
Windmill
Fourteenmile
ROCKY BOYS IN
2972
Flat
Coulee
2903
East
Fork
2842
HILL COUNTY
CHOUTEAU COUNTY
LONESOME PRAIRIE
2867
Perry
Black Coulee
3031
Black Butte
Lonesome Lake Co
HILL COUNTY
CHOUTEAU COUNTY
Cem
Dutch Henry Coulee
3005
2961
Sixmile
Coulee
2912
2924
BIG SANDY
2888
Fourmile Coulee
Twelvemile
3124
Sheep Coulee
West Fork
2973
3081
2909
BURLINGTON NORTHERN
Coulee
Dry Fork
2724
OOSE BILL BUTTE
769
Grade
Spring Coulee
3007
RR
Coalbanks Landing
State Recreation Area

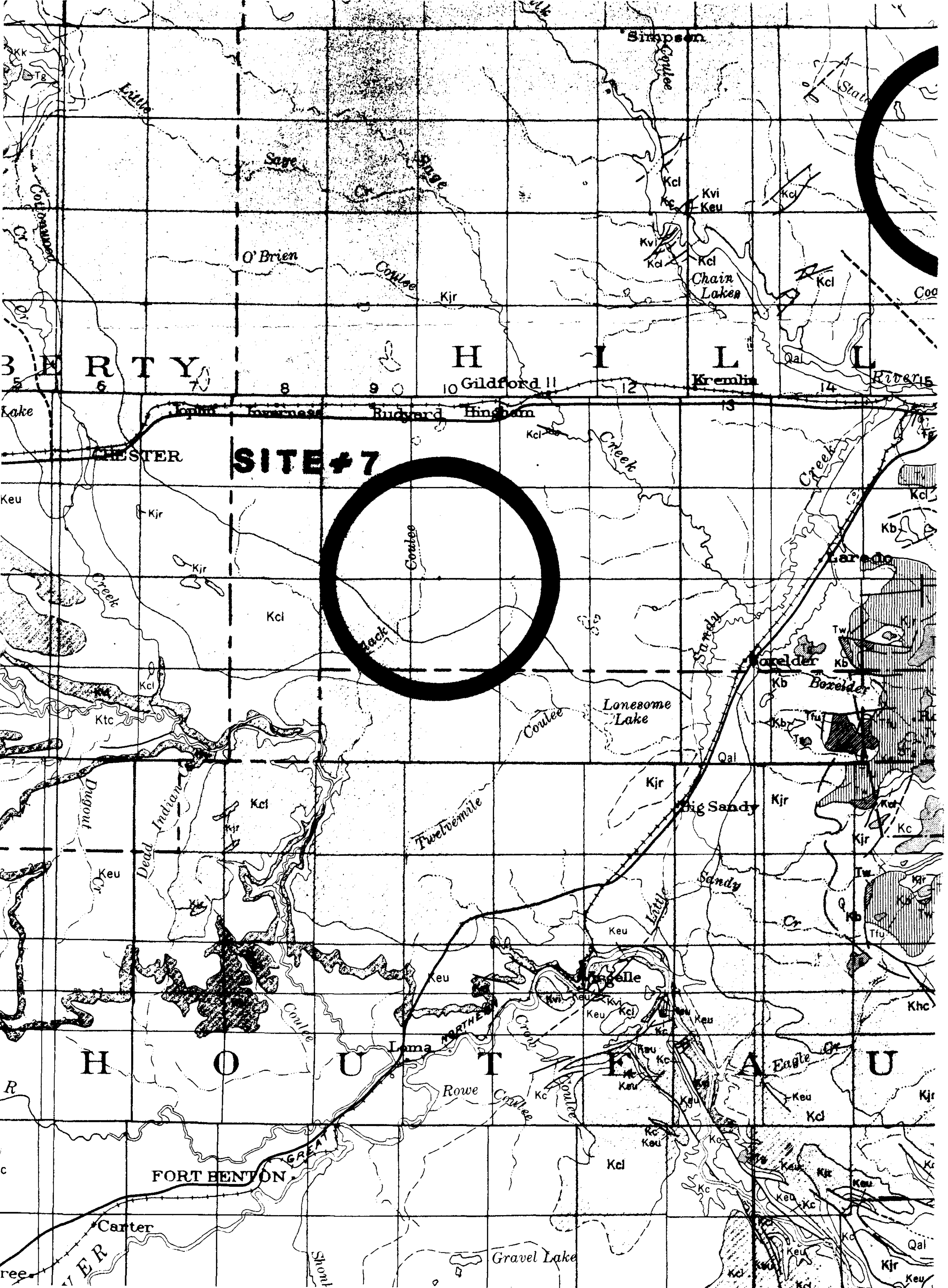

SITE #7
Simpson
Chain Lakes
O'Brien Coulee
Sage Cr
Little Sage
Cottonwood Cr
B E R T Y H I L L
Gildford
Kremlin
Joplin
Inverness
Rudyard
Hingham
CHESTER
Laredo
Boxelder
Lonesome Lake
Big Sandy
Twelvemile
Dead Indian
Dugout Cr
Little Sandy Cr
Loma
Rowe Coulee
Eagle Cr
H O U T E A U
FORT BENTON
Carter
Gravel Lake
GREAT NORTHERN
Kcl
Kjr
Keu
Kvi
Qal
Kb
Kc
Ktc
Tw
Tfu
Khc

EXHIBIT
DATE 3/17/87
HB

GREAT
FALLS AREA
CHAMBER OF COMMERCE

P.O. BOX 2127
926 CENTRAL AVENUE
GREAT FALLS, MONTANA 59403
(406) 761-4434

March 18, 1987

TO: House Business & Labor Committee
Cascade County Legislative Delegation

FROM: Roger W. Young, President

SUBJECT: SUPERCOLLIDER RESEARCH FACILITY FUNDING

The Board of Directors of the Great Falls Area Chamber of Commerce endorses action by the Montana Legislature to appropriate funds so that Montana can be a competitor in the nationwide contest to secure the location of the $4.5 billion Superconducting Super Collider (SSC) research facility. We support HB-867 (Vincent) which will appropriate between $100,000 and $1 million for bid preparation and will establish a task force within the Governor's office to develop the State's proposal. The potential dividends to Montana's economy makes this a project well worth pursuing. Its corollary benefits of bringing together business, labor, academia, and government will be beneficial to the state's long-term economic development efforts whether we in or lose.

EXHIBIT 9
DATE 3-19-87
HB NB 856

Platinum boom in Montana?

Montana is on its way to becoming the platinum mining center of the western hemisphere.

This development is not only important to the Treasure State, but it also could be significant in making the United States less dependent on foreign suppliers of the vital metal.

Platinum traditionally has been used for making jewelry and scientific instruments. But it has taken on added importance in recent years because it is essential to catalytic converters, which are required on new automobiles to keep the air clean. Another rare metal, palladium, is commonly found in association with platinum and it too is used in catalytic converters.

Work is under way on developing a platinum-palladium mine on the headwaters of the Stillwater River in southcentral Montana. The potential for such a mine has long existed — the area was mined during World War II for its chromium reserves and a stockpile was built up but was never refined. Only in the past few years have developers determined that platinum is available there in commercial quantities.

There is also a report this week that an exploration firm has discovered a major platinum deposit in the Tobacco Root Mountains in Madison County that looks promising.

Until platinum development started in Montana, the world's only significant deposits were in South Africa and the Soviet Union. We needn't remind anyone that those sources of supply are considered unreliable for American industry.

There is one problem remaining, according to the Des Moines Register: The United States has no smelter capable of converting the concentrate from Montana mines into pure platinum and palladium. The material must be shipped to high-precision smelters in Belgium and Norway and the refined product then is sent back to America. This is a costly and time-consuming process.

Once a steady supply of domestic platinum ore is assured, it should become ecomomically feasible to build a smelter in the United States, the Iowa newspaper editorialized recently.

Given the vagaries of international trade and geopolitics, keeping the entire process within this nation's boundaries would be a prudent and economical approach.

This is speculation on our part, but we hope that a smelter could be developed in Montana.

Since the ore comes from the Treasure State, it would be very much in our interest to turn out the finished product as well.

EXHIBIT 10
DATE 3/16/87
HB 864

NATIONAL DATA ON THOSE INDUSTRIES SIGNIFICANTLY REPRESENTED IN MONTANA

ANALYSIS OF CHANGING EMPLOYMENT

INDUSTRY	ACTUAL 1959	ACTUAL 1969	ACTUAL 1979	ACTUAL 1984	PROJECTED 1990 LOW	PROJECTED 1990 MODERATE	PROJECTED 1990 HIGH	PROJECTED 1995 LOW	PROJECTED 1995 MODERATE	PROJECTED 1995 HIGH
OTHER	24418	27698	30686	29929	30173	31322	32136	30803	32429	33887
TRADE	13492	16671	22311	24290	25990	27106	27706	26847	28272	29545
TOTAL MEDICAL SERVICES	1930	3248	5392	6472	7342	7640	7784	7916	8332	8707
TRADITIONAL MT	11835	10269	10883	10358	10123	10441	10601	9984	10431	10794
HIGH TECH	1083	1668	2019	2445	2837	2957	3004	3059	3207	3318
INFORMATION	7992	11159	15835	18981	21475	22295	22718	23466	24662	25704
TOTAL	60750	70713	87126	92475	97940	101761	103949	102075	107333	111955

NOTES:
TRADITIONAL MT INCLUDES TRUCKING
INFORMATION INCLUDES NONCOMMERCIAL ORGANIZATIONS

INDUSTRY	CHANGE 1984 TO 1990	CHANGE 1984 TO 1995	CHANGE 1990 TO 1995	% OF TOTAL CHANGE 84-90	% OF TOTAL CHANGE 84-95	% OF TOTAL CHANGE 90-95	RATE OF CHANGE 84-90	RATE OF CHANGE 84-95	RATE OF CHANGE 90-95
OTHER	1393	2500	1107	15.00%	16.83%	19.87%	4.65%	8.35%	3.53%
TRADE	2816	3982	1166	30.33%	26.80%	20.93%	11.59%	16.39%	4.30%
TOTAL MEDICAL SERVICES	1168	1860	692	12.58%	12.52%	12.42%	18.05%	28.74%	9.06%
TRADITIONAL MT	83	73	-10	0.89%	0.49%	-0.18%	0.80%	0.70%	-0.10%
HIGH TECH	512	762	250	5.51%	5.13%	4.49%	20.94%	31.17%	8.45%
INFORMATION	3314	5681	2367	35.69%	38.24%	42.48%	17.46%	29.93%	10.62%
TOTAL	9286	14858	5572	100.00%	100.00%	100.00%	10.04%	16.07%	5.48%

% of new jobs

NOTES:
TRADITIONAL MT INCLUDES TRUCKING
INFORMATION INCLUDES NONCOMMERCIAL ORGANIZATIONS

INDUSTRY	SHARE OF JOBS 1984	SHARE OF JOBS 1990	SHARE OF JOBS 1995
OTHER	32.36%	30.78%	30.21%
TRADE	26.27%	26.64%	26.34%
TOTAL MEDICAL SERVICES	7.00%	7.51%	7.76%
TRADITIONAL MT	11.20%	10.26%	9.72%
HIGH TECH	2.64%	2.91%	2.99%
INFORMATION	20.53%	21.91%	22.98%
TOTAL	100.00%	100.00%	100.00%

NOTES:
TRADITIONAL MT INCLUDES TRUCKING
INFORMATION INCLUDES NONCOMMERCIAL ORGANIZATIONS

US DEPARTMENT OF LABOR

VISITORS' REGISTER

BUSINESS AND LABOR COMMITTEE

BILL NO. HOUSE BILL NO. 867 DATE March 19, 1987

SPONSOR Rep. John Vincent

NAME (please print)	REPRESENTING	SUPPORT	OPPOSE
		✓	
		✓	
		✓	
		✓	
		✓	
Henry McClernan	MT Tech	✓	
Paul Schmechel	MT Ambassadors	✓	
		✓	
		✓	
		✓	
		✓	
		✓	
		✓	
		✓	
		✓	

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR WITNESS STATEMENT FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

VISITORS' REGISTER

BUSINESS AND LABOR COMMITTEE

BILL NO. HJR 42 DATE MARCH 18, 1987

SPONSOR Rep. John Vincent

NAME (please print)	REPRESENTING	SUPPORT	OPPOSE
[illegible]			
Tom Stephens	MT Int'l Trade Comm		

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR WITNESS STATEMENT FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

VISITORS' REGISTER

BUSINESS AND LABOR COMMITTEE

BILL NO. HOUSE BILL NO. 854 DATE March 19, 1987

SPONSOR Rep. John Vincent

NAME (please print)	REPRESENTING	SUPPORT	OPPOSE
[illegible]	[illegible]	X	

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR WITNESS STATEMENT FORM

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

VISITORS' REGISTER

BUSINESS AND LABOR COMMITTEE

BILL NO. House Bill No. 855 DATE March 19, 1987

SPONSOR Rep. John Vincent

NAME (please print)	REPRESENTING	SUPPORT	OPPOSE
Tom Stapleton	Mont. Retail Assn	X	

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR WITNESS STATEMENT FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

VISITORS' REGISTER

BUSINESS AND LABOR COMMITTEE

BILL NO. HOUSE BILL NO. 856 DATE March 19, 1987

SPONSOR Rep. John Vincent

NAME (please print)	REPRESENTING	SUPPORT	OPPOSE

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR WITNESS STATEMENT FORM

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

VISITORS' REGISTER

BUSINESS AND LABOR COMMITTEE

BILL NO. HOUSE BILL NO. 869 DATE March 19, 1987

SPONSOR Rep. John Vincent

NAME (please print)	REPRESENTING	SUPPORT	OPPOSE

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR WITNESS STATEMENT FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

CS-33

VISITORS' REGISTER

BUSINESS AND LABOR COMMITTEE

BILL NO. HOUSE BILL NO. 867 DATE MARCH 19, 1987

SPONSOR Rep. John Vincent

NAME (please print)	REPRESENTING	SUPPORT	OPPOSE
Ron Ingels	Mt. Chamber of Commerce	X	
Bryan M. Endele	Missoula Chamber of Commerce	✓	
Alan D Evans	Mont Ind Dev Assn	✓	

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR WITNESS STATEMENT FORM

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

CS-33

MEETING MINUTES
WORKERS COMPENSATION SUBCOMMITTEE
MARCH 19, 1987

The meeting of the Workers' Compensation subcommittee was called to order at 12:40 p.m. on March 19, 1987 in room 312f of the state capitol building by Chairman Glaser.

Rep Grinde was excused, all other members were present.

SENATE BILL 315

(6a:300) Chad Smith, Montana Hospital Association, read his prepared text, exhibit 2, in support of amending SB 315 to delete section 25 which begins on page 41, line 11. This section proposes on page 42 to establish rates for hospital services for treatment of injured workers, and proposes on page 43 to freeze all charges by medical providers for a period of two (2) years beginning January, 1988. The association's stance is that neither of these proposals are just or necessary, and Mr Smith briefly covered six (6) points in his testimony in support of that conclusion.

(6a:507) Rep Nisbet asked is there was a conflict between what had been added on page 42 in subsection 3 and what is contained in 39-71-309. He asked if there were any codification instructions that would indicate which two (2) sections of the law would be followed. Bob Robinson, administrator of the Workers' Compensation Division (WCD), answered that this section was put into the legislation on the advice of the Workers Compensation Advisory Council (WCAC), He added that in recognizing the cost situation that all insurers are facing, roughly 25% of the cost of an accident are medical and hospital expenses.

(6a:556) Mr Robinson stated the department proposes to piggy back on an existing rate system, i.e. medicaid or the Montana Rate Review system. He stated he did not want to create "new staff" to establish rates for medical providers.

(6a:581) Mr Smith noted his association was concerned with having to seek the balance of charges not paid from the injured worker. He stated they felt that would be contrary to the general intent of this act. He stated they would be applying a hardship on that individual, since he is already out of work, and they would be putting pressure on the injured worker's other property for payment of charges.

(6a:615) Rep Nisbet asked if the utilization of the Hospital Rate Review System would be acceptable to the hospital

association. Mr Smith noted that not all of the hospitals in the state are under this review system.

(6b:000) Jim Murphy, bureau chief of the State Fund, WCD, stated by law a medical provider cannot charge an injured worker for services that are not covered by insurance.

Mr Smith stated there is no statute in law stating that.

George Wood, Montana Self Insurers Association, noted that in the event that an insurer accepts liability for the claim, no charges will be made to the injured worker. He said the subsequent section states in the event of a dispute between the provider of the medical benefits and the payee, it is a matter of a dispute for hearing.

Discussion continued on the adoption of a fee schedule for medical providers and the current fee system provided by medical providers,

Mr Smith noted that the doctor prescribes the hospital and services to be provided to the injured worker, that the hospital does not have the opportunity to decide what services will be performed. He also stated hospitals can accept assignment of payment in full and also bill the claimant.

(6b:070) Rep Smith stated he could not believe that any hospital, on a large hospital bill, would give up an assignment from an insurance company to go after an injured worker. Mr Smith stated they have the opportunity, and it would depend on the individual hospital, the extent of the charge, the liability the hospital assumes by treating the individual. He added the position of the hospitals is generally that they will not turn down any patient, and in exchange for that they expect to be paid a fair rate for treatment of that individual, not a discounted amount.

Rehabilitation

(6b:084) Jim Murray then presented an overview of section 34 through 47 on rehabilitation. He covered graphs and charts relative to the WC system, noting a 352% increase since 1979 on temporary total claims. He also described court cases that have impacted the system. He stated the new law ties rehabilitation to benefits.

(6b:215) He stated the legislation provides for an evaluation by a rehab provider based on criteria and priorities of section 36 of the legislation, taken in order. The bill provides for 26 weeks for the evaluation, and the division can extend that period of time. The injured worker receives

total rehabilitation benefits, or the temporary total rate, during that time.

(6b:303) Mr Murray continued that while the injured worker is in training, he would still receive permanent partial benefits, topped off by partial rehabilitation benefits, which would get the injured worker back to the temporary total maximum rate again. After training the worker would then be eligible for the remaining 500 weeks of wage supplemental benefits based on a determination of wage loss.

Mr Murray continued with section 46 on auxiliary rehab benefits, up to a $4,000 limit, which would be paid by the insurer.

(6b:374) Rep Driscoll asked for clarification of the term "implement a rehabilitation program". Mr Murphy stated that it would be anything that would be appropriate in this section to meet those priorities.

Discussion continued on scenarios of injured workers and the system of services that would be provided over time lines established in the bill, on incentives in the system for the insurer and the injured worker, and the resolution of disputes over rehabilitation programs.

Occupational Diseases

(6b:566) Discussion followed on the payment schedule of benefits to those injured through occupational diseases, the differences between high and low paying jobs in the determination of benefits, comparison of the system as it operates today and what is and is not changed under the legislation.

Mr Murphy stated there may be a need to take of technical problems, including some concerning 309.

(7a:022) Rep Driscoll asked for Betsy Griffing, staff attorney, Legislative Council, to determine if there was a need to amend the unemployment insurance law; which currently states if you are drawing permanent partial benefits and you are laid off your job, you can also draw unemployment insurance.

(7a:066) Mr Fenderson, _____, where is he from?, present a situation he was aware of where an individual was injured on the job, went back to work, and after eight (8) years of problems with his injury, was unable to perform his job. He has applied for benefits but was unable to live on the amount determined for compensation. He then returned to work under very painful circumstances, and is currently working under those circumstances. Discussion

continued on this situation and the determination of premiums on the older rates.

(7a:211) Rep Driscoll stated this instance was another case of a worker not getting an attorney to represent him and being taken by the system.

The meeting was adjourned at 2:00 p.m. (7a:230)

_____

Bill Glaser, Chairman

bg/gmc/3.19 DRAFT

DAILY ROLL CALL

WORKERS COMPENSATION SUBCOMMITTEE

50th LEGISLATIVE SESSION -- 1987

Date March 19, 1987

NAME	PRESENT	ABSENT	EXCUSED
Rep William Glaser	X		
Rep Jerry Driscoll	X		
Rep Larry Grinde			X
Rep Jerry Nisbet	X		
Rep Clyde Smith	X		

3/19/87
SB 315

Amendments to Senate Bill 315
Third reading copy (blue)
House Labor Subcommittee

1. Page 16, line 13.
Strike: "(6)"
Insert: (d)

2. Page 32, line 3.
Strike: "39-71-61"
Insert: "39-71-611"

3. Page 35, line 17.
Following: "more"
Strike: "that"
Insert: "than"

4. Page 35, line 22.
Following: "subsection (3)"
Insert: "and subsection (5)"

5. Page 36, lines 4 and 5.
Following: "disability"
Insert: "--impairment awards and wage supplements."

6. Page 39, line 14.
Following: "request of"
Strike: "he"
Insert: "the"

7. Page 39, line 23.
Strike: "10"
Insert: "30"

8. Page 40, line 25.
Strike: "a workers'"
Insert: "the"

9. Page 41, line 1.
Following: "subsection"
Strike: "(3)(b)(ii) or(3)(b)(iii)"
Insert: "(3)(b)(i) or (3)(b)(ii)"

10. Page 41, line 4.
Following: "subsection"
Strike: "(3)(b)(iii)"
Insert: "(3)(b)(ii)"

11. Page 67, line 15.
Strike: "nd"
Insert: "and"

12. Page 83, line 16.
Following: "~~employment~~"
Strike: "harm"
Insert: "injury"

13. Page 92.
Following line 7.
Insert: "(2) Section 8 is intended to be codified as an integral part of Title 39, chapter 71, part 2, and the provisions of Title 39, chapter 71, part 2, apply to section 8."

S 3/5

STATEMENT IN SUPPORT OF AMENDMENTS TO THIRD READING COPY
OF SENATE BILL 315

Senate Bill 315 should be amended to delete Section 25 which begins on page 41, line 11. This section proposes on page 42 to establish rates for hospital services for treatment of injured workers, and proposes on page 43 to freeze all charges by medical providers for a period of 2 years beginning January, 1988. Neither of these proposals are just or necessary.

Briefly stated, the reasons for deleting Section 25 of the Bill are as follows:

1. Present law (Section 39-71-309), in effect since 1973, provides that all hospitals must submit a schedule of charges annually to the Workers Compensation Division for treatment of injured workers to be in effect for a 12-month period and must not charge more for treatment of injured workers than is charged for treatment of private pay patients. This gives the Division a means of supervision of hospital charges which has worked well for 14 years. The Division has never complained about the operation of this statute without rate setting. A copy of Section 39-71-309 is attached for your ready reference.

2. Present law (Section 39-71-704(2), shown on page 42, lines 3 through 7 of the Bill), establishes a fee schedule for provider fees, but excludes hospital charges. This statute has been in effect since 1981. The Workers Compensation Division willingly agreed to exclude hospitals and has not indicated any problem with this arrangement over the past 6 years. It is readily recognized that providers who serve for a profit can absorb some loss by rate cutting, but nonprofit hospitals cannot.

3. Most Montana hospitals submit all rates for service to the Montana Hospital Rate Review System for determination of necessity. The System represents health insurers, government agencies, consumers and providers for the purpose of reviewing hospital rates to be certain that they are justified. The process is a very complicated and exacting process which takes a great deal of time and research. The approved charges serve as a standard for all Montana hospitals, large and small.

4. Montana hospitals are nonprofit corporations whose charges are set to meet costs and expenses of operation only. There are no shareholders or dividends. If charges are cut for any class of patients, charges must go up for others. This is commonly referred to as cost shifting. It is unfair and imposes a hardship on private pay patients who do not receive some kind of government assistance. Generally the extra cost is an amount over that paid by health care insurers and is an additional charge upon people who are trying to pay their own way. If the total hospital bill is covered by insurance, then the extra charge works to increase the premium required.

5. Hospital costs cannot be reduced by shifting the load from one patient to another. In a nonprofit setting, costs can only be cut by reducing the service. Certainly no one expects Montana's injured workers to receive less than the best service available. In recent years, Montana Hospitals have cut personnel and other costs in every way practical and presently Montana rates 46th in the United States in terms of average hospital costs and average charges per patient stay. Further overall cuts would seriously affect the quality of care.

6. The first 7 lines on page 43 of the Bill, which would provide a freeze on provider charges for two years, should also be deleted. The argument against this provision is the same as stated above because it would place all inflationary costs of operation on the private pay patient during the two-year freeze. Hospitals are helpless to avoid inflationary costs. Costs of living increases to employees and increased cost of supplies are inevitable. They must be equitably applied to the patients receiving the service and the supplies.

Therefore, the Montana Hospital Association asks that you delete Section 25, which contains the above-mentioned provisions, and allow the present provisions to continue to operate. Hospital charges for injured workers cannot exceed charges for private pay patients and should not be less. Please do not pass a portion of the cost on to the private citizens who are sick and struggling to carry their own load.

Presented by

CHADWICK H. SMITH
REGISTERED LOBBYIST FOR THE
MONTANA HOSPITAL ASSOCIATION
442-2980

increased the assessment amount from $25 to $75.

Cross-References
"Division" defined, 39-71-116.
"Payroll" defined, 39-71-116.
"Public corporation" defined, 39-71-116.

39-71-309. Hospitals to submit schedule of fees and charges — effective period of schedule — when to be submitted. All hospitals must submit to the division a schedule of fees and charges for treatment of injured workers to be in effect for at least a 12-month period unless the division and the hospital agree to interim amendments of the schedule. The schedule must be submitted at least 30 days prior to its effective date and may not exceed the charges prevailing in the hospital for similar treatment of private patients.

History: En. 92-706.1 by Sec. 1, Ch. 252, L. 1973; amd. Sec. 1, Ch. 43, L. 1975; amd. Sec. 1, Ch. 189, L. 1975; R.C.M. 1947, 92-706.1(2); amd. Sec. 57, Ch. 397, L. 1979.

Cross-References
"Division" defined, 39-71-116.