

MINUTES

**MONTANA HOUSE OF REPRESENTATIVES
54th LEGISLATURE - REGULAR SESSION**

COMMITTEE ON STATE ADMINISTRATION

Call to Order: By **CHAIRMAN RICHARD SIMPKINS**, on March 9, 1995,
at 8:40 A.M.

ROLL CALL

Members Present:

Rep. Richard D. Simpkins, Chairman (R)
Rep. Matt Denny, Vice Chairman (Majority) (R)
Rep. Dore Schwinden, Vice Chairman (Minority) (D)
Rep. Matt Brainard (R)
Rep. Patrick G. Galvin (D)
Rep. Dick Green (R)
Rep. Antoinette R. Hagener (D)
Rep. Harriet Hayne (R)
Rep. Sam Kitzenberg (R)
Rep. Bonnie Martinez (R)
Rep. Gay Ann Masolo (R)
Rep. William Rehbein, Jr. (R)
Rep. George Heavy Runner (D)
Rep. Susan L. Smith (R)
Rep. Jay Stovall (R)
Rep. Joe Tropila (D)

Members Excused: Rep. Carolyn Squires (D)
Rep. Lila Taylor (R)

Members Absent: none

Staff Present: Sheri Heffelfinger, Legislative Council
Christen Vincent, Committee Secretary

Please Note: These are summary minutes. Testimony and
discussion are paraphrased and condensed.

Committee Business Summary:

Hearing: SB 234
Executive Action: SB 221, SB 357

{Tape: 1; Side: A.}

EXECUTIVE ACTION ON SB 221

Motion: REP. PAT GALVIN MOVED SB 221 BE CONCURRED IN.

Discussion:

REP. PAT GALVIN stated the basic patrolman climbs the career ladder steadily. He can catch up and pass the sergeant before he starts gaining.

REP. SUSAN SMITH stated she was unable to be in the committee hearing for the bill. It was her understanding as people go up the ladder they do more paper shuffling than actually going out and dealing with arrests. She asked if this was true.

CHAIRMAN SIMPKINS stated that wasn't necessarily so. He asked **REP. GALVIN** to give an explanation.

REP. GALVIN stated it depends on what their assignment is. He gave an example of a man in Great Falls who was ill and was the paper shuffler.

CHAIRMAN SIMPKINS stated the city of Great Falls only has one paper shuffler.

REP. SMITH asked if they are paid and so if they receive more money for being in the office shuffling paper.

REP. GALVIN replied they are not paid much more. He stated the basic officer climbs steadily. By the time one person got to a certain point, his sergeant is climbing steadily. Finally after a certain number of years, the first person starts climbing. He stated these were ad hoc raises. He stated this bill is the last ad hoc adjustment and with GABA, under HB 268, the increase would become 1.5%.

REP. JAY STOVALL stated the way he understood the bill was that some people on retirement don't get an increase in their retirement pay for many years.

REP. MATT DENNY asked if the committee were to pass this bill would it then be sent to the appropriations committee.

CHAIRMAN SIMPKINS stated if the bill passes from the committee he would request that on second reading it be moved to the appropriations committee so that it wouldn't be debated on the floor before that committee had a chance to look at it.

REP. DENNY asked if the committee was just voting on the mechanics of the bill, not the money incurred with the bill, would the appropriations committee decide the dollar amount.

CHAIRMAN SIMPKINS stated he was correct and said **Sheri Heffelfinger** had researched the police officers' system. The police officers' system was taken over by the state in 1977 because of financial trouble. He stated when a person looks at this, they had set up two different systems. The committee

needed to look back at past legislative sessions to look at the ad hocs. Originally, it seems like they may have set this system up to keep it financially solvent and bring it back in line. Meanwhile all of the ad hocs have created havoc in the system. He stated it was his recommendation to send this bill to appropriations for them to figure out the dollar amounts to go with this bill. At the same time he was trying to line them up the best they can. He stated he thought by the time they leave the legislature this time they should have the retirement systems in better shape than they have been in the past 20 to 30 years. He stated the retirement systems will be more understandable and will have greater compatibility. He stated they have taken away some benefits that never should have been there. He said at the end of this session the mechanics will be better than they have ever been. He said there was enough money flowing into the system that the unfunded liability will be totally eliminated in a certain number of years. He stated there is no need to put in more money for these systems. If the committee were to look at things such as the financial solvency of the state there should technically not be any unfunded liabilities so they would have to put a lot of money into those things. He stated he couldn't tell the committee what future legislative sessions would do with this, but that he is comfortable with this bill the way it is.

Vote:

MOTION CARRIED 15- 3 WITH REP. GREEN, REP. REHBEIN, AND REP. SMITH VOTING NO AND REP. TAYLOR VOTING YES BY PROXY.

EXECUTIVE ACTION ON HB 357

Motion: MOTION DO CONCUR AS AMENDED MADE BY REP. HEAVY RUNNER.

Motion/Vote: REP. JOE TROPILA MOVED THE AMENDMENT. MOTION CARRIED 13-0 WITH REP. TAYLOR VOTING BY PROXY AND REP. SCHWINDEN, REP. GREEN, REP. HAGENER, REP. MASOLO, AND REP. SQUIRES AS EXCUSED.

Motion/Vote: REP. HARRIET HAYNE MOVED THE AMENDMENT. THE MOTION CARRIED 16-0 WITH REP. TAYLOR VOTING BY PROXY AND REP. SCHWINDEN, REP. SQUIRES EXCUSED.

Vote: MOTION CARRIED 12-5 WITH REP. SQUIRES EXCUSED.

Discussion: By no opposition of the committee, those people who were recorded as excused previously had the option of recording their votes on the two above mentioned bills. REP. DENNY was given the opportunity to record his vote on HB 268 as being yes instead of being excused from the vote. REP. DENNY took over as chairman for the hearing.

{Tape: 1; Side: B.}

HEARING ON SB 234

Exhibits A, B, C, D, and E were submitted into the record.

Opening Statement by Sponsor:

SEN. LORENTS GROSFIELD, Big Timber, submitted exhibit 1. He stated this bill was by request of the Governor and is a reorganization of the Natural Resource agencies. He stated this bill takes three agencies and gets rid of them. The agencies are the Department of Natural Resources, Department of Health, and the Department of State Lands. In their place this bill would create two new agencies. Those agencies would be the Department of Environmental Quality and the Department of Resource Management. He said the purpose of the bill is to develop a structure that helps to make the best agency decisions possible in a timely fashion. He stated this bill is a "one stop shopping" bill for permits; it consolidates environmental enforcement. He stated one of the current problems was that agencies aren't in sync with the others and that leads to problems with consolidations. This bill would try to consolidate all the permit regulatory functions into one agency, the Department of Environmental Quality, and all of the management functions into another agency, the Department of Natural Resource Management. The new Department of Environmental Quality will be composed of Environmental Sciences and the Department of Health agencies and will also include the Energy and Reclamation Divisions which currently includes the Department of State Lands. The new Department of Resource Management will consist of the Conservation Resource Division, the Water Resource Division, and the Gas Division. This Department would also include the Land Administration Division, Field Operations and Forestry Division. The purpose of all this is to create the ground work to make better agency decisions and make them faster. The bill was amended in the Senate Natural Resources Committee extensively to take care of a number of concerns from numerous people. He believed the amendments took care of most, if not all, of the concerns those people had. With budget savings the fiscal note is not exactly accurate. It talks about the Department of Commerce. Nothing in the bill now deals with the Department of Commerce. Everything in the fiscal note that deals with the Department of Commerce will actually deal with Department of Natural Resource Management. He stated with that in mind, the fiscal note should be fairly accurate. He stated with this move there would be some costs incurred. He stated there are also some savings with this bill. The projections are the savings will not equal the costs in the first year, but in the second year there should be some savings.

He stated there had been some talk that what they were trying to do is creating an ETA. He stated that was an untrue statement. He stated there are some significant differences between what they are trying to do and an ETA. The first difference was when a permit or citation is given from an ETA there isn't a good idea

where it is coming from. He stated under the Department of Environmental Quality they would know exactly where the citation or permit would be coming from. This would allow for working directly with the individual who issued the permit or the citation. With an ETA, if they made a decision there wouldn't be an appeal. The Department of Environmental Quality provides an appeal process. There is a Board of Environmental Review that oversees the activities of the department and executes the rule making functions and also serves appeal functions. The Governor's Task Force to Renew Government included a wide variety of people. One thing they had discussed was whether they should concentrate more power in Helena. They decided they shouldn't-- they should try to remove some of the power from Helena. Although this bill doesn't directly state there will be a satellite office elsewhere in the state, it should make it much easier to coordinate people because everything would function out of one department. This should make it easier to move the offices. He went over several questions people had about the bill. Please refer to page two of **exhibit 1**. He stated there would be savings to government and the private sector. He believed this is because of the "one stop" capability. This would hopefully prevent some of the confusion caused by trying to organize disorder. He stated with this bill they hopefully wouldn't have to worry about the efficiency of government and one agency not knowing what the other agency is doing. He said the motto of this bill was better decisions faster.

Proponents' Testimony:

Glenn Marx, Governor's Office, submitted written testimony.
Exhibit 2.

Mark Simonich, DNRC, stated this bill is a simple bill. He stated there are some parts in the bill that deal with Public Health. He stated Public Health is currently part of the Department of Health and Environmental Sciences. Although those functions are dealing with the Department of Public Health, these functions are addressed in SB 345 which would create the Department of Public Health and Human Services if passed. In the case that SB 345 doesn't pass the House sections in this bill take care of all things needed for the reorganization of these agencies. These bills will conform with one another if both are passed and will not duplicate. He stated they couldn't simply eliminate the Public Health functions in the state and by addressing these needs in this bill, it would provide for them.

He stated the point of this bill would be to achieve better decisions faster. He said they would create two new agencies. He referred to the colored sheets handed out with **SEN.**

GROSFIELD'S exhibit 1. He stated on the pink sheet was an outline of the Department of Environmental Quality. He cautioned the committee that it was not an organizational chart in the strict sense of the word, but was a functional chart. The Department of Environmental Quality was proposed to put one

department in that would deal with all regulating and enforcement functions within the Natural Resource Agencies. They have taken the entire Environmental Sciences wing and moved it into the Department of Environmental Quality. He stated the Department of Environmental Sciences includes things such as air quality, water quality, central management, and waste management. These and all other aspects currently involved with the Department of Environmental Sciences would be moved to the Department of Environmental Quality. From the Department of Natural Resource and Conservation they would take the energy division and move that to the Department of Environmental Quality as well. Within the Department of Natural Resources there is only one part of the energy division that is regulatory which is the Major Facility Siting Act. The Board of Natural Resources has the regulatory authority for siting major facilities. He stated all of these things would be moved into the Department of Environmental Quality. He stated there are a number of things in the energy division that aren't regulatory, dealing with energy planning and conservation and retrofitting existing state building to gain energy efficiency. He stated they could have split that up and sent the pieces into various departments, but there is a great deal of expertise in the concept of energy and energy conservation and planning and they felt it was very appropriate and necessary to keep them together in the same agency. He stated energy conservation ties in very closely with air quality, so it makes sense for all of them to be in the same department. The Department of State Lands deals with the reclamation division. This division deals with all of the mining and mine reclamation activities in the state. He stated these are regulatory functions and are moved to the Department of Environmental Quality. Under current statute, the State Land Board is the regulatory authority for reclamation. However, 22 years ago the Land Board delegated that authority to the Commissioner of State Lands. He stated even though what they would be doing would be a statutory change by moving this to a department, they are codifying what has been the procedure for the past 22 years. He stated reclamation would go to the new department and the director of the department would be the responsible person in decision making in terms of mine permitting and reclamation. He stated one additional attempt they would try to make with this bill is to create an impact assessment team within the Department of Environmental Quality. Currently, when someone wants to permit a mine they may have to get a variety of permits from a variety of different departments. In doing that, each one of the departments works separately to a degree. With this bill they would create an impact assessment team within the department so that any permit functions would be fully coordinated in terms of every aspect of permits that are required to be given out before a project can go forward. This would provide efficiency and consistency. He stated they believed this would help them get better decisions faster. He also stated they would create an entirely new Board of Environmental Review. The Board of Health that is currently in place would be eliminated by this bill. He stated the reason for this new board was because

they have given a great deal of decision making authority to a director in this bill. They want to ensure there would be a public board who would have some review over this department so there would continually be public oversight on those decisions made within that department. The current Department of Health has individuals such as veterinarians and physicians that are required to be on the board. He stated he didn't think with those people on the board it is as close to the environmental conditions as necessary. The makeup of the new board would be a seven member board; there would be a requirement that it would have to be regionally balanced, it would specify that the members on the board would have to have very specific expertise. Because this is a judicial board, state statute says one of the members must be deferred. He stated they are also proposing one member would have to be a hydrologist, one would have to have experience or background in public management planning, there would also have to be a member that is generally knowledgeable or experienced in the environmental sciences area. He stated they wanted to make sure this board, which would be a public board, has specific expertise.

{Tape: 2; Side: A.}

He stated they are also proposing to make sure one member of the board must be a public health official. He stated the reason for that was because all the environmental laws they deal with that would be regulated and permitted under this new department really have a basis in public health. He stated he thought it was very important that a public health official be a part of the environmental department.

He said the second department would be the Department of Resource Management. He stated the three words best used to describe this board would be management, assistance, and coordination. This department would actually be involved in managing the state's natural resources. This department would provide land owner assistance. They would be working with land owners, conservation districts, local and elected officials in terms of managing the natural resources of the state. Of course they would also be trying to coordinate all of the efforts in the best way possible. The components for this department would be virtually everything that is currently located in the Water Resources Division at the Department of Natural Resources. The Water Resources Division manages some 40 state water projects including dams and canals within the state. The Water Resources Division is the division in state government that is responsible for permitting water rights in the state and also for adjudicating the pre-1972 water rights. The department assists the Water Corps. He stated they do all of the processing, maintaining of all the main water rights in the state of Montana, maintaining central files of water rights for the state of Montana, and maintaining field verification with the Water Corps. He stated they had a Conservation Resource Development Division within the Department of Natural Resources and Conservation that would also meld into the Department of Resource Management. He stated there are two components of this merging. He said the first would be a

Conservation District Bureau. This bureau currently works closely in assisting the 58 conservation districts within the state. This full component will go to the new department and will be able to combine with other land owner assistance programs currently under the Department of State Lands.

The other part of the division is a bureau that deals with natural resource grants and loans. The administration had originally proposed moving that to Commerce. He stated there was concern with this idea in the Senate. The Senate chose to keep those programs within the Department of Natural Resources Management. He stated this decision was fine with the administration and they certainly understand the reason for keeping it in the Natural Resources Management Division. He stated they are natural resource based grant programs and he was sure there were several people on the committee that had grants go to the conservation districts for either the cities or counties within their areas.

He said the Board of Water Well Contractors is also currently located in the Department of Natural Resources. This board would go to the Department of Natural Resource Management. He stated this is an interesting board because it is a licensing board for Water Well Contractors in the state. He stated they had looked to see if this board should also go to Commerce with the other licensing boards. He stated this board has a very specific additional function which is in terms of guaranteeing the construction standards used in constructing wells. As the wells are developed in the state, the Well Bureau has to file well logs to state how the well was constructed with the Water Resource Division in the Department of Natural Resources and Conservation. He stated it makes sense for them not to split that up and send it to two different places in two different departments. He thought it would make more sense to keep it in the same department where they are keeping the water management aspect. He said the board is a self-sustaining board with one employee and is paid for by Well Bureau fees. The Department of Natural Resources and Conservation does provide full state support from the general fund monies to do inspections as necessary. He stated if they were to split this function the board wouldn't be able to provide the kind of assistance needed.

Within government they have Reserved Water Rights Compact Commission. This is a nine-member commission whose duty is to negotiate the reserved water rights that are either held by the tribal entities in the state or the federal government. He stated the idea of this commission is that it is better to negotiate than to litigate. He stated if they do not negotiate a settlement of those water rights, the state will be in court time and time again with various people. These are water rights they have because they maintain that land in the state of Montana. In this commission, four members are appointed by the Governor, four members are legislators--two from each party and two from each house--and the final one is appointed by the Attorney General.

This provides for a diverse commission. He stated the Commission itself is what does the negotiating. He said there is a staff within the Department of Natural Resources and Conservation that does the staff work for the Commission. Currently under state law the Compact Commission is attached to the Governor's Office for administrative purposes. Even though it is attached to the Governor's Office, it has never been located there. It has always been housed and administered within the Department of Natural Resources. He stated this bill recognizes where it has been traditionally located and makes that move statutory. Under this bill the Reserved Water Rights Compact Commission changes only where it would be attached to the Department of Resource Management. By doing that they are recognizing there may be some concerns by some individuals in the state that by taking this away from the Governor's Office somehow takes away some of the authority and reduces the structure. He stated he wanted to make sure that is not the case. He stated the members of the commission would continue to be appointed as they currently are. He stated there are lines in the bill that specifically state the Reserved Water Rights Compact Commission has the authority to negotiate on behalf of the Governor and the state of Montana.

Within the Department of Natural Resources and Conservation they also have another catch 22 agency, the Board of Oil and Gas Conservation. This board is both a management and regulatory board. A decision was made to put it into the Department of Natural Resource Management because it has a very close tie to the management of the development of the oil and gas resources within the state. It is a seven-member board that is appointed by the Governor. Under statute the members are appointed from specific fields and not generally. He stated none of this would change with the passage of this bill. This board would be put into the Department of Resource Management Agency. The Department of State Lands reclamation money would go to the Department of Environmental Quality and everything would go to the Natural Resource Management Agency. Those functions include the forestry division. He stated the forestry division sits in the management of state lands. It will provide private owner assistance in forestry, urban forestry assistance, hazard reduction assistance in terms of minimizing fire hazards. He stated they have the trust land management functions that would also go to the Department of Natural Resource Management Agency. He stated these are the functions that deal with the school trust lands. All of the wild land fire management functions will move to the Department of Natural Resource Management as well. He stated those are the functions that are involved in fighting forest fires and grass fires. He stated the State Land Board will continue to exist. He said the State Land Board will remain as it is currently constituted. He said the Land Board constitutionally includes the Governor, the Attorney General, the State Auditor, the Superintendent of Public Instruction, and the Secretary of State. Under this bill none of those members of the Board change. He said all of their responsibilities relating to school trust lands and all non-reclamation related

responsibilities will not change. The difference would be that under current state law the State Lands Board is the director of the Department of State Lands. He said this will not be the case with the new Department of Natural Resource Management. The State Land Board will be attached to that and the Commissioner will perform the functions that they already have and implement their decisions in that regard, but the Department will be a regular executive branch department. He stated the director of that department will not be a commissioner and the director will be appointed by the Governor. He stated the only change to the State Lands Board functions will be statutory, not procedural, with the reclamation portions changed to the Department of Environmental Quality.

He said the last thing relative to the Department of Natural Resource Management would be currently there is a board of Natural Resources and Conservation that is attached to the Department of Natural Resources and Conservation. He said this is a board with decision and rule making authority and it will be eliminated under this bill. He stated there wouldn't be a Board of Natural Resources and Conservation if this bill were to pass. He said the authority of that board will be split. He said part of the authority dealing with facility siting area will be moving to the Department of Environmental Quality. The rest of the functions will be moved to the Department of Natural Resource Management. The Renew Task force that was appointed last year made this recommendation and the administration came to the conclusion that this was an appropriate thing to do. He said they are trying to streamline what they could. He said a fair amount of issues that are brought before the Board of Natural Resources are "rubber stamp" activities.

He said they had two amendments they wanted offered on the bill. **Exhibit 3.** He said both of the amendments deal with areas that are currently involved in the Department of Environmental Sciences. One had to do with public water supply. The other changes the name of who is involved. He stated currently within the bill the area of occupational and radiological health goes to the Department of Health. He stated this is part of the air quality division. He said these are still environmental issues and they believed it was appropriate to move these and get them into the Department of Environmental Quality so all air quality issues are kept together.

Gary Langley, Montana Mining Association, Executive Director, stated they were in full support of the bill. He said the personal agenda sometimes dictates how and when permits are issued. He said it varies in the actions that are taken. He stated in Montana mine permitting is complex, cumbersome, costly, time consuming, and unpredictable. He gave an example of how his last statement was true. He stated one project contained 24 different permits from 10 different federal, local, and state agencies. He stated an act such as this bill will help simplify the process so permits can be issued in a timely manner. He

stated this would also do away with personal bias and discretion in the process. He stated the change should also provide the expertise so an emphasis is placed on a committee process. He said this would ensure the prevention of any problems that might require enforcement. He said the reorganization bill is not the only solution to their problems. He stated the Montana Water Quality Act as it now stands in effect places a moratorium on the mine permitting in Montana. The present standards passed by the Board of Health will have an adverse affect on the price of housing, agriculture, and infrastructure. He stated the Montana Water Quality Act has to be changed during this Legislative Session so that it can work with the reorganization of the Natural Resource Agency. He stated the Governor's Reorganization proposal is the first step to more efficient and reasonable regulation, but it cant stand alone.

Mike Voleskie, Association of Montana Conservation Districts, stated Conservation Districts did have some concerns with this bill. He said those concerns were taken care of with the amendments in the Senate. He stated as the bill now stands, the Conservation Districts support the bill. He stated a large part of what this bill does is create one agency that deals with resource management and another that deals with permitting and regulatory functions. He stated he thought it made sense.

John Lahr, Montana Power Company, stated they would support the passage of SB 234.

Gail Abercrombie, Montana Petroleum Association, Executive Director, stated they had some concerns with the bill when it was first introduced, but their concerns were resolved with the amendments put on the bill in the Senate. The refineries had a question as to whether there would be a citizen review board and what would happen to the Board of Health. She assured them that there would be a Board of Environmental Review. She stated it was important to those people to have a third party to oversee the agencies' decisions. She stated this reorganization needs to be done quickly.

Cary Hegreberg, Montana Wood Products Association, stated his members are in support of this legislation. He stated he thought it adequately addresses regulatory functions of the state government and those functions which assist private industry. He thought this would bring about good sound management functions on private lands. He stated these are some of the primary functions they see occurring.

Jim Jensen, MEIC, stated there are some very desirable aspects of this legislation. He stated one of them would be the moving of the regulatory program that is currently in the Department of State Lands to the Department of Environmental Quality. He thought it was important that mining, air, and water regulators were together under simple authority. He stated it had been demonstrated clearly by audits that the current situation, with

money being regulated primarily by the Department of State Lands, that the water quality and air quality simply has not worked. He stated those programs are not being correlated well. He said this bill would move in the direction of consolidating that problem. He stated this is not a bill about weakening Water Quality Standards. He thought it was important for the committee to understand this bill is not about standards, but it is about how they organize government. He said there are many people in the environmental community concerned about divorcing environment quality from Public Health. He said the experience they have had with the division indicates one must fall on change. He thought this is a constructive change that was proposed by the administration to fix that problem. The Senate made one significant amendment in committee to place the drinking water in the Health and Welfare Agency. He thought it was clear drinking water is important to health. He suggested they return the public water supply program to the Department of Environmental Quality to maintain the Water Quality Bureau and all of its intended functions and keep their expertise and underlying enforcement authorities together. Separating these would not be in the best interest of protecting water quality.

Chris Tweeten, Reserved Water Rights Comport Commission, submitted written testimony, exhibit 4.

{Tape: 2; Side: B.}

Ted Lang, Montana Resource Council, stated they support this bill primarily because for many years they had been frustrated at the division of responsibility, especially with water quality issues. He stated they hoped this would help solve the problem. He said they had a couple of reservations on the implementation of the bill. They thought the new board that would be created would be a vast improvement over the existing Board of Health. They have had a lot of frustrations with the Board of Health. He stated they thought this was a good bill and he urged the support of the committee in passing the bill.

Opponents' Testimony:

Pete Fraiser, Director, Environmental Health, stated he had hoped to stand before the committee in support of the bill. He said the committee needed to understand a little bit about public health. He stated many of the people testifying didn't have background in public health. There had been a lot of discussion regarding to Health Care reform and one thing that needed to be done would be to reduce the price of Health Care. He said nothing has been said about prevention. Public Health is prevention. He mentioned this because the committee needed to know about the problems he saw in SB 234 when the environmental health programs form public health programs. To put all environmental health programs under the Department of

Environmental Quality isn't feasible. Standards were set to prevent illness. He stated to do this would be a step backward for Montana. He stated they could not support this bill as it is being proposed with moving the amendments. He asked the committee to support the bill if they are going to keep the amendments from the Senate. He asked the committee not to support the bill if the amendments are removed.

Informational Testimony:

none

Questions From Committee Members and Responses:

REP. GALVIN asked if the changes will cause a flip flop in government.

Mr. Simonich stated he believed it will cause a consolidation in government so that they can more precisely aim the programs in the state and better align the expertise staffing in those agencies to get the best government possible.

REP. GALVIN asked if this bill will concentrate power of government that might infringe on dictatorialism.

Mr. Simonich stated they don't believe this will centralize power in any group. One of the recommendation from the Task Force, although not specifically included in this bill, was within the agencies the state should look to decentralize these agencies. This bill revises the ability for the natural resource agencies to more closely align those agencies and coordinate them.

REP. GALVIN asked why it is necessary to exclude the federal regulations and not the state authority.

Mr. Simonich stated nothing is being done because the federal government told the state to. The things are being done because the Governor went to the people of the state and asked them for recommendations for how they can better run the state.

REP. GALVIN asked what are Mr. Fraiser's concerns and who will answer them.

Mr. Simonich referred the question to Glenn Marx.

Mr. Marx stated they have a series of amendments. He said there is another executive agency reorganization bill. He said there is no question environmental regulation does have its place in public health. They decided to reorganize state agencies. They had to try not to separate bureaus, divisions, sections. They tried very hard to keep a functional model. He referred to the State Government Phone Book. He said when they decided to reorganize, there were two areas that were fairly close. One was where they would put the health bureau. He stated they had it

split and in one department and now they want it back into the Department of Health or the Department of Environmental Quality. In discussions with the sponsor and the people working on the Department of Public Health and Human Services and water quality staffers, they believe keeping consolidated within this division makes sense. They share the same expertise and authority under federal law.

REP. HAGENER asked how many department members would be eliminated.

Mr. Simonich stated the would need to look at both bills to determine that number.

REP. HAGENER asked how many boards would be eliminated.

Mr. Simonich stated there would be two eliminated and one created.

REP. HAGENER stated these agencies eliminated would be assimilated but they are still in different buildings with different equipment. She asked how there would be a savings.

Mr. Simonich stated as they have moved into the space age and the age of telecommunications, they currently have the ability to communicate with all of the different agencies even though they are not located in the same building. He stated there would be some time to incur that to the best degree possible. He stated what they would be looking at in the immediate future is to minimize the moves so they can do this as cost effectively as possible. What they need to focus on now is the function so the people will be brought together that need to work most closely together. To the degree that the computer equipment isn't the same, they need to make those steps. Those are things that will cost the agencies so they can get everyone communicating and working as closely as possible.

REP. HAGENER asked if some of those categories are going to be eliminated.

Mr. Simonich stated yes, there will be some categories eliminated.

REP. HAGENER stated he had referred to a compatible bill. She asked what that bill was.

Mr. Simonich stated it is SB 345 which **SEN. SWYSGOOD** is sponsoring.

REP. SCHWINDEN asked what happens when the citizens want to get involved and the office no longer exists to hear their concerns. He asked if this would exclude public input and cut the citizens out of this process.

Mr. Simonich stated they will provide for the public's involvement. He said the board itself was limited legally. He said what he envisions in the future, the public impute process phase of that would be the same. There would be numerous public hearings throughout the state. The applications would be reviewed and objections would be heard. He stated when they are talking about public input they need to make sure a department or director hear everything that should go to the Governor's office. He stated there is no reason why the public shouldn't be contacting the Governor's office to make sure he knows what is being done, and he can give any policy direction he thinks is necessary to the director of that department.

REP. SCHWINDEN stated his first question was, given the objectors and the people who come before the Board of Natural Resources, doesn't it somewhat limit the breadth of experience to have the director make the decision about a particular water reservation instead of having it go to the board for review.

Mr. Simonich stated at the time they had talked, the Governor's office was getting a great deal of concern about how the process was moving. They were trying to explain that because of the law being the way it is, it is the decision of the board. The Governor couldn't legitimately intervene and advise the board of a policy matter because the board was the one set up to make that decision. He stated one of the rules various boards play is in bringing together a broad array of experience.

REP. SCHWINDEN stated he had talked about better decisions faster. He stated he believed that is a reasonable intention for this bill. He stated his fear is that by eliminating that board, they will be making decisions faster but without the breadth of experience or with out public input.

Mr. Simonich stated they way he views the current department and his role in that department is he has to represent the Governor and the policies he is putting together in running that department. He stated he takes that responsibility very seriously. He recognized that the board is adequately staffed and have all they need to do all they do. He stated at the time that the board doesn't exist and the director takes over. He felt the director has a very strong responsibility that public input does continue and is weighted heavily and fairly in every decision that is made.

{Tape: 3; Side: A.}

REP. HEAVY RUNNER asked what his opinion is of the bill being presented in two different committees.

SEN. GROSFIELD stated in the Senate hearing they had eight or nine opponents and only one during this hearing. He thought that by having it heard in two different committees it took care of a

lot of concerns people had. He said there were the same discussions in both committees.

REP. HEAVY RUNNER asked with the elimination of boards, should there be a concern because of administration and the setting of policy.

SEN. GROSFIELD stated that wouldn't apply to the Department of Environmental Quality. The only place that would be addressed would be in the Department of Natural Resources Management. He stated this bill doesn't change standards and regulations or procedures. He stated the only difference is that a director would be making the decisions and not a board. He stated that does make the decision making more administrative and more bureaucratic. He stated he believed there is a little misunderstanding about how these boards function. He stated a quasi judicial board acts somewhat like a judge. A judge cannot listen to a comment outside a court room. If a board member receives a letter from someone, it is incumbent upon them to share that letter with all other members so that is not violated.

REP. HEAVY RUNNER asked if now that the board is gone if the director doesn't have to share power with anyone.

SEN. GROSFIELD stated he had suspected that statement was correct. He stated he wasn't sure how that process would work. He stated the question could be addressed more adequately by the director.

REP. STOVALL asked if this bill were to pass, how would this change the authority they currently have.

Mr. Simonich stated currently how the law is the board makes the decisions. He stated the way it has been working when they bring agricultural pieces to the board, the board reviews the lease and looks to see if the department has done the appraisal and has advertised for the leases. He stated the department gives the board information and the board generally approves it. In the past two years, there have been very few instances where the board has taken steps to change anything the department had recommended to the board. The department reviews it very carefully and then presents it to the board. In the review case, the department would simply recommend it to the director and the director would have to be open to comments from the public.

REP. STOVALL asked in his opinion under this bill, is that going to give more power to the State Land Board.

Mr. Simonich stated there will be no change in power to the State Land Board because the board will continue to contain all the authority that it currently has but it will not receive new authority. The authority that is resting in the department or the Board of Natural Resources doesn't then go to the State Land

Board it would go to the department. He stated the department would be operating in those areas without the balance statement.

REP. STOVALL asked if the Board of Environmental Review will have the final authority.

Mr. Simonich stated the board would be set up as a review board so that the director would make the decisions and if there are then challenges brought forward, the board would review those challenges and make the final decision. He stated if there is no challenge to that decision, then the director's decision would be the final decision.

REP. TROPILA stated he also had reservations as to why this bill came to the State Administration committee and not the Natural Resources committee. He asked if this bill should be in the Natural Resources committee.

Mr. Simonich stated the administration didn't have any influence where the bill was referred. He stated he thought the bill was going to go into the Natural Resources committee because it had been heard in the Natural Resources committee in the Senate. He said the bill could be rereferred to the committee on Natural Resources. He suspected one of the reasons it wasn't sent there was because work load and the leadership was looking to see the flood of bills were moving so that things didn't become too redundant.

REP. TROPILA asked on the new Board of Health, who would be the other members.

Mr. Simonich stated he would have to look at the bill again to see that. He said they attempted to not specify each member of that board because he believed it was important to also get a general person on the board.

REP. TROPILA asked would concerns with public water supplies and food service be added with SB 145.

Mr. Fraiser stated the public water supply will be an occupational hazard. He stated it is now part of the air quality. Prior to being added to that department it was in its own building. He stated it could be that way again in the Department of Public Health. He stated these things need to be in the Department of Public Health. He stated public water and food service work together now. He stated it is not part of the environmental area and will stay away from there. He stated they work together all the time with the food service people and water quality people.

REP. TROPILA asked are these items in the original bill or were they amendments added in the Senate.

Mr. Marx stated they amended the bill and moved the water quality division to the new Department of Environmental Quality in the Senate.

REP. TROPILA asked since it was a close vote, if it would be all right to amend that back into the bill.

Mr. Marx stated that would be okay.

REP. TAYLOR asked how they establish the board of review and who would be on the board.

Mr. Simonich stated it would be an appointed seven member board appointed by the Governor. He said they would serve a four-year term. He stated the board rotates so they don't have a roll over of the complete board at one time. The make up of the board will have an attorney, a hydrologist, one individual with background in the environmental sciences, one with background in local planning, and a physician for public health. He stated the last two individuals will be members of the public. He said they had also made a provision in the bill that the members must represent geographic areas of the state.

REP. BRAINARD asked if they intend to change the layout of units and reassign people.

Mr. Simonich stated there are still details that need to be looked at. He stated this bill implements the Renewal Task Force Recommendation. He stated they are aware that it will take time to iron out all of the details that will come later if this bill were to pass. It was their understanding that the process that would take place would be shortly after it were to pass and be signed into law, they suspect the Governor would appoint a director to the new departments and would put together an implementation team to look at all the specific kinds of details. He said with the consolidation that would take place, there would be three personnel units. He said it was obvious they wouldn't need all three of the units and they would have to look at the situation closely to see how they would be able to best merge these units down and still make sure all the details are still taken care of. He stated the fiscal note also indicates there would be a reduction in FTEs. He said they would have to give it a great deal of thought in implementing it to make sure as they merge the programs into new departments, that they are gaining efficiencies but not losing expertise.

{Tape: 3; Side: B.}

REP. BRAINARD asked if he envisioned any conflicts between the Resource Management Department and the Department of Environmental Quality.

Mr. Simonich stated they don't expect that to happen. He stated the different departments currently have to coordinate those

kinds of things. He stated what this bill will do will clear up an area that people have been concerned about. He stated that area is where the Department of State Lands issues permits for mining. He stated they think they are eliminating any areas that potentially have conflicts of interest.

Closing by Sponsor:

SEN. GROSFIELD closed by mentioning the summaries given by EQC. He said the first one was a summary which dealt with substantive changes. He said this bill was a large bill, but the whole thing didn't deal with substance. He stated 60-70% of the pages of this bill changes the names of the departments. He referred to the comprehensive summary sheet. He made mention to the repealer summary and substantive changes. He stated this bill doesn't change standards, it is an organizational bill. He stated the more these departments are fragmented, the less organized they are. He said he would support amendments and stated **REP. DENNY** would be the person to carry the bill if passed by the committee. He said this is a fragmentation versus unification issue. He said they are trying to strengthen the process. They don't want to split apart different departments. He stated the goal of this bill is to achieve better decisions faster.

HOUSE STATE ADMINISTRATION COMMITTEE

March 9, 1995

Page 20 of 20

ADJOURNMENT

Adjournment: 12:00 p.m.


RICHARD SIMPKINS, Chairman


CHRISTEN VINCENT, Secretary

RS/cdv

HOUSE OF REPRESENTATIVES

ROLL CALL VOTE

State Administration

DATE March 9, 1995 BILL NO. SB NUMBER 221

MOTION: Rep. Galvin moved to Concur.

Galvin

NAME	AYE	NO
Rep. Dick Simpkin, Chairman	✓	
Rep. Matt Denny, Vice Chairman, Majority	✓	
Rep. Dore Schwinden, Vice Chairman, Minority	✓	
Rep. Matt Brainard	✓	
Rep. Pat Galvin	✓	
Rep. Dick Green		✓
Rep. Toni Hagener	✓	
Rep. Harriet Hayne	✓	
Rep. George Heavy Runner	✓	
Rep. Sam Kitzenberg	✓	
Rep. Bonnie Martinez	✓	
Rep. Gay Ann Masolo	✓	
Rep. Bill Rehbein		✓
Rep. Susan Smith		✓
Rep. Jay Stovall	✓	
Rep. Carolyn Squires	✓	
Rep. Lila Taylor	✓	
Rep. Joe Tropila	✓	

HOUSE OF REPRESENTATIVES

ROLL CALL VOTE

State Administration

DATE March 9, 1995 BILL NO. SB NUMBER 357

MOTION: Rep. Heavy Runner moved Do Concur as amended

SB035701.98h

Hepler

NAME	AYE	NO
Rep. Dick Simpkin, Chairman	✓	
Rep. Matt Denny, Vice Chairman, Majority	✓	
Rep. Dore Schwinden, Vice Chairman, Minority	✓	
Rep. Matt Brainard		✓
Rep. Pat Galvin	✓	
Rep. Dick Green		✓
Rep. Toni Hagener	✓	
Rep. Harriet Hayne	✓	
Rep. George Heavy Runner	✓	
Rep. Sam Kitzenberg	✓	
Rep. Bonnie Martinez		✓
Rep. Gay Ann Masolo	✓	
Rep. Bill Rehbein		✓
Rep. Susan Smith		✓
Rep. Jay Stovall	✓	
Rep. Carolyn Squires	<u>excused</u>	
Rep. Lila Taylor	✓	
Rep. Joe Tropila	✓	

HOUSE OF REPRESENTATIVES

ROLL CALL VOTE

State Administration

DATE March 9, 1995 BILL NO. SB NUMBER 357

MOTION: Rep. Hayne moved the amendment.

NAME	AYE	NO
Rep. Dick Simpkin, Chairman	✓	
Rep. Matt Denny, Vice Chairman, Majority	✓	
Rep. Dore Schwinden, Vice Chairman, Minority	<u>excused</u>	
Rep. Matt Brainard	✓	
Rep. Pat Galvin	✓	
Rep. Dick Green	✓	
Rep. Toni Hagener	✓	
Rep. Harriet Hayne	✓	
Rep. George Heavy Runner	✓	
Rep. Sam Kitzenberg	✓	
Rep. Bonnie Martinez	✓	
Rep. Gay Ann Masolo	✓	
Rep. Bill Rehbein	✓	
Rep. Susan Smith	✓	
Rep. Jay Stovall	✓	
Rep. Carolyn Squires	<u>excused</u>	
Rep. Lila Taylor <u>By Proxy</u>	✓	
Rep. Joe Tropila	✓	

HOUSE OF REPRESENTATIVES

ROLL CALL VOTE

State Administration

DATE March 9, 1995 BILL NO. SB NUMBER 357

MOTION: Rep. Tropila moved the amendment.

NAME	AYE	NO
Rep. Dick Simpkin, Chairman	✓	
Rep. Matt Denny, Vice Chairman, Majority	✓	
Rep. Dore Schwinden, Vice Chairman, Minority	<u>excused</u>	
Rep. Matt Brainard	✓	
Rep. Pat Galvin	✓	
Rep. Dick Green	<u>excused</u>	
Rep. Toni Hagener	<u>excused</u>	
Rep. Harriet Hayne	✓	
Rep. George Heavy Runner	✓	
Rep. Sam Kitzenberg	✓	
Rep. Bonnie Martinez	✓	
Rep. Gay Ann Masolo	<u>excused</u>	
Rep. Bill Rehbein	✓	
Rep. Susan Smith	✓	
Rep. Jay Stovall	✓	
Rep. Carolyn Squires	<u>excused</u>	
Rep. Lila Taylor	✓	
Rep. Joe Tropila	✓	

By Proxy

HOUSE OF REPRESENTATIVES

State Administration

ROLL CALL

DATE March 9, 1995

NAME	PRESENT	ABSENT	EXCUSED
Rep. Dick Simpkin, Chairman	✓		
Rep. Matt Denny, Vice Chairman, Majority	✓		
Rep. Dore Schwinden, Vice Chair, Minority	✓		
Rep. Matt Brainard	✓		
Rep. Pat Galvin	✓		
Rep. Dick Green	✓		
Rep. Toni Hagener	✓		
Rep. Harriet Hayne	✓		
Rep. George Heavy Runner	✓		
Rep. Sam Kitzenberg	✓		
Rep. Bonnie Martinez	✓		
Rep. Gay Ann Masolo	✓		
Rep. Bill Rehbein	✓		
Rep. Susan Smith	✓		
Rep. Jay Stovall	✓		
Rep. Carolyn Squires			✓
Rep. Lila Taylor			✓
Rep. Joe Tropila	✓		



HOUSE STANDING COMMITTEE REPORT

March 9, 1995

Page 1 of 1

Mr. Speaker: We, the committee on State Administration report that Senate Bill 357 (third reading copy -- blue) be concurred in as amended.

Signed: *Dick Simpkins*
Dick Simpkins, Chair

And, that such amendments read:

Carried by: Rep. Harper

1. Page 3, line 1.

Strike: "10"

Insert: "20"

2. Page 3, line 19.

After: "years"

Insert: "but less than 20 years"

3. Page 6, line 15.

Strike: "25"

Insert: "20"

4. Page 6, line 28 through Page 7, line 3.

Strike: section 10 in its entirety

Renumber: subsequent section

-END-

Committee Vote:
Yes 12, No 5.

551134SC.Hdh



HOUSE STANDING COMMITTEE REPORT

March 9, 1995

Page 1 of 1

Mr. Speaker: We, the committee on State Administration report that Senate Bill 221 (third reading copy -- blue) be concurred in.

Signed: *Dick Simpkins*
Dick Simpkins, Chair

Carried by: Rep. Galvin

Committee Vote:
Yes 15, No 3.

551136SC.Hdh

Amendments to Senate Bill No. 357
Third Reading Copy

Requested by Sen. Fred Van Valkenburg
For the Committee on House State Administration

Prepared by Sheri S. Heffelfinger
March 2, 1995

1. Page 3, line 1.

Strike: "10"

Insert: "20"

2. Page 3, line 19.

After: "years"

Insert: "but less than 20 years"

3. Page 6, line 15.

Strike: "25"

Insert: "20"

4. Page 6, line 28 through Page 7, line 3.

Strike: section 10 in its entirety

Renumber: subsequent section

Montana
Environmental
Health Association
1951



March 8, 1995

State Representative Dick Simpkins, Chairman
House State Administration Committee

RE: Senate Bill 234

Dear Representative Simpkins:

The Montana Environmental Health Association urges your support for a portion of SB 234. This bill is scheduled for hearing at 8:00 a.m. on March 9, 1995 in the House State Administration Committee. The MEHA is supportive of keeping the Vector Control position within the proposed Public Health Division rather than being in the proposed Department of Environmental Quality. It is felt that this program is important for the continuation of the mosquito control districts in Montana. It is believed that by being in the Public Health Division this program will remain funded.

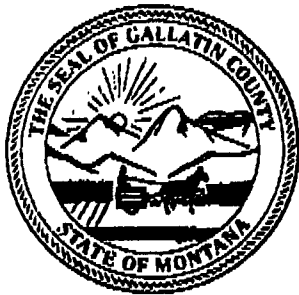
The MEHA strongly urges your support for this portion of this complex bill.

Sincerely,

A handwritten signature in dark ink, appearing to read "T. Kylander", is written over a horizontal line.

Ted Kylander, R.S.
President-Elect





GALLATIN COUNTY

331 West Main, Rm. 301 • Bozeman, MT 59715

County Commission

Kris Dunn
Jane Jelinski
Phil Olson

Phone (406) 582-3000
FAX (406) 582-3003

State of Montana
House of Representatives
State Administration Committee
Representative Dick Simpkins, Chairman
Capitol Station
Helena, MT. 59601

RE: Senate Bill 324

Dear Representative Simpkins:

I am writing on behalf of the Gallatin County Commission in support of Senate Bill 324 "An act prohibiting state agencies from shifting state program costs to local governments without authorization in state law; and requiring the opportunity for a hearing pursuant to the Montana Administrative Procedure Act."

Gallatin County has been adversely impacted by numerous administrative decisions to pass costs down from state agencies to us. These decisions include the Department of Revenue's past reductions of their contribution to offset costs to counties for computer systems; Department of Social and Rehabilitative Services requiring counties to pay for the state TEAMS computer system and increasing those charges annually; Department of Social and Rehabilitative Services charging county Welfare Departments for forms they are required to use. We further object to these costs because we do not have any choice and we cannot review the costs and recommend methods of reducing these costs.

As you are aware county governments are being constantly squeezed by the demand for services with limited ability to generate increased revenue. Whenever state agencies increase a fee, require counties to pay for services previously not paid for or implement new fees, counties must meet these costs by reducing services.

State agencies must be made aware that county government does not have the ability to increase taxes, fees or other revenues whenever a decision is made to increase administrative costs or fees. County governments are very fiscally responsible and need to be assured that state agencies will not and cannot decrease the services to our residents by requiring us to pay more dollars into the state treasury.

The Gallatin County Commission strongly supports Senate Bill 324. We hope you will too.

Respectfully,

Jane Jelinski
Jane Jelinski,
Gallatin County Commissioner

Post-it Fax Note	7871	Date	3/8	# of pages	1
To	Dick Simpkins		From	Jane Jelinski	
Co./Depl.			Co.		
Phone #			Phone #		
Fax #	1-900-225-1600		Fax #		

Post-it Fax Note 7672

24

To	Rep. Dick Simpkin	No. of Pages	2	Today's Date	3-7-95	Time	
Company	State Administration	From	Charmaine R. Fisher				
Location	Helena	Company	Clerk of Court				
Fax #	1-400-225-1600	Location	Billings	Dept. Charge	700		
Telephone #		Fax #	256-2736	Telephone #	256-2862		
Comments		Original Disposition	<input type="checkbox"/> Destroy <input type="checkbox"/> Return <input type="checkbox"/> Call for pickup				

County of Yellowstone

CHARMAINE R. FISHER
CLERK OF THE DISTRICT COURT



(406) 256-2860
BOX 55030
BILLINGS, MT 59107

March 7, 1995

Representative Dick Simpkin
Chairman, State Administration Committee
Capitol Station
Helena, MT 59620

Re: SB 98

Dear Representative Simpkin:

I first heard of this amendment to SB 98 on Friday. I can't imagine anyone in their right mind voting for Section 3-15-402 of this "Bill".

If this passes you will probably do away with jury trials as we know them. In Yellowstone County if we have someone who serves as a juror in the last jury session, that person is excused if he or she wants to be excused for the following term. Let me give you an idea of how many persons would be ineligible for jury duty for five years under this amendment. Each year we draw the following numbers of jurors for the various courts in Yellowstone County:

- District Court for five Judges - 2500 jurors
- Justice Court - 2500 jurors
- Billings City Court - 3,000 jurors
- Laurel City Court - 300 jurors
- Coroners Jury - 250 jurors

In addition to these numbers, the Federal Court also calls jurors for service for the U.S. Billings District. I don't know how many jurors are called, but if this bill passes as amended, you can see that we would soon be hard pressed to find enough jurors to serve the courts.

I cannot see how (or who) would have to track the five years. If we had to go through the voter registration list and mark those jurors who had served within the past five years, we would soon run

Representative Dick Simpkins

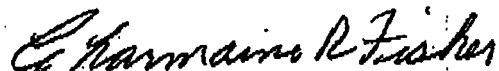
March 7, 1995

Page 2

out of eligible jurors, considering that there are presently just over 65,000 registered voters from which we pull names for jurors.

This Section would devastate counties with a lot less population than ours. I do hope you will reconsider passage of this bill.

Sincerely,

A handwritten signature in cursive script, reading "Charmaine R. Fisher".

Charmaine R. Fisher
Clerk of District Court

March 10, 1995

Representative Ed Grady
Seat Number 95
Montana House of Representatives
Helena, MT 59601

Dear Representative Grady,

You asked for information on the amount of fees collected in fiscal 1994 by the Clerk of the Supreme Court.

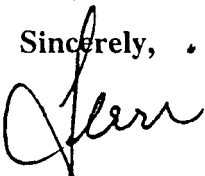
In fiscal 1994, the Clerk of the Supreme Court collected fees totalling \$161,173. The source of this fee revenue was: 1) \$80,050 from attorney license fees; 2) \$51,100 from state bar admission fees; 3) \$28,623 from filing and other court fees; and 4) \$1,400 from attorney character/fitness fees.

According to statute (section 3-2-404, MCA, which is attached), three-fourths of all fees collected by the clerk must be deposited to the general fund (\$120,880 in fiscal 1994). The other one-fourth must be deposited to the judges retirement fund (\$40,293 in fiscal 1994).

Fiscal 1994 expenditures for the Clerk of the Supreme Court office were \$179,246 general fund.

I hope this answers your questions. If you have more, please feel free to contact me at 444-2986.

Sincerely, .



Terri H. Perrigo
Senior Fiscal Analyst
Office of the Legislative Fiscal Analyst

c:\data\word\legreq\grady2

Cross-References

Court seal, 3-1-201, 3-1-202, 3-1-204, 3-1-304, 3-1-305.

Adjournment by Clerk for absence of clerk, 3-1-304, 3-1-305.

Duty of Clerk on receipt of mandate from U.S. Supreme Court, Rule 35, M.R.App.P. (see Title 25, ch. 21).

Roll of attorneys, 37-61-209.

Striking attorney's name from roll upon disbarment, 37-61-309.

3-2-403. Fees. The clerk must collect the following fees:

(1) for filing the transcript on appeal in any civil case appealed to the supreme court, \$75 payable by the appellant as payment in full for all services rendered in the case up to the remittitur to the court below;

(2) for filing a petition for any writ, \$75, as payment in full for all services rendered in the cause;

(3) for a certificate of good standing as an attorney, \$5;

(4) for preparing copies of documents on file, 15 cents per page;

(5) for each certified copy under seal, \$1.

History: En. Sec. 872, Pol. C. 1895; re-en. Sec. 301, Rev. C. 1907; re-en. Sec. 372, R.C.M. 1921; re-en. Sec. 372, R.C.M. 1935; amd. Sec. 1, Ch. 156, L. 1939; amd. Sec. 1, Ch. 21, L. 1943; amd. Sec. 87, Ch. 147, L. 1963; amd. Sec. 3, Ch. 218, L. 1967; amd. Sec. 18, R.C.M. 1947, 82-503(1); amd. Sec. 1, Ch. 204, L. 1985.

Cross-References

Disposition of fees, 19-5-404.

Fees of Clerk of District Court, 25-1-201.

Appeal without prepayment of fees, Rule 11, M.R.App.P. (see Title 25, ch. 21).

Bar application fees, 37-61-205.

3-2-404. Disposition of fees. Except as otherwise provided by law, one-fourths of all fees collected by the clerk must be paid into the state treasury and shall be credited to the general fund, and the remaining one-fourth of the fees shall be paid to the public employees' retirement division of the department of administration to be credited to the Montana judges' retirement system account.

History: En. Sec. 872, Pol. C. 1895; re-en. Sec. 301, Rev. C. 1907; re-en. Sec. 372, R.C.M. 1921; re-en. Sec. 372, R.C.M. 1935; amd. Sec. 1, Ch. 156, L. 1939; amd. Sec. 1, Ch. 21, L. 1943; amd. Sec. 87, Ch. 147, L. 1963; amd. Sec. 3, Ch. 218, L. 1967; amd. Sec. 18, R.C.M. 1947, 82-503(2); amd. Sec. 1, Ch. 321, L. 1981.

Cross-References

Disposition of fees, 19-5-404.

3-2-405. Settlements and accounts to state auditor. (1) The clerk is responsible and must account for and, in his settlement with the state auditor, must be charged with the full amount of all fees collected or chargeable and accruing in causes brought into the court for services rendered therein up to the time of each settlement. The settlement must take place quarterly, and immediately thereafter the clerk must pay the amount found due into the treasury or to the public employees' retirement division, as provided in 3-2-404.

(2) He must also at the end of each quarter render to the state auditor, in such form as that officer prescribes, an account in detail and under oath of all fees chargeable and accruing in causes brought into court and not included in his previous accounts.

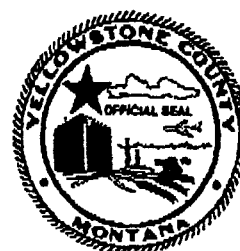
(3) His salary may not be allowed or paid until all fees so accruing for which he is chargeable have been accounted for and paid over.



County of Yellowstone

CITY-COUNTY HEALTH DEPARTMENT
COUNTY COURTHOUSE ROOM 308
(406) 256-2757 FAX (406) 256-2968

PO BOX 35033
BILLINGS MT
59107-5033



March 10, 1995

State Representative Dick Simpkins, Chairman
House State Administration Committee

RE: Senate Bill 234

Dear Representative Simpkins:

The Yellowstone City-County Health Department is strongly in favor of retaining the Senate amendments of HB 234 which places the Public Water Supply and Occupational Health functions in the Public Health Division. The Yellowstone City-County Health Departments is strongly opposed to the Governor's amendment that would place these two programs in the Department of Environmental Quality.

Public Water Supply is a core public health function and its main purpose is disease prevention. It regulates not only city, town and county water supplies but also individual systems for restaurants, schools and public accommodations which are licensed by the Food and Consumer Safety Bureau. The proposed amendment would result in confusion by requiring licensees to deal with two agencies rather than one and local health departments can better coordinate with a single agency responsible for public health functions. It is for these reasons that Public Water Supply belongs with the Public Health Division.

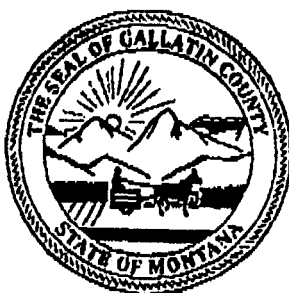
Occupational Health deals with lead, radon and radiation exposures. These deal with public health concerns not environmental functions.

The Yellowstone City-County Health Department strongly urges that you support the Senate amendment of SB 234 which retains Public Water Supply and Occupational Health in the Public Health Division.

Sincerely,

Ted Kylander, R.S.

E. H. Program Manager



Gallatin City-County Health Department

County of Gallatin

311 W. Main, Courthouse • Bozeman, Montana 59715

Community Health Services

(406) 582-3100

FAX (406) 582-3112

March 10, 1995

Dick Simpkins, Representative
House State Administrative Committee
Capitol Station
Helena, MT 59620

RE: HB234

Dear Representative Simpkins,

As the Health Officer/Director of Gallatin City-County Health Department, I would like to express my opinions on HB234.

I am strongly opposed to the amendments which have been added to HB234 which would remove drinking water and occupational health away from the Public Health Division. These two programs need to continue in the Health Department so we can better serve and protect the citizens. The public water program has its main purpose as disease prevention.


1. It is not an environmental protection function such as waste water, mining permits, etc. The greatest outbreaks of disease in the world have occurred due to contaminated public water.
2. Public water supply is a core function of public health. The public water supply program regulates city, town, and county water systems and approximately 14-1500 individual systems such as restaurants, schools, motels, etc. that are licensed by the Food and Consumer Safety Bureau. The Food and Consumer Safety Bureau is part of the public health responsibility at DHES. If this public water supply program is removed from FCS, it will require individuals to have two different licenses from two different agencies. The amendment is confusing for licensees when they have to deal with two rather than one agency.
- 3.. There are only six FTE's in the public water supply program. There would be a negative affect on public health if its focus has changed to environmental protection.
4. County Health Departments can better coordinate with a single agency responsible for public health functions.

84

5. The second amendment regarding Occupational Health is of concern because Occupational Health deals with indoor exposures to radon and radiation and these are public health functions. They are programs in which we teach people and help them to be responsible for their own actions, and is not part of regulation or an environmental protection function.
6. In addition, lead and lead related exposures is part of occupational health and is an accepted public health function. Normally, or perhaps abnormally, exposures to lead in the household and play areas for children are preventive health measures and concerns.
7. Occupational health regulates x-ray exposures in hospitals and medical facilities and is associated with health facility licensure and as such belongs in public health.

I appreciate your attention to the subtle differences which are very important to public health.

Sincerely,


Jackie Stonnell, MPH, RN
Health Officer
Gallatin City-County Health Department

wp2repsimp

A

**Environmental Quality Council
Substantive Changes
Summary for Senate Bill 234,
Third Reading Copy**

Section 4. Section 2-15-212, MCA, is amended to read:

"2-15-212. Reserved water rights compact commission.

1. This is a substantive change that clarifies that in negotiations, the commission will act on behalf of the governor.
2. The commission will be attached to the department of natural resource management (instead of the governor's office), which will provide enough appropriate staff to the commission and stay within the budget established by the legislature. The commission is in charge of directing staff and staff assignments.

Section 20. Section 2-15-3303, MCA, is deleted.

Section 21. Section 2-15-3308, MCA, is amended to read:

"2-15-3308. Drought advisory committee. This is a substantive change because:

1. There is a drought advisory committee in department of natural resource management (replacing department of natural resources and conservation).
2. The drought advisory committee includes representatives of the departments of natural resource management (replacing natural resources and conservation) and environmental quality (replacing health and environmental sciences) and no longer a representative from the department of state lands.
3. The department of natural resources and conservation will no longer provide staff assistance to the drought advisory committee.

NEW SECTION. Section 22. Department of environmental quality -- head. There is a department of environmental quality. The department head is the director of environmental quality appointed by the governor in accordance with 2-15-111.

NEW SECTION. Section 23. Board of environmental review. (1) There is a board of environmental review.

(2) The board consists of seven members appointed by the governor. The members must be representative of the geographic areas of the state. One member must have expertise or background in hydrology. One member must have expertise or background in local government planning. One member must have expertise or background in one of the environmental sciences. One member must have expertise as a county health officer or as a medical doctor.

U-value of ceilings, walls, floors, windows, and doors in new residential buildings.

The department of commerce shall prescribe the manner to affix the label.

Section 201. Section 75-7-117, MCA, is amended to read:

"7a Major Facility Siting Act, some of them substantive, in that the dual departmental and board roles are eliminated.

Section 226. Section 75-20-104, MCA, major facility siting, is amended to read:

"75-20-104. Definitions.

This is a substantive change because the section not only changes board of health and environmental sciences and department of health and environmental sciences to board of environmental review and department of environmental quality, but it also eliminates the board of health in the major facility siting administration such as application and filing for facilities.

1. change board of natural resources and conservation to board of environmental review
2. strike board of health
3. change department of natural resources and conservation to department of environmental quality
4. strike department of health

Section 233. Section 75-20-216, MCA, is amended to read:

"75-20-216. Study, evaluation, and report on proposed facility -- assistance by other agencies.

1. strike board of health, insert board of environmental review
2. strike department of health

department of environmental quality prepares studies, evaluations and reports on proposed facilities without department of health. Therefore, the department of environmental quality will permit facilities not the department of health. Moreover, the board of environmental review administers the laws relating to major facility siting, not the board of health. The review requirements are no longer acceptable in lieu of an EIS under MEPA. Department of natural resource management (replacing department of state lands) shall report information relating to the impact of the proposed site in the department's area of expertise.

Section 234. Section 75-20-218, MCA, is amended to read:

"75-20-218. Hearing date -- location -- department to act as staff -- hearings.

Clarifies that permit hearings are for water or air quality permits.

Section 237. Section 75-20-221, MCA, is amended to read:

Section 282. Section 76-14-103, MCA, rangeland management, is amended to read:

The department of natural resource management will administer the Montana rangeland resource program instead of the conservation districts of department of natural resources and conservation. Clarifies sportsmen to hunters and anglers.

****This section may be in error.**

(Sections 283 to 326) Most of these sections eliminate the Board of Natural resources and shift its duties to the department of natural resource management. The department will administer the conservation districts.

Section 283. Section 76-15-103, MCA, is amended to read:

1. eliminate board of natural resources and conservation
2. change department of natural resources and conservation to department of natural resource management

This is a substantive change because department of natural resource management will define and create conservation districts instead of the board of natural resources and conservation.

Section 284. Section 76-15-201, MCA, is amended to read:

Eliminate board of natural resources and conservation, and insert department of natural resource management.

Section 286. Section 76-15-204, MCA, is amended to read:

eliminate board of natural resources and conservation, insert department of natural resource management

The department of natural resource management determines the need for a district, not the board of natural resources and conservation.

Section 301. Section 76-15-505, MCA, is amended to read:

This eliminates the board of natural resources and conservation and charges borrowing duties to the board of supervisors of a conservation district.

Section 304. Section 76-15-725, MCA, is amended to read:

changes board of natural resources and conservation to the board of adjustment which oversees ordinances adopted by the board of supervisors of a conservation district. (Sections 305 and 306 also have the board of natural resources and conservation changed to the board of adjustment)

(Sections 376 through 429) Cover changes removing authority for mine reclamation from the department of state lands which had been delegated authority by the board of land commissioners to the department of environmental quality. Review function would now be covered by the board of environmental review.

natural resources.

Section 522. Section 90-6-207, MCA, is amended to read:
eliminate department of state lands, insert department of
environmental quality for coal impact grants
This is a substantive change because it transfers department of
state lands's permitting duties to department of environmental
quality.**This section may be in error.
eliminate board of natural resources and conservation, insert
board of environmental review

Section 524. Section 90-6-703, MCA, is amended to read:
change department of natural resources and conservation to
department of commerce for financial assistance to local
governments for infrastructure.
This is a substantive change because the section transfers
financial assistance from department of natural resources and
conservation to department of commerce.

NEW SECTION. **Section 526. Transition.** The provisions of
2-15-131 through 2-15-137 apply to [this act].

NEW SECTION. **Section 527. Repealer.** Sections 2-15-3201,
2-15-3202, 2-15-3302, 2-15-3306, 75-10-628, 76-11-203, 76-11-204,
80-15-219, 85-1-202, 85-1-212 and 85-2-519, MCA, are repealed.
(See note on specifics)

NEW SECTION. **Section 528. Executive orders -- code commissioner instructions.** (1) In all material enacted by the 54th
legislature that assigns duties or functions to the department of
state lands, department of health and environmental sciences, or
department of natural resources and conservation, the governor
shall by executive order designate the department of public
health, the department of environmental quality, or the
department of natural resource management as the agency to
perform each duty or function.

(2) The governor shall provide a copy of each executive
order to the code commissioner, who shall make the changes
necessary to reflect the assignment of each duty or function.
The code commissioner shall recodify and rearrange material as
necessary to reflect the provisions of [this act].

NEW SECTION. **Section 531. Effective date.** [This act] is
effective July 1, 1995.

MISSOULA
COUNTY

MISSOULA CITY-COUNTY HEALTH DEPARTMENT

301 W ALDER ST

MISSOULA MT 59802-4123

(406) 523-4755

March 9, 1995

RE: HB 234 Environmental Reorganization Bill

Dear Representative Simpkins:

I write to strongly urge you to keep Public Water Supplies and Occupational Health programs in the Department of Public Health and NOT remove these function to the new Department of Environmental Quality.

Drinking water and occupational health are at the very core of public health protection. The main purpose of the Public Water Supply program is not environmental protection, it is public health protection. As a local health officer responsible for inspecting the numerous public water supply systems across our county, I simply cannot imagine how we can respond as directly and immediately as we need to when contamination or waterborne outbreaks occur or are suspected. The Department of Environmental Quality may have a lot to do with protecting our overall water resources, but a local public health expert better be in charge and immediately available when it comes time to tell any of our citizens whether or not its safe to drink water that comes out of a particular tap.

Occupational health deals with exposures such as radon and lead -- in-home individual issues, not overall environmental issues. This program also deals with exposure to x-ray in medical facilities. Surely a poor fit with an environmental agency.

Logistically, I also think that moving these programs will double the number of inspections individual water system operators must have. Currently, the same local sanitarian who inspects the restaurant, motel, or trailer park, also inspects its water supply. Why would we want to introduce another authority, license and inspector into the scene?

Please, listen to the locals on this one.

Sincerely,

*E. Leahy*Ellen Leahy
Health OfficerEXHIBIT 1A
DATE 3-9-95
HB 234ADMINISTRATION
(406) 523-4770ANIMAL CONTROL
(406) 721-7576ENVIRONMENTAL HEALTH
(406) 523-4755HEALTH EDUCATION
(406) 523-4775HEALTH SERVICES
(406) 523-4750NUTRITION SERVICES
(406) 523-4740PARTNERSHIP HEALTH CENTER
(406) 523-4769WATER QUALITY DISTRICT
(406) 523-4890

FAX

Montana Environmental Health Association
P.O. Box 35033
Billings, Mt. 59107

Date 03/08/95

Number of pages including cover sheet 2

To:

State Representative

Dick Simpkins, Chair

From:

Ted Kylander, R.S.

Phone

Fax Phone 1-900-225-1600

CC:

Phone 256-2757

Fax Phone 256-2968

REMARKS:

☒ Urgent ☒ For your review ☐ Reply ASAP ☐ Please comment

House State Administration Committee

Senate Bill 234

CITY-COUNTY HEALTH DEPARTMENT



1130 17TH AVENUE SOUTH
GREAT FALLS, MONTANA 59405-4597
(406) 454-6950 FAX: (406) 454-6959

WIC PROGRAM: (406) 454-6953

BETTER BEGINNINGS: (406) 454-6954



TESTIMONY ON SB234

MR CHAIRMAN AND COMMITTEE MEMBERS, MY NAME IS PETE FRAZIER, DIRECTOR OF ENVIRONMENTAL HEALTH WITH THE CITY-COUNTY HEALTH DEPARTMENT IN CASCADE COUNTY. I HAVE BEEN WITH THE DEPARTMENT FOR OVER 23 YEARS AND HELD THIS POSITION FOR THE PAST 17 YEARS. WE APPRECIATE THE OPPORTUNITY TO COMMENT ON SB234.

OVER THE PAST YEAR MUCH WORK AND DISCUSSION HAS TAKEN PLACE WITH REGARD TO HEALTH CARE REFORM AND THE NEED TO REDUCE HEALTH CARE COSTS. HOWEVER, MUCH OF THE TALK HAS CENTERED AROUND HOW TO REDUCE TREATMENT COSTS, HOSPITAL STAY COSTS, SURGERY COSTS, PHARMACEUTICAL COSTS, ETC. THE ONE SUBJECT NOT DISCUSSED AT ANY LENGTH WAS PREVENTION-- HOW TO PREVENT THE ILLNESS OR SEVERE MEDICAL CONDITION FROM EVER AFFECTING THE PATIENT IN THE FIRST PLACE--HOW TO PREVENT THE CANCER THAT MAY HAVE BEEN CAUSED BY RADON IN THE HOME, OR BY BENZENE IN THE WATER SUPPLY, OR HOW TO PREVENT THE PROLONGED DRUG THERAPY TO TREAT SEVER CASES OF GIARDIA ACQUIRED FROM A POORLY MAINTAINED PUBLIC WATER SUPPLY. THE PREVENTION ASPECT OF HEALTH CARE IS CALLED PUBLIC HEALTH AND PUBLIC HEALTH IS ACTUALLY THE CORE TO REDUCED HEALTH CARE COSTS. PUBLIC HEALTH SAVES MEDICAL CARE COSTS AND SAVES LIVES BY PREVENTING DISEASES OR DETECTING THEM EARLY. MANY PEOPLE BELIEVE THAT PUBLIC HEALTH IS ONLY PERSONAL HEALTH SERVICES SUCH AS THE WELL BABY CLINICS, OR IMMUNIZATIONS PERFORMED BY PUBLIC HEALTH NURSES. HOWEVER, PUBLIC HEALTH IS MUCH MORE. MOST ENVIRONMENTAL HEALTH ACTIVITIES ARE TRUE PUBLIC HEALTH PROGRAMS. CONTROL OF COMMUNICABLE DISEASES THROUGH PUBLIC WATER SUPPLY AND FOOD SERVICE INSPECTIONS AND EDUCATION, REDUCTION OF RESPIRATORY ILLNESSES AND POTENTIAL CANCERS THROUGH INDOOR AND OUTDOOR AIR QUALITY PROGRAMS, AND THE PROTECTION OF PUBLIC AND

EXHIBIT 2A
DATE 3-9-95
HR 2311

PRIVATE WATER SYSTEMS THROUGH PROPER SEWAGE DISPOSAL SYSTEMS BY ADEQUATE AND PROFESSIONAL SUBDIVISION PLANNING AND REVIEW ARE ALL IMPORTANT, BASIC CORNERSTONES TO PUBLIC HEALTH.

I BRING UP THIS QUICK DISCUSSION OF THE IMPORTANCE OF PUBLIC HEALTH AND HOW ENVIRONMENTAL HEALTH IS A CRITICAL ELEMENT TO ALL PUBLIC HEALTH ACTIVITIES AND PROGRAMS SO YOU WILL UNDERSTAND OUR CONCERNS WITH SOME OF THE PROVISIONS OF SB234 THAT, IN OUR OPINION , WOULD HAVE DESTROYED THE PUBLIC HEALTH MISSION THAT CURRENTLY EXISTS WITHIN THE DEPARTMENT OF HEALTH AND ENVIRONMENTAL SCIENCES.

TO PLACE ALL ENVIRONMENTAL HEALTH PROGRAMS INTO A DEPARTMENT OF ENVIRONMENTAL QUALITY UNDER A TOTALLY SEPARATE BOARD COMPRISED OF INDIVIDUALS WITHOUT A PUBLIC HEALTH BACKGROUND, WOULD FRAGMENT PUBLIC HEALTH IN MONTANA. AS I'VE INDICATED PUBLIC HEALTH AND ENVIRONMENTAL HEALTH ARE ONE AND THE SAME. THE WATER QUALITY, AIR QUALITY, AND WASTE MANAGEMENT STANDARDS SET BY FEDERAL AND STATE LAW ARE BASED ON LEVELS OF CONTAMINATES THAT CAUSE ILLNESS. THAT IS THE PURPOSE OF THE STANDARDS--TO PREVENT ILLNESS AND MAINTAIN THE PUBLIC'S HEALTH. TO LUMP ALL ENVIRONMENTAL HEALTH PROGRAMS INTO A NATURAL RESOURCE TYPE DEPARTMENT THAT HAS LITTLE, IF ANY PUBLIC HEALTH MISSION OR EXPERTISE, WOULD BE A SERIOUS MISTAKE AND A STEP BACKWARD FOR MONTANA. IN 1988 THE INSTITUTE OF MEDICINE UNDERTOOK A STUDY OF PUBLIC HEALTH. THE CONCLUSIONS OF THIS STUDY WERE PUBLISHED IN A BOOK ENTITLED THE FUTURE OF PUBLIC HEALTH. THE STUDY FOUND THAT IN OTHER STATES "THE REMOVAL OF ENVIRONMENTAL HEALTH AUTHORITY FROM PUBLIC HEALTH AGENCIES HAS LED TO FRAGMENTED RESPONSIBILITY, LACK OF COORDINATION, AND INADEQUATE ATTENTION TO THE HEALTH DIMENSION OF ENVIRONMENTAL PROBLEMS." THE STUDY RECOMMENDED THAT STATE AND LOCAL HEALTH AGENCIES STRENGTHEN THEIR CAPABILITIES FOR IDENTIFICATION, UNDERSTANDING, AND CONTROL OF ENVIRONMENTAL PROBLEMS AND HEALTH HAZARDS." THE INSTITUTE WARNED THAT HEALTH AGENCIES "CANNOT SIMPLY BE ADVOCATES FOR THE HEALTH ASPECTS OF ENVIRONMENTAL ISSUES, BUT MUST HAVE DIRECT OPERATIONAL INVOLVEMENT." THE PROPOSED CHANGES IN SB234 WOULD NOT HAVE ALLOWED FOR THAT INVOLVEMENT. THEREFORE, WE DEEPLY APPRECIATE THE WORK

DONE BY THE SPONSOR AND THE SENATE IN AMENDING SB234 TO ALLOW AT LEAST THE FOLLOWING ENVIRONMENTAL RESPONSIBILITIES TO REMAIN AS PART OF ANY NEW STATE PUBLIC HEALTH DEPARTMENT: THE SAFE DRINKING WATER PROGRAM AND OCCUPATIONAL HEALTH PROGRAMS DEALING WITH ASBESTOS AND RADON. IN ADDITION THE SENATE AGREED TO AMEND SB234 TO ALLOW AN INDIVIDUAL WITH PUBLIC HEALTH EXPERTISE (EITHER A COUNTY HEALTH OFFICER OR A PHYSICIAN TO SIT ON THE BOARD OF ENVIRONMENTAL REVIEW. WE URGE YOU TO SUPPORT THESE AMENDMENTS. IN ADDITION WE WOULD ASK THAT YOU CONSIDER ONE ADDITIONAL AMENDMENT TO RETAIN THE "SANITATION IN SUBDIVISION ACT" ADDRESSED IN SECTION 253 OF SB234, IN ANY NEW DEPARTMENT OF PUBLIC HEALTH CREATED, RATHER THAN PLACING THIS PROGRAM IN THE DEPARTMENT OF ENVIRONMENTAL QUALITY. THE PURPOSE OF THE SANITATION IN SUBDIVISION ACT IS FOR PUBLIC HEALTH REASONS--TO ASSURE THAT THE LOTS ARE DEVELOPED IN A WAY THAT PUBLIC AND PRIVATE WELLS ARE NOT POLLUTED BY THE NEXT LOTS SEPTIC SYSTEMS, THEREBY PREVENTING WATER BORNE ILLNESSES. TO KEEP WATER AND SEWER DEVELOPMENT IN THE SAME DEPARTMENT JUST MAKES SENSE AND THAT DEPARTMENT SHOULD BE THE PUBLIC HEALTH DEPARTMENT.

WE CAN SUPPORT SB234 AS AMENDED IN THE SENATE, ALTHOUGH WE WOULD PREFER TO SEE ALL AIR AND WATER PROGRAMS AS PART OF THE PUBLIC HEALTH DEPARTMENT, AND WE WOULD ASK YOUR CONSIDERATION FOR PLACING THE SUBDIVISION PROGRAM BACK WITH PUBLIC HEALTH WHERE IT BELONGS.

THANK YOU .

EXHIBIT # B

DATE: 3/9/95

**THE ORIGINAL OF THIS DOCUMENT I
STORED AT THE HIST. SOCIETY AT 22
N. ROBERTS, HELENA MT 59620-1201
PHONE NO: 444-2694**

C

Senate Bill 234 Repealer Section Summary, Third Reading Copy

Section 527 Repealer:

- * 2-15-3201 -- Department of State Lands -- Head
Repealing this section eliminates DSL.
- * 2-15-3202 -- Commissioner of State Lands
Repealing this section eliminates the commissioner of state lands.
- * 2-15-3302 -- Department of Natural Resources and Conservation
Repealing this section eliminates the DNRC.
- * 2-15-3306 -- Soil Survey Council
Repealing this section eliminates the soil survey council.
- * 75-10-628 -- Department of Health and Environmental Sciences --
Bond Payment.
Repealing this section is "clean-up" -- DHES was required to transfer sufficient funds to the department of administration to retire general obligation bonds authorized by the 50th legislature.
- * 76-11-203 -- Direction to state agencies -- For Soil Surveys
Repealing this section deletes the requirement for DNRC to develop a plan for completing a soil survey and mapping program.
- * 76-11-204 -- Professional and Technical Assistance -- For Soil Survey
Repealing this section deletes the requirement for DNRC to utilize the technical expertise for soil surveys.
- * 80-15-219 -- DHES to Amend Rules
Repealing this section eliminates the duty of DHES to amend specific rules to define a specific agricultural chemical groundwater management plan -- This has already been done.
- * 85-1-202 -- Department of Natural Resources Actions Subject to Board Approval
Repealing this section because the DNRC would be eliminated by this bill; therefore no board approval needed.
- * 85-1-212 -- Settlement of Disputes over Water Contracts
Repealing this section because in disputes over water

D

Environmental Quality Council Summary of Senate Bill 234, Third Reading Copy

KEY:

BER = Board of Environmental Review
BHES = Board of Health and Environmental Sciences
BNRC = Board of Natural Resources and Conservation
BOH = Board of Health
BPH = Board of Public Health
DC = Department of Commerce
DEQ = Department of Environmental Quality
DHES = Department of Health and Environmental Sciences
DNRC = Department of Natural Resources and Conservation
DNRM = Department of Natural Resource Management
DOH = Department of Health
DPH = Department of Public Health
DSL = Department of State Lands

Department

Section Numbers

DHES to DEQ

§§ 1, 2, 5, 8, 13, 15, 16, 21, 27, 30, 36,
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DHES to DPH

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253, 346.

Commissioner of DSL
to Director of DNRM §§ 5, 7, 332, 335, 336, 337, 338, 341.

Commissioner of
DSL to Director
of DEQ §§ 380, 381, 387, 390, 393, 416.

Commissioner of
DSL to DEQ §§ 384, 396, 424.

strike
Commissioner
of DSL §§ 327, 382, 385, 418.

DOH to DEQ §§ 234, 235, 236, 239, 240, 243, 246.

BOH to BER §§ 234, 235, 239, 240, 243, 246.

strike BOH §§ 226, 230, 232, 233, 236, 237, 243, 246.

strike DOH §§ 226, 230, 231, 232, 233, 236, 237, 243,
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strike BNRC §§ 52, 255, 257, 283, 303, 308, 309, 310,
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BNRC to Board of
Supervisors of
Conservation District \$ 301.

BNRC to Board of Adjustors §§ 304, 305, 306.

Board of Land
Commissioners to BER §§ 376, 382, 394, 395, 417.

Board of Land
Commissioners to DEQ
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428.

Chairman DHES to
Presiding Officer DEQ §§ 192.

E

Montana
Environmental
Health Association
1951



March 8, 1995

State Representative Dick Simpkins, Chairman
House State Administration Committee

RE: Senate Bill 234

Dear Representative Simpkins:

The Montana Environmental Health Association urges your support for a portion of SB 234. This bill is scheduled for hearing at 8:00 a.m. on March 9, 1995 in the House State Administration Committee. The MEHA is supportive of keeping the Vector Control position within the proposed Public Health Division rather than being in the proposed Department of Environmental Quality. It is felt that this program is important for the continuation of the mosquito control districts in Montana. It is believed that by being in the Public Health Division this program will remain funded.

The MEHA strongly urges your support for this portion of this complex bill.

Sincerely,

Ted Kylander, R.S.
President-Elect

EXHIBIT E
DATE 3-9-95
HB 234



(1)

Natural Resource Agencies Reorganization Proposal // Senate Bill 234
February 21, 1995

While the bill itself is over 300 pages, the purpose of the natural resources reorganization legislation is simple and straightforward -- to develop a government structure that helps make the best agency decisions possible in a more timely fashion.

Not only does this reorganization plan establish "one-stop shopping" for permits, it also consolidates environmental enforcement to create a more seamless and coordinated enforcement protocol to protect air and water quality.

For example, a major mine permit application may need permits from three different state government agencies -- State Lands (DSL), Health and Environmental Sciences (DHES) and Natural Resources and Conservation (DNRC). Such an example is not hypothetical. The Montanore Project in Northwest Montana did in fact need permits for Facility Siting through DNRC, for water quality from the Board of Health and Environmental Sciences as well as an air quality permit from the DHES, plus a hard rock permit from DSL.

Through reorganization, this permit authority would be in one department. Enforcement authority would also be in one department. Currently, DSL and DHES each enforce independent permits. The recent performance audits conducted by the Legislative Auditor on the Water Quality Division (at DHES) and Hard Rock Bureau (at DSL) indicated a lack of coordination between the two agencies on permit enforcement.

The benefits of reorganization include better service to the permit applicant, coordinated landowner assistance programs, and improved environmental protection.

The proposal calls for the creation of two new agencies. One is named the Department of Natural Resources Management. The other is named the Department of Environmental Quality.

The Department of Natural Resources Management (DNRM) manages natural resources or provides landowner assistance. The Department of Environmental Quality (DEQ) permits and regulates projects.

DEQ would be composed of: the environmental sciences wing now at DHES (water quality, air quality, environmental remediation and waste management divisions), the energy division at DNRC and reclamation division at DSL.

DNRM would be composed of: the conservation and resource division, water resources division, oil and gas division and Reserved Water Rights Compact Commission from DNRC, and the land administration division, field operations division and forestry division at DSL.

This bill will produce budget savings through agency consolidation and lead to better agency decisions. The purpose of all this agency division shifting and reorganization is simply to create a framework to make better and faster agency decisions. Good and timely agency decisions benefit industry, our economy and our environment.

SB 234 was amended in Senate Natural Resources Committee to specifically address concerns of the oil and gas industry and conservation districts.

DATE 3-9-95

HB 234

Questions and Answers
Natural Resource Agencies Reorganization
February 21, 1995

Q: What is the point of natural resource reorganization?

A: The point is simple -- to develop a government structure that helps make the best agency decisions possible in a more timely fashion.

For years people have discussed the possibility of creating "one-stop shopping" for state agency permitting. Not only does this reorganization plan establish one-stop shopping for permits, it also consolidates environmental enforcement to create a more seamless and coordinated enforcement protocol to protect air and water quality.

For example, a major mine permit application may need permits from three different state government agencies -- State Lands (DSL), Health and Environmental Sciences (DHES) and Natural Resources and Conservation (DNRC). Such an example is not hypothetical. The Montanore Project in Northwest Montana did in fact need permits for Facility Siting through the Department of Natural Resources and Conservation, water quality permit from the Board of Health and Environmental Sciences and air quality permit from the DHES, plus a hard rock permit from the Department of State Lands.

Through reorganization, all this permit authority would be in one department.

In addition, the permit enforcement authority would also be in one department. Currently, State Lands and Health and Environmental Sciences each enforce independent permits. The performance audits conducted by the Legislative Auditor on the Water Quality Division (at DHES) and Hard Rock Bureau (at DSL) indicated a lack of coordination between the two agencies on permit enforcement.

The benefits of reorganization include better service to the permit applicant, coordinated landowners assistance programs, and improved environmental protection.

Q. Why make a Department of Environmental Quality and a Department of Natural Resource Management?

A. The management and regulation of our state natural resources is currently spread among several agencies. In some cases the agency that manages or develops the resource is the same one that regulates it, which creates a potential conflict of interest. In other cases similar roles or responsibilities are shared by more than one agency. By creating these two departments we would have one agency responsible for the management of most of our natural resources and a single agency responsible for environmental protection. The problems represented by conflict of interest will be greatly reduced.

EXHIBIT _____
DATE _____
HB _____

Q. Would this reorganization plan produce budget savings?

A. Yes. Initially the savings would come from combining the highest levels of administration in each of the three existing departments. As the new departments are formed, potential savings exist through the reformation and combination of programs within the departments. This will also mean easier access to government by the public. It will no longer be necessary to go to three different agencies for answers to natural resource questions.

Q: Won't the DEQ be a Montana EPA (Environmental Protection Agency)?

A: There are specific differences between the proposed DEQ and existing EPA.

First, the DEQ will have a proposed Board of Environmental Review to provide an appeals process and public oversight of rulemaking and department decisions. EPA has no public board.

Second, decisions by the DEQ will be made by either the director or the board, will be made in Montana, will be made after a public process, and will be made based upon state law.

It can be difficult to tell if an EPA decision is made in Helena, Denver or Washington, who made it, what process was followed, or what basis the decision was made upon.

Third, the proposal does not seek to create new regulations, new laws or new restrictions. The purpose is make better decisions in more rapid fashion on permits and permit enforcement.

Fourth, the DEQ will contain a special Montana Environmental Policy Act (MEPA) unit whose mission will be to assure consistent and legal MEPA compliance. Having uniform and predictable procedures throughout state government on Environmental Impact Statements (EIS) will help move applications to a faster decision and protect important environmental resources.

Q: When will reorganization take place?

A: The effective date of the proposed bill is July 1, 1995.

Clearly, a complete reorganization of this magnitude cannot occur in that timeframe. But Governor Racicot and the administration are committed to making a transition into reorganization that takes place as promptly and efficiently as possible.

Q: Where will the new departments actually be located?

A: This is one of the many questions that cannot be answered at this time. Other reorganization proposals and the relocation of the

provide the ability to take similar programs or those that overlap and combine them. This will be done in a way that will utilize existing staff and program expertise to assure that the purpose of existing programs is preserved while seeking efficiencies with other programs.

Q: Does reorganization change the authority of the Board of Land Commissioners?

A: Procedurally, no; statutorily, yes. In 1973, the Land Board conveyed mine permit authority to the Department of State Lands, yet state law still shows the Board with mine permit authority. Since the reclamation division (mine permit authority and enforcement) would be moved to the DEQ and the Land Board remains at DNRM, the proposed reorganization would put into law what has happened in practice for over two decades. The department (DEQ) would now have statutory authority over mine permitting. Except for this change, the authority of the Land Board is neither expanded nor diminished.

Q. Why are the natural resource grant and loan programs being moved to the Department of Commerce?

A. They aren't. An amendment approved in Senate Natural Resources Committee places the grant and loan programs in the new DNRM.

Q. Why is the Board of Oil & Gas Conservation being moved to the Department of Environmental Quality?

A. It isn't. An amendment approved in Senate Natural Resources Committee places the board in the new DNRM.

Q. Why is the Board of Oil & Gas Conservation losing its authority over its four exempt personnel?

A. It isn't. An amendment approved in Senate Natural Resources Committee maintains total board authority over its employees.

Q: How big will DEQ and DNRM be?

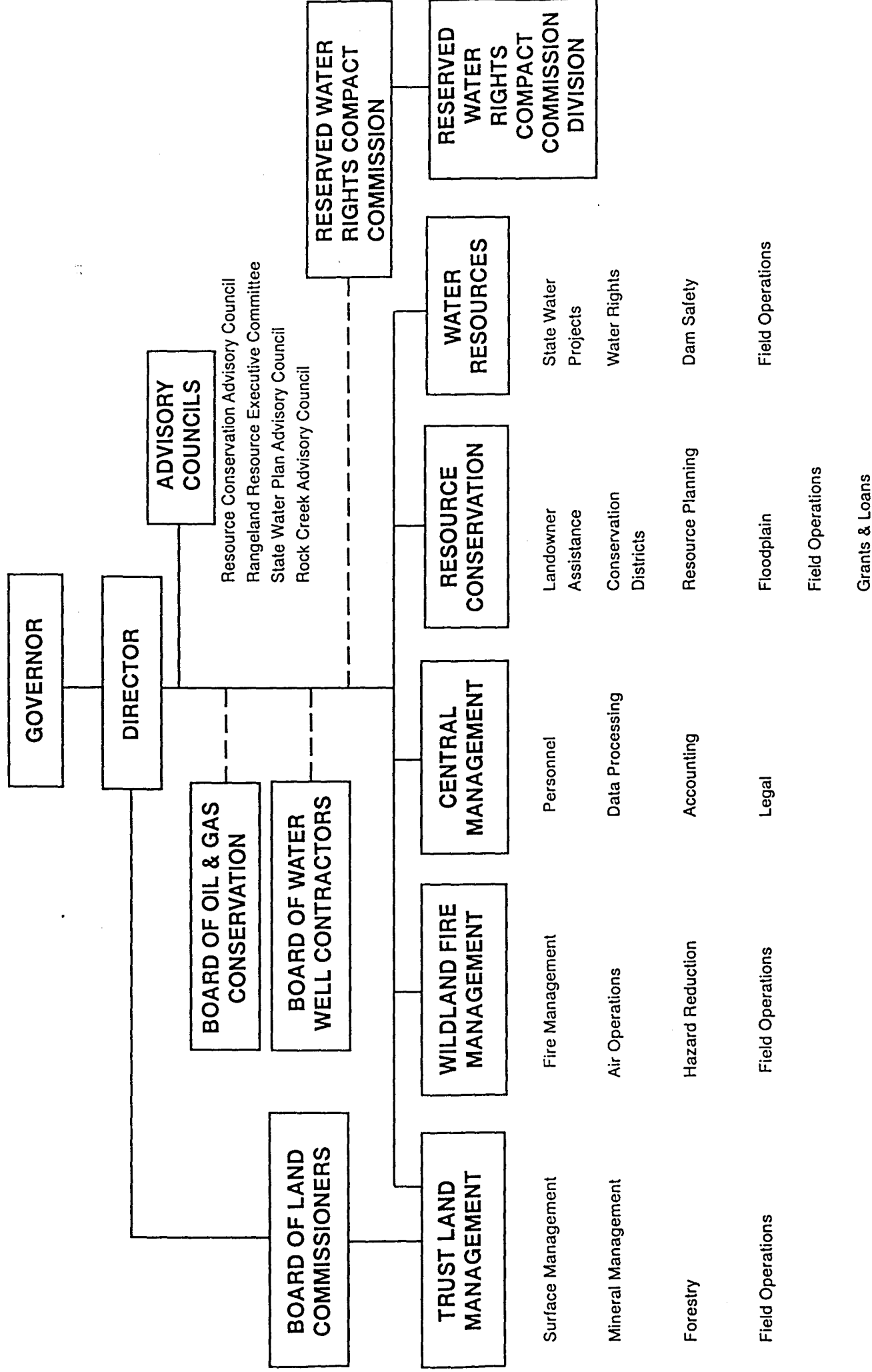
A: It is obviously impossible to predict with certainty the size of the two departments. A best guess would indicate the two departments would each have about 400 full-time employees.

Q: So does natural resource agency reorganization favor the pro-industry and pro-landowner approach, or pro-environmental quality and pro-environmental protection approach?

A: This bill favors a good decision approach. That's the bottom line. The purpose of all this agency division shifting and massive reorganization is simply to create a framework to make better and

DEPARTMENT OF NATURAL RESOURCE MANAGEMENT

2/21/95

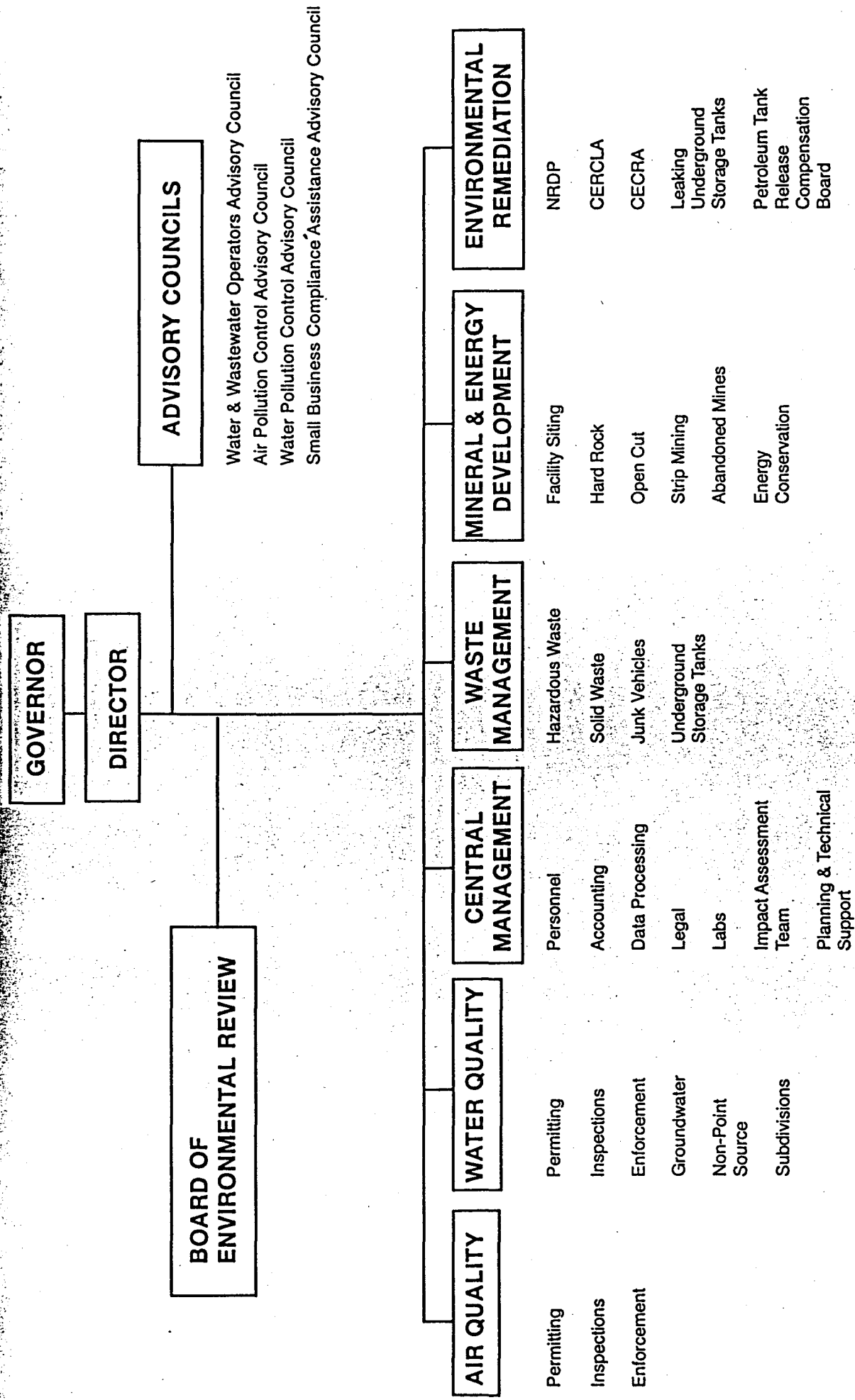


DISCLAIMER: A possible functional example of how the DNRM might look.

This is illustrative only. Any final decisions of department division composition have been made.

DEPARTMENT OF ENVIRONMENTAL QUALITY

2/21/95



DISCLAIMER:

A possible functional example of how the DEQ might look.

This is for illustrative purposes only. No final decisions of department division composition have been made.

(2)

Testimony In Support of Senate Bill 234
March 9, 1995
Glenn Marx, Governor's Racicot's Office
House State Administration Committee

Mr. Chairman, for the record my name is Glenn Marx and I serve as policy director for Governor Marc Racicot.

Before you today, Mr. Chairman, is the simplest 362-page bill this committee will encounter all session. The goal of natural resources reorganization is simple and straightforward -- to develop a government structure that helps make the best agency decisions possible in a more timely fashion.

Since it may be possible one or two of you haven't read the complete text of the bill, a multi-colored handout has been prepared for you which contains a one-page summary of the bill, a question-and-answer memo and two new charts which reflect the reorganized departments.

The purpose of the bill is this direct: so state government can place the right people in the right place at the right time making the best decisions with the best information so the outcomes are best for the economy, best for the public, and best for the environment.

The bill takes three existing natural resource departments and combines them into two new departments. The Department of Environmental Quality would grant permits and enforce those permits. The Department of Natural Resource Management would manage state resources -- timber, grazing, crops -- and assist private landowners. Following my brief testimony, Director of the Department of Natural Resources and Conservation Mark Simonich will provide much more detail on the actual components of the reorganization plan.

While this bill is indeed lengthy, it is safe to say no bill concept brought before this committee will have been through more public involvement, more public comments, or more public opinion than Senate Bill 234. A product of the Renew Government Task Force, the reorganization idea behind this bill has been the subject of meetings, hearings, statewide telephone surveys, newspaper inserts, more hearings and still more public meetings.

I can also assure you the bill was also thoroughly analyzed in the Senate Natural Resources Committee. Dozens and dozens of technical amendments were discussed in a special subcommittee then added in full committee. A half-dozen policy amendments were also added, and virtually every major concern -- and some not so major concerns -- were addressed in the Senate. The bill passed with 44 votes on the floor.

Mr. Chairman, I would like to talk briefly about three loosely connected facts before I close.

One: The federal government in no way, shape or form recommended this bill or is even involved in the bill. State government, in fact, did not create this reorganization concept. This bill represents an idea created, developed and spurred by the people of Montana because it could produce improved service for natural resource management and environmental regulation.

Two: You can't have one-stop shopping for permits without one-stop

EXHIBIT
DATE 3-9-95

HB 234

Amendments to Senate Bill No. 234
Second Reading Copy

Requested by Rep. Matt Denny
For the Committee on State Administration

March 9, 1995

1. Page 95, line 23.
Page 96, lines 12, 14, 20, and 33.
Page 119, lines 20 and 34.
Page 121, lines 5 and 15.
Page 130, line 15.
Strike: "PUBLIC HEALTH"
Insert: "environmental quality"
2. Page 119, line 21.
Page 130, line 16.
Strike: "2-15-2101"
Insert: "[section 22]"
3. Page 95, line 22.
Page 120, line 33.
Page 130, line 9.
Strike: "PUBLIC HEALTH"
Insert: "environmental review"
4. Page 95, line 22.
Page 130, line 10.
Strike: "2-15-2104"
Insert: "[section 23]"
5. Page 95, lines 23 and 24.
Strike: "Title 2, chapter 15, part 21"
Insert: "[section 22]".

EXHIBIT 3
DATE 3-9-95
HB 234

4

Senate Bill No. 234
Testimony of Chris Tweeten, Chair
Montana Reserved Water Rights Compact Commission
March 9, 1995

The Reserved Water Rights Compact Commission was created by the Legislature in 1979 as part of the statewide water adjudication program commonly known as the SB 76 adjudication. SB 76 implements the constitutional mandate for a centralized recordkeeping system for all rights to the use of water in Montana by creating a water court system and providing for the adjudication of all water rights existing as of 1973.

When the Legislature designed the adjudication, it explicitly intended to include rights that exist under federal law as well as rights created under Montana's law of prior appropriation. The Legislature also knew that federal and Indian water rights, called reserved rights, differ from state-law based rights in several fundamental ways. Most importantly, federal reserved rights are quantified by a determination of the amount of water needed to fulfill the purpose of the federal reservation of land. The government need not show that water has actually been diverted and put to beneficial use, nor can such a right be declared abandoned due to non-use.

The Legislature was aware that litigation over federal reserved rights is complex, time-consuming, and very expensive. It therefore adopted a policy favoring negotiated settlement of federal reserved right claims. The Commission was created to implement the State's negotiation policy.

The Legislature also made a conscious choice to make sure that the public and the Legislature, rather than the State's administrative agencies, were in control of the negotiations. It did this by assigning responsibility for the negotiations to a commission made up of citizens and legislators. The Commission consists of nine members: two members of the House, two members of the Senate, four members appointed by the Governor, and one member appointed by the Attorney General.

Historically, the Commission has been served by many prominent Montanans. The first chairman was Judge Henry Loble, one of Montana's preeminent water lawyers and later a district judge in the First Judicial District here in Helena. Judge Loble was succeeded as chairman by Gordon McOmber, former state senator and director of the Department of Agriculture, and who later served as Lieutenant Governor. Sen. Jack Galt chaired the commission for three years following Mr. McOmber. The other members of the commission have included such prominent Montanans as Attorney General Joe Mazurek, former Sen. Larry Fasbender, later director of DNRC and a member of a prominent ranching family in central Montana, Missoula mayor and former House Speaker Dan Kemmis, former Rep. Audrey Roth, former Pondera County

EXHIBIT 4
DATE 3-9-95
HB 234

Commissioner Everett Elliott, former Rep. Dennis Iverson, Prominent Dillon water lawyer Carl Davis, rancher Gene Etchart, and many others.

The current Commission consists of vice chairman Sen. Lorents Grosfield, Sen. Mike Halligan, Rep. Emily Swanson, Livestock Board Chairman Jack Salmond, Park County Attorney Tara DuPuy, Gene Etchart, and former Rep. Bob Thoft. Until January, Rep. Bob Gilbert also served on the Commission.

Since its creation, the Commission has been attached for administrative purposes to the Governor's Office. However, through legislative process and executive action, the Commission's staff has been housed in the Department of Natural Resources and Conservation and its budget has been part of the Department's budgetary process.

This hybrid system has worked very well over the years. The current system of Commission authority, and the organization and operation of the Commission's staff has allowed the Commission to negotiate compacts over federal reserved rights with more success than any other western state. We have successfully completed compacts with the Assiniboine and Sioux Tribes of the Fort Peck Reservation, the Northern Cheyenne Tribe, and two agreements covering the reserved rights claims of five National Park Service units in Montana. The negotiated settlements have saved the State millions of dollars in litigation costs and provided Montana-made solutions to very difficult and complex problems which surround management of federal water rights in a state water management system.

Because of the success of the current system of managing the Commission's affairs, the Commission wrote to Governor Racicot urging that the Commission remain attached to the Governor's Office. (I am submitting this letter for the record.) The Governor's Office did not agree with the Commission's view and the bill has been drafted to attach the Commission administratively to the new Department of Natural Resource Management.

We have discussed our concerns about this arrangement with the proponents of the bill. Those concerns are as follows:

First, to maintain the hard-won working relationships established with the tribes, the federal government and the affected water users of our State it is vitally important that Commission continue to negotiate on behalf of the Governor. This is at least implicit in the Governor's oft-stated policy of engaging in negotiations with Indian tribes in Montana on a government to government basis.

Second, it is very important that the Commission sets its own priorities and workload, that the Commission determines Montana's negotiating positions with the tribes and Federal government, and that in all other matters of policymaking the Commission act independently and without approval or control of the Department. The Commission has been very successful in its work to date, in large part because it has been given adequate staff resources and has had the freedom to allocate those resources among

competing projects in a way which best advances the Commission's business. It would seriously undermine the Commission's effectiveness if the Commission did not have the ability to assign work to its staff according to the Commission's priorities. The current organizational structure and operations of the Commission staff have allowed the Commission to work effectively in conducting several complex negotiations at the same time. The success of the Commission under the present structure is the best evidence that it works well.

As we discussed these concerns with the Governor's staff, we were assured that it was not the intent of this legislation to make any practical changes in the manner in which the Commission's staff transacts its business. Specifically, we were assured that the intent of the legislation was not to give the management of the new DNRM the power to reallocate Commission staff resources to fit the priorities of the department rather than those of the Commission. Language has been added to the section of the bill dealing with the Commission's status in an attempt to guarantee the continuance of the status quo as far as the Commission's operations are concerned.

The Commission wants to work cooperatively within the reorganized framework contemplated by this bill. Based on the assurances stated above, the Commission is willing to recede from the position argued in our letter to the Governor and support the bill. The Commission is satisfied with the language of the bill as amended in the Senate, and looks forward to the establishment of a productive working relationship with the new Department of Natural Resource Management if this bill is enacted.

Thank you for your consideration of the Commission's comments.

600 Sycamore
Anaconda, MT 59711

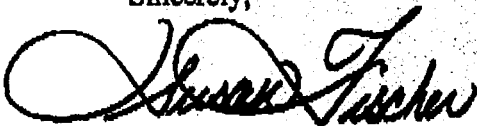
~~Representative Dick Simpkins~~
Montana Legislature
Capitol Station
Helena, MT 59620

Dear Representative Simpkins:

Tomorrow you will be evaluating the merits of SB 284 in your committee meeting. I believe that this piece of legislation will ensure more equitable calculations of allowable profits by utilities in our state. If this legislation fails, Entech may be forced to sell its Western Energy subsidiary. This could eliminate 50 to 100 jobs in Butte alone without ensuring lower utility rates for rate payers.

I appreciate you positive consideration of SB 284.

Sincerely,



Susan Fischer

EXHIBIT 5
DATE 3-9-95
HB 234

February 27, 1995

Mr. Dick Simpkins
Montana Legislature
Capitol Station
Helena, MT

Dear Mr. Simpkins,

I am writing to you specifically because you represent the Administrative Committee as its Chairman and because I am sure you are serving to represent the best for Montana.

In reference to SB 284, relating to the cost of coal legislation, I am supporting this legislation and certain of serious problems occurring if this issue is ignored. I am an employee of Entech, Inc. These are my own beliefs; I am not speaking on behalf of the Company.

The PSC has utilized a Return on Equity methodology in coming to its most recent decision disallowing \$7 million of coal fuel cost. Although a return on equity (ROE) approach may be a reasonable method for some types of business, it is not for a coal operation. If this method were utilized in the early years of operation the ROE would be very low and the allowance would have been too high. Conversely, in the later years of mine life the ROE looks high, hence, the disallowance. The bill (SB 284) is a reasonable solution to a very serious situation. One characteristic you will find in all of MPC's Companies is an understanding of our cost performance against the "market." We measure ourselves that way and shop for our services that way. A \$7 million dollar "dip" from the coal charges that are among the lowest mine mouth fuel costs in the nation is unfair and unreasonable. Montana regulators have a difficult job, but certainly they have to be accountable to all of us for their methods of decision. Why should Montana not recognize market comparison methods in regulation when it utilized by regulators all over this country?

The "utility" did not buy the Rosebud Mine; the investors of the Corporation did. Fuel cost is certainly a critical consumer issue. Senate Bill 284 is not asking for anything more than recognition of that. Random decisions concerning profits of a non-regulated company should not be made by the PSC. If another company ran that mine, they would not have made the same decision. Why then do they insist on penalizing a Montana company whose cost performance record is a good one? Incidentally, Puget Power, who does the hands on contract pricing negotiations, has a diligent record of scrutinizing cost.

EXHIBIT 6
DATE 3-9-95
HB 234

Montana Power Company, including utility and non-utility, is good for Montana. This Company's history and its past respect for its regulatory obligations are both good -- there is no unreasonable or dishonorable motive in our support of SB 284.

I urge you to search hard and consider a vote for this bill. Thank you for your time and consideration of these points and for your concern for Montana.

Sincerely,

A handwritten signature in cursive script that reads "Saree Couture". The signature is written in dark ink and is positioned below the word "Sincerely,".

Saree M. Couture 1040 West Platinum Street Butte, MT 59701

Dick Simpkins
Montana Legislature
Capitol Station
Helena, MT 59620

RE: Senate Bill 284

Dear Sir:

I am writing to let you know I support Senate Bill 284. If Montana Power is not treated fairly by the Public Service Commission eventually all of Montana Powers customers will suffer in the long run. A lot of jobs in Montana rely on the passage of Senate Bill 284, along with having a utility company that you can depend on to provide not only good rates but excellent service.

Sincerely,

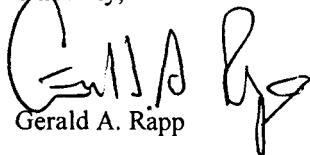

Gerald A. Rapp

EXHIBIT 7
DATE 3-9-85
HB 234

February 27, 1995

Chairperson Dick Simpkins
Montana Legislature
Capitol Station
Helena, MT 59620

Dear Dick,

I am writing to urge you to support Senate Bill 284.

The return on equity method of determining Western Energy coal costs is inappropriate. A market price comparison is more appropriate and should be used by the PSC.

Thank you.

Sincerely,


Greg Redekopp

EXHIBIT 8
DATE 3-9-85
HB 234

February 27, 1995

Chairperson Dick Simpkins
Montana Legislature
Capitol Station
Helena, MT 59620

RE: Senate Bill 284


Dear Dick:

I am writing in regards to my support for Senate Bill 284.

I have lived in Butte, Montana all my life and make a good living here. SB 284 will support the continued success of the largest employer in Butte and in Montana. I believe if this bill does not pass, it will have a negative impact on the economy of Butte, and for the state of Montana. Passage of this legislation will continue the economic growth in Montana.

Please vote for Senate Bill 284, it would be greatly appreciated!!

Sincerely,



Sherrie Cassidy
2036 Roberts Ave.
Butte, MT 59701

EXHIBIT 9
DATE 3-9-95
HB 234

February 27, 1995

Chairperson Dick Simpkins
Montana Legislature
Capitol Station
Helena, MT 59620

Dear Mr. Simpkins:

We are writing to you to express our support for S.B. 284, and to help gain your support for this measure. Montana Power Co. is one of the best managed and lowest cost producers of electricity in the entire country. Over the years, the thermal generating units at Colstrip have been either the lowest cost or one of the lowest cost generators out of 484 thermal power plants throughout the country. That is a record in which Montana citizens can be proud.

Montana Power Co. is the single largest corporate employer in the state of Montana, and contributes immensely to the tax structure of the state. Keeping Montana Power Co. financially sound by passing S.B. 284, will sustain the efficient and low cost services that Montana currently enjoys.

Thank you for taking the time to read this letter, and we would greatly appreciate your support in this matter.

Sincerely,

Richard N. Tretheway
Kimberly J. Tretheway

Richard N. Tretheway
Kimberly J. Tretheway
3448 Wharton
Butte, Montana

EXHIBIT 10
DATE 3-9-95
HB 234

February 27, 1995

Chairman Dick Simpkins
Capitol Station
Helena, MT

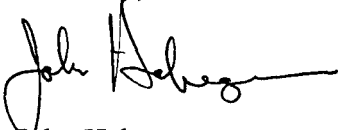
RE: Senate Bill 284

Dear Dick:

I am writing to encourage you to **vote in favor of Senate Bill 284**. I feel that the Public Service Commission has made a serious error in judgment in their desire to regulate profits in the non-utility portion of the Montana Power Co. I don't believe the PSC is performing much of a service to the people of Montana when they choose to disallow fair market pricing to a company providing good paying jobs in a very competitive market. I am certain that they are unfairly over stepping their bounds and fear that their actions will cost our state the loss of jobs.

Thank you for your vote for this legislation.

Sincerely,



John Habeger
2411 Locust
Butte, MT 59701

EXHIBIT 11
DATE 3-9-85
HB 2341

February 27, 1995

Dick Simpkins
Capitol Station
Helena, MT

RE: Senate Bill 284

Dear Dick:

I am writing to express my support for Senate Bill 284.

I am grateful to be able to live in Butte, Montana and for my present employment with the Montana Power Company. SB 284 will support the continued success of the largest employer in Butte and in Montana. I feel the failure of this bill will have a negative impact on the economy of Butte, and for Montana as a whole. Passage of this legislation will continue the economic growth of our State, something I know that we all are in favor of.

We'd appreciate your vote for Senate Bill 284.

Sincerely,



Pamela Rognstad
1916 S. Washington St.
Butte, MT

EXHIBIT 12
DATE 3-9-95
HB 234

Steve and Carol Vargos
113 Milky Way
Butte, MT 59701

February 27, 1995

Chairperson Dick Simpkins
Capitol Station
Helena, MT

RE: Senate Bill 284

Dear Dick :

We are writing to encourage you to **vote in favor of Senate Bill 284**. We feel that the passage of this legislation will continue to help the economic growth of our State, something we know that you are in favor of. We believe that the PSC, in this instance, has not applied a fair method to determine how profits should be calculated. We are not sure they are listening to all of the facts and fear that their actions will cost our State the loss of jobs. We believe that the people of Montana will suffer if MPC and their subsidiaries are unable to remain competitive in the utility industry. We support Senate Bill No. 284 and would appreciate your support also. Defeat of this bill will definitely damage the economy of Montana.

Thank you for your vote for this legislation.

Sincerely,


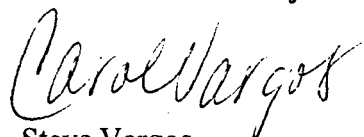


Steve Vargos
Carol Vargos

EXHIBIT 13
DATE 3-9-95
HB 234

Dennis Doherty
2035 Lafayette
Butte, Montana 59701

February 27, 1995


Dick Simpkins
Montana Legislature
Helena, Montana 59620

Dear Mr. Simpkins

I am writing this letter in support of SB 284. I am urging you to protect Montana jobs and the economic ripple effect that a healthy company provides to communities and government. Western Energy is not a regulated business and it is not inherently fair to investors and employees to be treated as such. The price of coal should be dictated by the marketplace and Western Energy is a low cost producer and supplier of coal.

It was enlightening to see all of Montana rally behind Butte's efforts to attract Micron into Montana. It is easy to envision what an economic impact a company like Micron could have not only for Butte but for the entire state. For those same economic benefits we must protect a prospering company like Western Energy. I urge you to do what is fair and at the same time protect jobs, a healthy tax base, and other citizens who are benefitting from a healthy company.

Sincerely,



Cc: Gay Ann Masolo

EXHIBIT 141
DATE 3-9-95
HB 234

February 27, 1995

Dick Simpkins
Capitol Station
Helena, MT 59620

RE: Senate Bill 284

Dear Sir:

I am writing to encourage you to **vote in favor of Senate Bill 284**. I believe that the PSC, in this instance, has not applied a fair method to determine how profits should be calculated. I am not sure they are listening to all the facts and am worried that their actions will cost our State and your district the loss of jobs, as well as potential opportunity for this great State of ours to grow.

Thank you for your vote for this legislation.

Sincerely,



Stephen S. Vargos

EXHIBIT 15
DATE 3-9-95
HB 234

3434 Wharton
Butte, MT 59701
February 27, 1995

Chairperson Dick Simpkins
Montana Legislature
Capitol Station
Helena, MT 59620

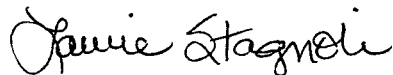
RE: SENATE BILL 284

Dear Mr. Simpkins:

I would like to express my support for Senate Bill 284 and am hopeful that the House will also give their support to this Bill.

Thank you for your consideration.

Sincerely,



Laurie Stagnoli

EXHIBIT 110
DATE 3-9-95
HB 234

February 27, 1995

Richard D. Simpkins
Chairperson, Montana Legislature
Capitol Station
Helena, Mt 59620

Dear Mr. Simpkins:

I am requesting your support and vote for
SB284 to require the PSC to use a market price
comparison approach.

This Bill is critical to our community and our
state.

Please support SB284. Thank you.

Sincerely,
Kristine Rozinka
(Kristine Rozinka)

3471 Hannibal
Butte, MT 59701
Phone 494-7948

EXHIBIT. 17
DATE 3-9-95
HB 234

3580 Oregon Avenue
Butte, MT 59701
February 24, 1995

Chairperson Dick Simpkins
Montana Legislature
Capitol Station
Helena, MT 59620

Dear Chairperson Simpkins:

Please support Senate Bill 284.

As an employee of Entech, Inc., I treasure the opportunities and life style that working for a company like Montana Power Company and Entech, Inc. has afforded me. Passage of Senate Bill 284 will ensure that hundreds of employees, along with myself, may continue to stay and work in Montana and live a quality life that we have become accustomed to. To lose even one part of our Company would be a devastating blow to Montana. Does the PSC realize how many other jobs would be affected in this State if Montana Power sold Western Energy Company? I believe my position would be one of them.

Montana Power Company/Entech, Inc. have been major contributors to the communities of Montana. Hundreds of Montana Power Company/Entech, Inc. employees are involved in the communities in which they live because the Company supports their efforts.

Please show that same commitment and support this Bill. Thank you.

Sincerely yours,



Shelly Jones

EXHIBIT 18
DATE 3-9-95
HB 234

Rep. Dick Simkins
Montana Legislature
Capital Station
Helena, MT 59620

February 27, 1995

Re: SB 284

We are asking your support of SB 284. Passage of this bill would help to ensure that the Public Service Commission has to treat proposals before them in a fair manner. Passage of this bill will also help to ensure that jobs in Butte, which are vital to our economy, are not lost.

Thank you for your support!

Rep. M. Michael 105 Leahy Mtn Lane Butte, MT

Arnette Hinz 110 Bluff Ct Butte, MT

Michel Ehem 531 W Broadway Butte, MT

John E. Domme 2910 Richardson Butte MT

Don A. Davis 1034 Caledonia " " "

John Canavan 1143 Platinum Butte, MT

Allyce Powell P.O. Box 3482 Butte, MT

EXHIBIT 19
DATE 3-9-95
HB 234

February 27, 1995

House Chairperson, Dick Simpson
Helena, MT

RE: Senate Bill 284

Dear Dick:

I am writing to express my ***support for Senate Bill 284***. Our state needs to have a **more favorable business climate**. Regulators should not be allowed to use subjective judgement and unfairly control a company's profitability. Unless businesses can make a reasonable profit (that's why they exist in the first place), businesses will certainly locate their operations somewhere other than Montana. I am from Butte originally. I am grateful to be able to stay in Montana and make a living. I want my friends and family to be able to live here and make a decent living. As long as government continues to adversely control businesses our economy remain vulnerable to loss.

Government has to learn to partner with businesses and work together toward common goals that benefit the people of Montana. Let's identify our common goals and work together to get there.

I recommend you vote for Senate Bill 284.

Sincerely,



David Sullivan
1101 West Diamond
Butte, MT 59701

EXHIBIT 20
DATE 3-9-95
HB 284

HOUSE OF REPRESENTATIVES
VISITORS REGISTER

State Administration COMMITTEE March 9, 1995
BILL NO. SB 234 SPONSOR(S) Grosfield

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	Support	Oppose
Jim Jensen	METC	✓	
MARK Simonich	DNR	X	
Chris Tweeten	Reservoir Water Rights Compact Commission	✓	
Gail Abercrombie	MT Petroleum Assn	X	
JOHN LAHR	MT Power Co	X	
Pete Frazier	City-Co Health Dept CET Facs	X	
GARY LANGLEY	MONTANA MINING ASSN.	X	
Ted Lange.	NPRC	X	
Glenn Marx	Governor's office	X	
Cary Hegreberg	MT wood Prod. Asso.	X	
JOAN MILES	Lewis & Clark City County Health	X as amended in Senate.	
Harry W. Shaler	Rural water	X	
Arnold Peterson	" "	X	
Dan King		X	

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS
ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.

HR:1993

wp:visssbcom.man

CS-14