

1 *Senate* BILL NO. *297*
 2 INTRODUCED BY *Walt Brown Roberts*

3
 4 A BILL FOR AN ACT ENTITLED: "AN ACT TO REGULATE
 5 GOLD-LEACHING OPERATIONS INVOLVING THE CYANIDE PROCESS AND
 6 TO INSURE PROTECTION OF THE ENVIRONMENT FROM THE TOXIC
 7 SUBSTANCES INVOLVED IN SUCH OPERATIONS."

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 9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

10 Section 1. Definitions. As used in this act, unless
 11 the context requires otherwise, the following definitions
 12 apply:

13 (1) "Department" means the department of health and
 14 environmental sciences provided for by Title 82A, chapter 6.

15 (2) "Permit" means the permit required by [section 2]
 16 in order to engage in gold-leaching operations involving the
 17 cyanide process.

18 (3) "Person" means an individual, partnership,
 19 corporation, association, or other legal entity or any
 20 political subdivision of the state.

21 Section 2. Permit required to engage in gold-leaching
 22 operations. No person may engage in gold-leaching operations
 23 which involve the cyanide process without obtaining a permit
 24 from the department.

25 Section 3. Issuance of permit by department. (1) The

1 department may issue permits.

2 (2) Application for a permit or a renewal shall be
 3 made on forms to be prescribed by the department. In
 4 addition to any information required by the department, the
 5 application shall specify, as appropriate:

- 6 (a) the name and address of the applicant;
- 7 (b) the name and address of the principal officers;
- 8 (c) the name and address of the resident agent for
 9 service of process.

10 (3) A permit shall be valid for 1 year from date of
 11 issuance. There is a fee of \$25 for the issuance of a permit
 12 or renewal.

13 (4) The permit shall be issued to a person who can
 14 demonstrate that gold-leaching operations conducted by that
 15 person will be in compliance with the provisions of this
 16 act. The application form shall require sufficient
 17 information to enable the department to evaluate the
 18 applicant's ability to comply with this act.

19 Section 4. Bonding requirements. The department may
 20 establish by rule bonding requirements for persons engaging
 21 in gold-leaching operations involving the cyanide process.
 22 In determining the amount of the bond, if bonding is needed,
 23 the department shall take into consideration the need to
 24 protect the environment and the need to enable those engaged
 25 in gold-leaching operations to remain economically viable.

1 Section 5. Location of leaching pads. No leaching pad
2 may be located:

3 (1) within 1,000 feet of the bank of a perennial
4 stream; or

5 (2) within the floodplain of a perennial stream.

6 Section 6. Pad construction. A leaching pad must be
7 constructed in a manner and of materials which will prevent
8 the seepage of any cyanide-bearing solution into the soil
9 below and adjacent to the pad.

10 Section 7. Storage of cyanide. (1) Cyanide stored at
11 the site of a leaching operation must be in containers of
12 sufficient strength to prevent any leakage or spillage.

13 (2) If the leaching operation is seasonal or
14 intermittent, no cyanide or other toxic substance may be
15 left at the leaching site when operations are not in
16 progress.

17 Section 8. Department rules. The department shall
18 adopt rules for the administration of this act.

19 Section 9. Compliance with other laws. Issuance of a
20 permit by the department does not excuse the permittee from
21 compliance with other laws of the state which affect the
22 gold-leaching operation.

23 Section 10. Violations — penalty. A person violating
24 any provision of this act is guilty of a misdemeanor.

-End-

STATE OF MONTANA

REQUEST NO. 270-77

FISCAL NOTE

Form BD-15

In compliance with a written request received January 27, 19 77, there is hereby submitted a Fiscal Note for Senate Bill 297 pursuant to Chapter 53, Laws of Montana, 1965 - Thirty-Ninth Legislative Assembly.

Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

DESCRIPTION OF PROPOSED LEGISLATION:

An act to regulate gold-leaching operations involving the cyanide process and to insure protection of the environment from the toxic substances involved in such operations.

ASSUMPTIONS:

1. Ten (10) permits per year will be requested.
2. An additional .50 FTE water quality specialist and support will be needed to administer the act.

FISCAL IMPACT:

	<u>FY 78</u>	<u>FY 79</u>	<u>TOTAL</u>
Personal services	\$ 8,750	\$ 9,350	\$18,100
Operating expense	1,750	1,800	3,550
Equipment	500	0	500
	<u>\$11,000</u>	<u>\$11,150</u>	<u>\$22,150</u>

\$250 would be received each year from the issuance of permits.

Richard L. Drury
BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 2-3-77