

House Bill 869

In The House

April 6, 1981	Introduced and referred to Committee on Appropriations.
April 9, 1981	Committee recommend bill do pass as amended.
April 10, 1981	Bill printed and placed on members' desks.
April 15, 1981	Second reading do pass. Correctly engrossed.
April 16, 1981	Third reading passed.

In The Senate

April 17, 1981	By motion and consent bill allowed to be received and considered this session. Motion adopted.  Introduced and referred to Committee on Finance and Claims.
April 22, 1981	Committee recommend bill not concurred. Report not adopted.
April 23, 1981	Second reading concurred as amended.  Third reading concurred.  On motion rereferred to second reading.  Second reading concurred as amended.  Third reading concurred.  Returned to House.

In The House

April 23, 1981

Returned from Senate  
concurrent as amended.

On motion rules suspended  
and bills placed on second  
reading this day.

Second reading amendment  
concurrent.

On motion reules suspended  
and bill placed on third  
reading this day.

Third reading amendment  
not concurrent.

HOUSE BILL NO. 869

INTRODUCED BY Meyer / Goodson

A BILL FOR AN ACT ENTITLED: AN ACT TO APPROPRIATE FUNDS TO

THE DEPARTMENT OF COMMERCE FROM THE COAL SEVERANCE TAX

COMPONENT OF THE GENERAL FUND TO ALLOW THE DEPARTMENT TO

CONTRACT WITH THE PRIME OPERATING CONTRACTOR ON THE

MAGNETOHYDRODYNAMICS FACILITY AT BUTTE, MONTANA; TO PROVIDE

FUNDING FOR CERTAIN CAPITAL PROJECTS AT THAT FACILITY IN

ORDER TO DEMONSTRATE THE COMMITMENT OF THE LEGISLATURE TO

THE USE OF COAL SEVERANCE TAX PROCEEDS FOR THE MINIMIZATION

OF IMPACTS OF COAL DEVELOPMENT."

WHEREAS, the U.S. Congress has in recent years provided funding for research and development of a coal-fired

electric generation technology known as magnetohydrodynamics (MHD) to establish and operate a MHD testing facility in Butte, Montana; and

WHEREAS, MHD is a highly promising technology that, by achieving more efficient generation of electricity, could result in substantial benefits to the nation through decreased demand for coal, reduced environmental impact, and reduced coal transportation requirements; and

WHEREAS, federal law contemplates location of a federally funded Engineering Test Facility (ETF) in Montana,

the location of which in Montana depends upon continued progress in the MHD technology; and

WHEREAS, there is a proposal to co-locate the federal ETF with a conventional coal-fired generating station in Montana scheduled for completion before 1990; and

WHEREAS, securing the ETF for Montana depends upon the continued development and testing of the MHD process at the existing Montana facility, which development is now threatened by the decision of the current federal administration to seek elimination of funding for the MHD program; and

WHEREAS, the defense of the Montana coal severance tax, under attack in the U.S. Supreme Court and in the U.S. Congress, would be strengthened by the allocation of a portion of the tax proceeds to a purpose such as MHD, which promises substantial benefits to the nation and Montana through reduced environmental impacts, more efficient use of coal resources, and extended life of coal reserves; and

WHEREAS, although Montana is unable to finance fully the operation of the Montana MHD facility, the state is committed to this technology, and the Legislature chooses to express that commitment through the financing of certain capital projects at the Montana facility which, if federal funding is continued, will accelerate the demonstration of the MHD process and maximize Montana's opportunity to host

INTRODUCED BILL  
HB 869

LC 1540/01

1 the ETF in the latter part of this decade.

2       THEREFORE, it is the intent of this act to appropriate  
3 funds to the Department of Commerce for the purpose of  
4 entering a contract with the prime operating contractor on  
5 the Montana MHD project to provide certain necessary capital  
6 projects.

7

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

9       Section 1. Appropriation. The sum of \$2,850,000 is  
10 appropriated from the coal severance tax component of the  
11 general fund to the Department of Commerce for the biennium  
12 ending June 30, 1983 for the purpose of entering a contract  
13 with the prime operating contractor on the Montana MHD  
14 facility. The purpose of the contract shall be the permanent  
15 modification of the facility to accelerate the MHD test  
16 program schedule. The modification shall take the form of  
17 construction of a building to house the facility's  
18 superconducting magnet and other facilities necessary to  
19 demonstrate a coal combustion capability in the project's  
20 test bay.

21       Section 2. Condition. This appropriation is effective  
22 only if the U.S. Congress provides funding for federal  
23 fiscal year 1982 for the national MHD program at a level  
24 sufficient to maintain an operation and testing program at  
25 the Montana facility.

Approved by Comm.  
on Appropriations

1 HOUSE BILL NO. 869  
2 INTRODUCED BY MEYER, GOODOVER, HEMSTAD, FABREGA, AZZARA,  
3 CONN, KEEDY, McBRIDE, J. O'HARA, JACOBSON, HAFHEY, McLANE,  
4 BURNETT, GOULD, J. RYAN, JACOBSEN, OBERG, NILSON, PHILLIPS,  
5 BERGENE, NEUMAN, PISTORIA, O'CONNELL, R. MANNING, VINGER,  
6 LORY, CRIPPEN, HANSON, MATSKO, ANDERSON, PAVLOVICH, DEVLIN,  
7 D. BROWN, EUDAILY, HARRINGTON, DAILY, KANDUCH, QUILICI,  
8 HARPER, DUSSAULT, SHELDEN, TEAGUE, MENAHAN, HOLLIDAY,  
9 ROUSH, WALDRON, KENNERLY, HUENNEKENS, FAGG, UNDERDAL,  
10 KITSELMAN, IVERSON, CURTISS, FEDA, ASAY, P. RYAN, METCALF,  
11 HART, ZABROCKI, LEE, SWITZER, KEMMIS, THOMAS, SEVERSON,  
12 YARDLEY, WILLIAMS, ROBBINS, HAFFERMAN, TOWE, NORMAN,  
13 B. BROWN, BERG, CONOVER, OCHSNER, HEALY, TVEIT, JOHNSON,  
14 MAZUREK, HALLIGAN, MANLEY, BOYLAN, OLSON  
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16 A BILL FOR AN ACT ENTITLED: "AN ACT TO APPROPRIATE FUNDS TO  
17 THE DEPARTMENT OF COMMERCE FROM THE COAL SEVERANCE TAX  
18 COMPONENT--OF--THE--GENERAL--FUND TRUST FUND CREATED BY SECTION  
19 5, ARTICLE IX, OF THE MONTANA CONSTITUTION TO ALLOW THE  
20 DEPARTMENT TO CONTRACT WITH THE PRIME OPERATING CONTRACTOR  
21 ON THE MAGNETOHYDRODYNAMICS FACILITY AT BUTTE, MONTANA; TO  
22 PROVIDE FUNDING FOR CERTAIN CAPITAL PROJECTS AT THAT  
23 FACILITY IN ORDER TO DEMONSTRATE THE COMMITMENT OF THE  
24 LEGISLATURE TO THE USE OF COAL SEVERANCE TAX PROCEEDS FOR  
25 THE MINIMIZATION OF IMPACTS OF COAL DEVELOPMENT."

1  
2 WHEREAS, the U.S. Congress has in recent years provided  
3 funding for research and development of a coal-fired  
4 electric generation technology known as magnetohydrodynamics  
5 (MHD), WHICH FUNDING HAS BEEN USED IN PART to establish and  
6 operate a MHD testing facility in Butte, Montana; and  
7  
8 WHEREAS, MHD is a highly promising technology that, by  
9 achieving more efficient generation of electricity, could  
10 result in substantial benefits to the nation through  
11 decreased demand for coal, reduced environmental impact, and  
12 reduced coal transportation requirements; and  
13  
14 WHEREAS, federal law contemplates location of a  
15 federally funded Engineering Test Facility (ETF) in Montana,  
16 the location of which in Montana depends upon continued  
17 progress in the MHD technology; and  
18  
19 WHEREAS, there is a proposal to co-locate the federal  
20 ETF with a conventional coal-fired generating station in  
21 Montana scheduled for completion before 1990; and  
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23 WHEREAS, securing the ETF for Montana depends upon the  
24 continued development and testing of the MHD process at the  
25 existing Montana facility, which development is now  
threatened by the decision of the current federal  
administration to seek elimination of funding for the MHD  
program; and  
WHEREAS, the defense of the Montana coal severance tax,

1 under attack in the U.S. Supreme Court and in the U.S.  
 2 Congress, would be strengthened by the allocation of a  
 3 portion of the tax proceeds to a purpose such as MHD, which  
 4 promises substantial benefits to the nation and Montana  
 5 through reduced environmental impacts, more efficient use of  
 6 coal resources, and extended life of coal reserves; and

7 WHEREAS, although Montana is unable to finance fully  
 8 the operation of the Montana MHD facility, the state is  
 9 committed to this technology, and the Legislature chooses to  
 10 express that commitment through the financing of certain  
 11 capital projects at the Montana facility which, if federal  
 12 funding is continued, will accelerate the demonstration of  
 13 the MHD process and maximize Montana's opportunity to host  
 14 the ETF in the latter part of this decade.

15 THEREFORE, it is the intent of this act to appropriate  
 16 funds to the Department of Commerce for the purpose of  
 17 entering a contract with the prime operating contractor on  
 18 the Montana MHD project to provide certain necessary capital  
 19 projects.

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

22 Section 1. Appropriation. The sum of \$2,850,000 is  
 23 appropriated from the PRINCIPAL OF THE coal severance tax  
 24 component--of-the-general-fund TRUST FUND CREATED BY SECTION  
 25 5, ARTICLE IX, OF THE MONTANA CONSTITUTION to the Department

1 of Commerce for the biennium ending June 30, 1983 for the  
 2 purpose of entering a contract with the prime operating  
 3 contractor on the Montana MHD facility. The purpose of the  
 4 contract shall be the permanent modification of the facility  
 5 to accelerate the MHD test program schedule. ~~The~~  
 6 ~~modification shall take the form of construction of a~~  
 7 ~~building to house the facility's superconducting magnet and~~  
 8 ~~other facilities necessary to demonstrate a coal combustion~~  
 9 ~~capability in the project's test bay.~~ THE MODIFICATION SHALL  
 10 TAKE THE FORM OF CONSTRUCTION OF OR ALTERATIONS TO THE  
 11 FACILITY TO PROVIDE CAPITAL INVESTMENTS FOR  
 12 FEDERALLY-FURNISHED COMPONENTS AND/OR TO DEMONSTRATE AT THE  
 13 EARLIEST POSSIBLE DATE A COAL COMBUSTION CAPABILITY IN THE  
 14 PROJECT'S TEST BAY. THIS APPROPRIATION IS MADE WITH THE  
 15 INTENT OF ACCELERATING THE MHD ENGINEERING DEVELOPMENT  
 16 SCHEDULE AND INCREASING THE CAPABILITIES OF THIS NATION'S  
 17 RESOURCES IN COAL HANDLING AND PROCESSING, THE MHD  
 18 TECHNOLOGY AND OTHER RELATED HIGH TEMPERATURE TECHNOLOGIES.

19 Section 2. Condition. This appropriation is effective  
 20 only if the U.S. Congress provides funding for federal  
 21 fiscal year 1982 for the national MHD program at a level  
 22 sufficient to maintain an operation and testing program at  
 23 the Montana facility.

-End-

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23 the Montana facility.

-End-



April 23, 1981

SENATE COMMITTEE OF THE WHOLE

Proposed amendments to House Bill 869, third reading copy, as follows:

1. Title, line 17.

Following: "FROM"

Insert: "THAT PORTION OF THE GENERAL FUND WHICH IS  
RECEIVED FROM THE INCOME FROM"

2. Page 3, line 23.

Following: "from"

Strike: "the PRINCIPAL OF"

Insert: "that portion of the general fund which is  
received from the income from"

April 23, 1981

SENATE COMMITTEE OF THE WHOLE

Proposed amendment to House Bill 869, third reading copy, as follows:

1. Page 4, line 23.

Following: "facility."

Insert: "In the event the funding provided by congress is less than \$6,000,000 in the federal fiscal year 1982, the appropriation shall lapse and shall have no effect and the funds shall be available for use as provided in [HB 868]."