

SENATE BILL NO. 141

INTRODUCED BY DOVER, M. ANDERSON, HAFPERMAN, THOMAS

BY REQUEST OF THE DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION

IN THE SENATE

January 15, 1981	Introduced and referred to Committee on Natural Resources.  Fiscal note requested.
January 21, 1981	Fiscal note returned.
January 24, 1981	Committee recommend bill do pass as amended. Report adopted.  Statement of intent attached.
January 26, 1981	Bill printed and placed on members' desks.
January 27, 1981	Second reading, do pass.
January 28, 1981	Correctly engrossed.
January 29, 1981	Third reading, passed. Transmitted to House.

IN THE HOUSE

January 30, 1981	Introduced and referred to Committee on Natural Resources.
March 28, 1981	Committee recommend bill be concurred in as amended. Report adopted.
March 30, 1981	On motion rules suspended and bill allowed to be transmitted on 71st legislative day. Motion adopted.

March 31, 1981

Second reading, concurred in.

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

Third reading, concurred in as amended. Ayes, 86; Noes, 10.

IN THE SENATE

April 1, 1981

Returned from House with amendments.

April 3, 1981

Second reading, amendments concurred in.

April 6, 1981

Third reading, amendments concurred in. Ayes, 48; Noes, 0. Sent to enrolling.

Reported correctly enrolled.

1 *Senate* BILL NO. *141*  
 2 INTRODUCED BY *Don Mike Anderson, Hoffman*  
 3 BY REQUEST OF *Thomas*  
 4 THE DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION

5  
 6 A BILL FOR AN ACT ENTITLED: "AN ACT TO ALLOW THE DEPARTMENT  
 7 OF NATURAL RESOURCES AND CONSERVATION TO AWARD LOANS FROM  
 8 THE ALTERNATIVE ENERGY RESEARCH DEVELOPMENT AND  
 9 DEMONSTRATION ACCOUNT FOR RESEARCH, DEVELOPMENT,  
 10 DEMONSTRATION, AND COMMERCIALIZATION OF ALTERNATIVE  
 11 RENEWABLE ENERGY SOURCES; AND TO ALLOW GRANTS FOR  
 12 COMMERCIALIZATION OF SUCH SOURCES; AMENDING SECTIONS  
 13 90-4-101 AND 90-4-104 THROUGH 90-4-106, MCA."

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 15 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:  
 16 Section 1. Section 90-4-101, MCA, is amended to read:  
 17 "90-4-101. Purpose. The purposes of this part are to  
 18 stimulate research, development, and demonstrations and  
 19 commercialization of energy sources which are harmonious  
 20 with ecological stability by virtue of being renewable,  
 21 thereby to lessen that reliance on nonrenewable energy  
 22 sources which conflicts with the goal of long-range  
 23 ecological stability and to provide for the funding and  
 24 administration of such research."  
 25 Section 2. Section 90-4-104, MCA, is amended to read:

1 "90-4-104. General powers of department. The  
 2 department may:  
 3 (1) employ a staff adequate to administer this part;  
 4 (2) retain professional consultants and advisors;  
 5 (3) adopt rules governing applications and granting of  
 6 funds;  
 7 ~~(4) adopt rules governing applications for and~~  
 8 ~~administration and awarding of loans;~~  
 9 ~~(4)(5)~~ consider applications for ~~grants~~ and award  
 10 grants or loans, subject to the availability of funds and to  
 11 the appropriation of such funds by the legislature from the  
 12 alternative energy research development and demonstration  
 13 funds for projects that will further the purposes of this  
 14 part;  
 15 ~~(5)(6)~~ appoint an alternative energy advisory  
 16 committee composed of representatives of state agencies and  
 17 citizen members with expertise in alternative energy  
 18 matters. The appointment of any such advisory committee  
 19 shall be in keeping with 2-15-122."  
 20 Section 3. Section 90-4-105, MCA, is amended to read:  
 21 "90-4-105. Applications for grants or loans. Any  
 22 person may apply for a grant or loan to enable him to  
 23 research, develop, or demonstrate, or commercialize  
 24 alternative renewable energy sources. The department shall  
 25 prescribe the form for applications. Applicants shall

1 describe the nature of their proposed investigations,  
2 including practical applications of the possible results and  
3 time requirements."

4 Section 4. Section 90-4-106, MCA, is amended to read:  
5 "90-4-106. Criteria for grant awards. The department  
6 may award grants or loans to applicants under 90-4-105 in  
7 accordance with the following criteria:

8 (1) A grant may cover a period not exceeding 1 year,  
9 and the department may not commit itself to spending funds  
10 anticipated to be available more than 1 year after the grant  
11 period begins. The department may give an applicant a  
12 statement of intent to renew its support of his work,  
13 subject to the availability of funds and such other  
14 conditions as the department may express.

15 (2) The department may give preference to projects  
16 which are also supported by grants funding from the federal  
17 government or other persons provided the grants projects are  
18 consistent with the other objectives of the department. The  
19 purpose of this preference is to use the alternative energy  
20 research development and demonstration account for matching  
21 moneys in order to support more substantial research or  
22 commercialization.

23 (3) The department may give preference to research  
24 centers unattached to existing educational institutions  
25 where several investigators can share supporting services.

1 However, this shall not be interpreted to prohibit the  
2 department from awarding grants or loans to existing  
3 educational institutions.

4 (4) The department may give preference to research  
5 centers which make information available to individuals,  
6 small businesses, and small communities seeking the use of  
7 renewable energy sources in their homes, plants, places of  
8 business, and small communities.

9 (5) All information resulting from such research shall  
10 be made available to the public and shall not become the  
11 private property of or under the exclusive control of any  
12 one company or person.

13 (6) The department is under no requirement to expend  
14 or commit available alternative energy research,  
15 development, and demonstration funds when in its judgment  
16 such expenditures or commitments would be unproductive."

-End-

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STATE OF MONTANA

REQUEST NO. 112-81

FISCAL NOTE

Form BD-15

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In compliance with a written request received January 19, , 19 81 , there is hereby submitted a Fiscal Note for Senate Bill 141 pursuant to Title 5, Chapter 4, Part 2 of the Montana Code Annotated (MCA).

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.

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Description of Proposed Legislation

Senate Bill 141 allows the Department of Natural Resources and Conservation to award loans from the alternative energy research development and demonstration account for research, development, demonstration, and commercialization of alternative renewable energy sources; and to allow grants for commercialization of such sources.

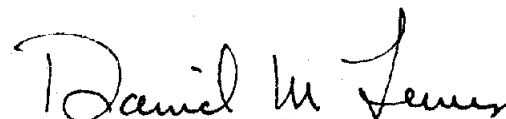
Fiscal Impact

No fiscal impact.

This bill gives DNRC the additional capability of awarding loans from funds already earmarked to the alternative energy research and development account. Consequently, there is no fiscal impact.

Long-Range Effects

In the long run state revenues should increase because of the new enterprises that will result from this bill.



BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 1-20-81

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1 STATEMENT OF INTENT

2 SENATE BILL 141

3 Senate Natural Resources Committee

4

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6 of Natural Resources and Conservation to make loans through  
7 financial institutions in Montana for commercialization of  
8 alternative renewable energy. The grant of rulemaking  
9 authority includes the power to establish criteria to be  
10 used in determining when a grant or a loan should be granted  
11 under the limitations of the act.

12 First adopted by the Natural Resources Committee on the  
13 23rd day of January, 1981.

Approved by Committee  
on Natural Resources

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9   DEMONSTRATION ACCOUNT FOR RESEARCH, DEVELOPMENT,  
10   DEMONSTRATION, AND COMMERCIALIZATION OF ALTERNATIVE  
11   RENEWABLE ENERGY SOURCES; AND TO ALLOW GRANTS FOR  
12   COMMERCIALIZATION OF SUCH SOURCES; AMENDING SECTIONS  
13   90-4-101 AND 90-4-104 THROUGH 90-4-106, MCA."  
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16           Section 1. Section 90-4-101, MCA, is amended to read:  
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18   stimulate research, development, and demonstration, and  
19   commercialization of energy sources which are harmonious  
20   with ecological stability by virtue of being renewable,  
21   thereby to lessen that reliance on nonrenewable energy  
22   sources which conflicts with the goal of long-range  
23   ecological stability and to provide for the funding and  
24   administration of such research. FURTHERMORE IT IS THE  
25   PURPOSE OF THIS PART TO ALLOW THE DEPARTMENT TO MAKE LOANS

1   THROUGH FINANCIAL INSTITUTIONS IN MONTANA FOR  
2   COMMERCIALIZATION OF ALTERNATIVE RENEWABLE ENERGY."  
3           Section 2. Section 90-4-104, MCA, is amended to read:  
4           "90-4-104. General powers of department. The  
5   department may:  
6           (1) employ a staff adequate to administer this part;  
7           (2) retain professional consultants and advisors;  
8           (3) adopt rules governing applications and granting of  
9   funds;  
10           (4) adopt rules governing applications for and  
11   administration and awarding of loans;  
12           ~~(4)(5)~~ consider applications for ~~grants~~ and award  
13   grants or loans, subject to the availability of funds and to  
14   the appropriation of such funds by the legislature from the  
15   alternative energy research development and demonstration  
16   funds for projects that will further the purposes of this  
17   part;  
18           ~~(5)(6)~~ appoint an alternative energy advisory  
19   committee composed of representatives of state agencies and  
20   citizen members with expertise in alternative energy  
21   matters. The appointment of any such advisory committee  
22   shall be in keeping with 2-15-122."  
23           Section 3. Section 90-4-105, MCA, is amended to read:  
24           "90-4-105. Applications for grants or loans. Any  
25   person may apply for a grant or loan to enable him to

SECOND READING

1 research, develop, or demonstrate, or commercialize  
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 3 prescribe the form for applications. Applicants shall  
 4 describe the nature of their proposed investigations,  
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7 Section 4. Section 90-4-106, MCA, is amended to read:  
 8 "90-4-106. Criteria for grant awards. The department  
 9 may award grants or loans to applicants under 90-4-105 in  
 10 accordance with the following criteria:

11 (1) A grant may cover a period not exceeding 1 year,  
 12 and the department may not commit itself to spending funds  
 13 anticipated to be available more than 1 year after the grant  
 14 period begins. The department may give an applicant a  
 15 statement of intent to renew its support of his work,  
 16 subject to the availability of funds and such other  
 17 conditions as the department may express.

18 (2) The department may give preference to projects  
 19 which are also supported by grants funding from the federal  
 20 government or other persons provided the grants projects are  
 21 consistent with the other objectives of the department. The  
 22 purpose of this preference is to use the alternative energy  
 23 research development and demonstration account for matching  
 24 moneys in order to support more substantial research or  
 25 commercialization.

1 (3) The department may give preference to research  
 2 centers unattached to existing educational institutions  
 3 where several investigators can share supporting services.  
 4 However, this shall not be interpreted to prohibit the  
 5 department from awarding grants or loans to existing  
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7 (4) The department may give preference to research  
 8 centers which make information available to individuals,  
 9 small businesses, and small communities seeking the use of  
 10 renewable energy sources in their homes, plants, places of  
 11 business, and small communities.

12 (5) All information resulting from such research shall  
 13 be made available to the public and shall not become the  
 14 private property of or under the exclusive control of any  
 15 one company or person.

16 (6) The department is under no requirement to expend  
 17 or commit available alternative energy research,  
 18 development, and demonstration funds when in its judgment  
 19 such expenditures or commitments would be unproductive."

-End-



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~~(4)(5) consider applications for grants and award grants or loans, subject to the availability of funds and to the appropriation of such funds by the legislature from the alternative energy research development and demonstration funds for projects that will further the purposes of this part;~~

~~(5)(6) appoint an alternative energy advisory committee composed of representatives of state agencies and citizen members with expertise in alternative energy matters. The appointment of any such advisory committee shall be in keeping with 2-15-122."~~

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21 SECTION 5. EFFECTIVE DATE. THIS ACT IS EFFECTIVE ON  
 22 PASSAGE AND APPROVAL.

-End-

NATURAL RESOURCES COMMITTEE AMENDMENTS TO SB 141  
MARCH 28, 1981

1. Title, line 13.  
Following: "MCA"  
Insert: "AND PROVIDING AN IMMEDIATE EFFECTIVE DATE"
2. Page 4.  
Following: line 19  
Insert: "Section 5. Effective date. This act is effective  
on passage and approval."