HOUSE BILL NO. 287

INTRODUCED BY HARPER

BY REQUEST OF THE DEPARTMENT OF STATE LANDS

IN THE HOUSE

January 18, 1983	Introduced and referred to Committee on Natural Resources.
January 26, 1983	Committee recommend bill do pass. Report adopted.
January 27, 1983	Bill printed and placed on members' desks.
January 29, 1983	Second reading, do pass as amended.
January 31, 1983	Correctly engrossed.
February 1, 1983	Third reading, passed. Transmitted to Senate.
IN THE SENI	ATE
February 2, 1983	Introduced and referred to Committee on Natural Resources.
February 15, 1983	Committee recommend bill be concurred in. Report adopted.
March 4, 1983	Second reading, concurred in.
March 7, 1983	Third reading, concurred in. Ayes, 48; Noes, 0.

IN THE HOUSE

March 7, 1983

March 8, 1983

Returned to House.

Sent to enrolling.

Reported correctly enrolled.

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5 A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE THAT THE 6 RECLAMATION BOND REQUIRED BY THE DPENCUT MINING ACT MAY BE 7 GREATER THAN \$1,000 PER ACRE IF THE DEPARTMENT OF STATE 8 LANDS DETERMINES, IN WRITING, THAT THE COST OF RESTORING THE 9 DISTURBED LAND EXCEEDS \$1,000 PER ACRE; AMENDING SECTION 10 82-4-433, MCA."

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BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA: 12 Section 1. Section 82-4-433, MCA, is amended to read: 13 "82-4-433. Bond. (1) A bond required to be filed in 14 this part by the operator shall be in such form as the board 15 prescribes, payable to the state of Montana and conditioned 16 17 upon the operator's full compliance with all requirements of this part and all rules of the board. The bond shall be 18 19 signed by the landowner or operatory as appropriate, as 2^ principal, and by a good and sufficient corporate surety 21 licensed to do business in the state of Montana, as surety. 22 The penalty-of-the bond shall be in an amount not to exceed the costs of restoration required by this part as determined 23 24 by the board, but The amount of the bond may not be less 25 than \$200 or more than \$1.000 per acres unless_the 1 department_determines: in writings_that_the_cost_of
2 restoration_of_the_land_by_the_board_exceeds_\$1:000_per
3 acres_Upon_such_a_determinations_the_bond__amount_must_be
4 set_by_the_board_at_the_cost_of_restoring_the_lands

5 (2) In lieu of the bond, the operator may deposit with 6 the board cash and government securities or a bond with 7 property surcties in an amount equal to that of the required bond on conditions as above prescribed. In the discretion of R ۰ the board, surety bond requirements may be fulfilled by the 10 operator's posting a bond with land and improvements and 11 facilities thereon as security, in which event no surety may 12 be required. The penalty of the bond or amount of cash and 13 securities shall be increased or reduced from time to time 14 as provided in this part. The bond or security remains in effect until the mined acreages have been reclaimed as 15 16 provided under the contract and the reclamation has been 17 approved and the bond or security has been released by the board. The bond or security shall cover only actual mined 18 acreages and may be increased or reduced to cover only such 19 20 acreages as remain unreclaimed.

(3) If the license of a surety upon a bond filed with
the board pursuant to this part is suspended or revoked, the
operator, within 30 days after receiving notice thereof from
the board, shall substitute for that surety a good and
sufficient surety licensed to do business in the state. Upon
INTRODUCED BILL

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failure of the operator to make substitution of surety, the
 board may suspend the contract of the operator to conduct
 operations upon the land described in the contract until the
 substitution has been made.

5 (4) The board shall cause the reclamation of any 6 affected land with respect to which a bond has been 7 forfeited.

8 (5) Whenever an operator has completed all of the 9 requirements under the provisions of this part as to any 10 affected land, he shall notify the board thereof. If the 11 board releases the operator from further obligation 12 regarding such affected land, the penalty of the bond shall 13 be reduced proportionately."

-End-

Approved by Committee on <u>Natural Resources</u>

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1 department determines, in writing, that the cost of 2 restoration of the land by the board exceeds \$1,000 per 3 acre. Upon such a determination, the bond amount must be set by the board at the cost of restoring the land. 4 5 (2) In lieu of the bond, the operator may deposit with the board cash and government securities or a bond with 6 7 property sureties in an amount equal to that of the required 8 bond on conditions as above prescribed. In the discretion of 9 the board, surety bond requirements may be fulfilled by the 10 operator's posting a bond with land and improvements and 11 facilities thereon as security, in which event no surety may 12 be required. The penalty of the bond or amount of cash and 13 securities shall be increased or reduced from time to time 14 as provided in this part. The bond or security remains in 15 effect until the mined acreages have been reclaimed as 16 provided under the contract and the reclamation has been 17 approved and the bond or security has been released by the 18 board. The bond or security shall cover only actual mined 19 acreages and may be increased or reduced to cover only such

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21 (3) If the license of a surety upon a bond filed with 22 the board pursuant to this part is suspended or revoked, the 23 operator, within 30 days after receiving notice thereof from 24 the board, shall substitute for that surety a good and 25 sufficient surety licensed to do business in the state. Upon

-2- SECOND READING

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