HOUSE BILL NO. 638

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INTRODUCED BY IVERSON, D. BROWN

BY REQUEST OF THE DEPARTMENT OF STATE LANDS

IN THE HOUSE

February 2, 1985	Introduced and referred to Committee on Natural Resources.
February 22, 1985	Committee recommend bill do pass. Report adopted.
	Bill printed and placed on members' desks.
February 23, 1985	Second reading, do pass.
	Considered correctly engrossed.
February 27, 1985	Third reading, passed.
	Transmitted to Senate.
I	N THE SENATE
March 6, 1985	Introduced and referred to Committee on Natural Resources.
March 25, 1985	Committee recommend bill be concurred in. Report adopted
March 28, 1985	Second reading, concurred in.
March 30, 1985	Third reading, concurred in. Ayes, 49; Noes, 0.
	Returned to House.

IN THE HOUSE

March 30, 1985

Received from Senate. Sent to enrolling. Reported correctly enrolled.

HOUSE BILL NO. 638 1 2 INTRODUCED BY BY REQUEST OF THE DEPARTMENT OF STATE LANDS 3 4 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE LAW 5 PROVIDING EXEMPTIONS FOR SMALL MINERS FROM THE HARD-ROCK б PROHIBITING 7 MINING LAW: CERTAIN PERSONS, BUSINESS ASSOCIATIONS, PARTNERSHIPS, AND CORPORATIONS FROM OBTAINING 8 9 SMALL-MINER EXEMPTIONS: SUBSTITUTING A CIVIL PENALTY FOR FAILURE TO COMPLY WITH THE CONDITIONS OF A SMALL-MINER 10 11 EXEMPTION; AMENDING SECTIONS 82-4-303, 82-4-305. AND 82-4-361, MCA." 12 13 14 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA: Section 1. Section 82-4-303, MCA, is amended to read: 15 16 "82-4-303. Definitions. As used in this part, unless 17 the context indicates otherwise, the following definitions 18 apply: (1) "Abandonment of surface or underground mining" may 19 be presumed when it is shown that continued operation will 20 not resume. 21 22 (2) "Board" means the board of land commissioners or 23 such state employee or state agency as may succeed to its powers and duties under this part. 24 (3) "Department" means the department of state lands. 25

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1 (4) "Disturbed land" means that area of land or surface water disturbed, beginning at the date of the 2 issuance of the permit, and it comprises that area from 3 4 which the overburden or minerals have been removed and tailings ponds, waste dumps, roads, conveyor systems, leach 5 6 dumps, and all similar excavations or covering resulting 7 from the operation and which have not been previously 8 reclaimed under the reclamation plan.

9 (5) "Exploration" means all activities conducted on or 10 beneath the surface of lands resulting in material 11 disturbance of the surface for the purpose of determining the presence, location, extent, depth, grade, and economic 12 viability of mineralization in those lands, if any, other 13 14 than mining for production and economic exploitation, as 15 well as all roads made for the purpose of facilitating 16 exploration, except as noted in 82-4-305 and 82-4-310.

17 (6) "Mineral" means any ore, rock, or substance, other 18 than oil, gas, bentonite, clay, coal, sand, gravel, 19 phosphate rock, or uranium, taken from below the surface or 20 from the surface of the earth for the purpose of milling, 21 concentration, refinement, smelting, manufacturing, or other 22 subsequent use or processing or for stockpilling for future 23 use, refinement, or smelting.

24 (7) "Mining" commences at such time as the operator25 first mines ores or minerals in commercial quantities for

INTRODUCED BILL -2-HR 638

sale, beneficiation, refining, or other processing or
 disposition or first takes bulk samples for metallurgical
 testing in excess of aggregate of 10,000 short tons.

4 (8) "Person" means any person, corporation, firm,
5 association, partnership, or other legal entity engaged in
6 exploration for or development or mining of minerals on or
7 below the surface of the earth.

8 (9) "Reclamation plan" means the operator's written 9 proposal, as required and approved by the board, for 10 reclamation of the land that will be disturbed, which 11 proposal shall include, to the extent practical at the time 12 of application for an operating permit:

(a) a statement of the proposed subsequent use of the
 land after reclamation;

15 (b) plans for surface gradient restoration to a 16 surface suitable for the proposed subsequent use of the land 17 after reclamation is completed and the proposed method of 18 accomplishment;

19 (c) the manner and type of revegetation or other20 surface treatment of disturbed areas;

(d) procedures proposed to avoid foreseeable
situations of public nuisance, endangerment of public
safety, damage to human life or property, or unnecessary
damage to flora and fauna in or adjacent to the area;
(e) the method of disposal of mining debris;

1 (f) the method of diverting surface waters around the 2 disturbed areas where necessary to prevent pollution of 3 those waters or unnecessary erosion;

4 (g) the method of reclamation of stream channels and
5 stream banks to control erosion, siltation, and pollution;
6 (h) such maps and other supporting documents as may be
7 reasonably required by the department; and

8 (i) a time schedule for reclamation that meets the9 requirements of 82-4-336.

10 (10) (a) "Small miner" means a person, firm, or 11 corporation that engages in the business of mining, that 12 does not remove from the earth during any calendar year 13 material in excess of 36,500 tons in the aggregate, that 14 holds no operating permit under 82-4-335, and that conducts:

15 (i) operations resulting in not more than 5 acres of16 the earth's surface being disturbed and unreclaimed; or

17 (ii) two operations which disturb and leave unreclaimed 18 less than 5 acres per operation if the respective mining 19 properties are:

20 (A) the only operations engaged in by the person,21 firm, or corporation;

(B) at least 1 mile apart at their closest point; and
(C) not operated simultaneously except during seasonal
transitional periods not to exceed 30 days.

25 (b) For the purpose of this definition only, the

department shall, in computing the area covered by the operation, exclude access or haulage roads that are required by a local, state, or federal agency having jurisdiction over that road to be constructed to certain specifications if that public agency notifies the department in writing that it desires to have the road remain in use and will maintain it after mining or-exploration ceases.

8 (11) "Surface mining" means all or any part of the process involved in mining of minerals by removing the 9 overburden and mining directly from the mineral deposits 10 11 thereby exposed, including but not limited to open-pit mining of minerals naturally exposed at the surface of the 12 earth, mining by the auger method, and all similar methods 13 by which earth or minerals exposed at the surface are 14 removed in the course of mining. Surface mining does not 15 16 include the extraction of oil, gas, bentonite, clay, coal, sand, gravel, phosphate rock, or uranium or excavation or 17 18 grading conducted for on-site farming, on-site road construction, or other on-site building construction. 19

(12) "Underground mining" means all methods of mining
other than surface mining.

(13) "Unit of surface-mined area" means that area of land and surface water included within an operating permit actually disturbed by surface mining during each 12-month period of time, beginning at the date of the issuance of the permit, and it comprises and includes the area from which overburden or minerals have been removed, the area covered by mining debris, and all additional areas used in surface mining or underground mining operations which by virtue of such use are thereafter susceptible to erosion in excess of the surrounding undisturbed portions of land.

7 (14) "Vegetative cover" means the type of vegetation,
8 grass, shrubs, trees, or any other form of natural cover
9 considered suitable at time of reclamation."

Section 2. Section 82-4-305, MCA, is amended to read: "82-4-305. Exemption -- small miners -- written agreement. (1) No provisions of this part shall apply to any small miner when the small miner annually agrees in writing: (a) that he shall not pollute or contaminate any stream;

(b) that he shall provide protection for human and
animal life through the installation of bulkheads installed
over safety collars and the installation of doors on tunnel
portals; and

(c) he shall provide a map locating his mining
operations. Such map shall be to a size and scale as
determined by the department.

23 (2)--Failure-to-comply-with-the-regulationa--stipulated
 24 in--this--section--will--constitute--a-misdemeanor;-and-this
 25 offense-will-subject-the-owners-or-operators-of-said-project

LC 1726/01

1	to-a-fine-of-not-less-than-\$10~or-more-than-\$1007-payable-to
2	the-department-of-revenue-of-the-state-ofMontanaorany
3	boardycommissionyorpersonauthorizedto-collect-said
4	fine,
5	(2) For small-miner exemptions obtained after
6	September 30, 1985, no small miner may obtain or continue an
7	exemption under subsection (1) unless he annually certifies
8	in writing:
9	(a) if the small miner is a natural person, that:
10	(i) no business association or partnership of which he
11	is a member or partner has a small-miner exemption; and
12	(ii) no corporation of which he is an officer,
13	director, or owner of record of 25% or more of any class of
14	voting stock has a small-miner exemption; or
15	(b) if the small miner is a partnership or business
16	association, that:
17	(i) none of the associates or partners holds a
18	small-miner exemption; and
19	(ii) none of the associates or partners is an officer,
20	director, or owner of 25% or more of any class of voting
21	stock of a corporation that has a small-miner exemption; or
22	(c) if the small miner is a corporation, that no
23	officer, director, or owner of record of 25% or more of any
24	class of voting stock of the corporation:
25	(i) holds a small-miner exemption;

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1	(ii) is a member or partner in a business association
2	or partnership that holds a small-miner exemption;
3	(iii) is an officer, director, or owner of record of
4	25% or more of any class of voting stock of another
5	corporation that holds a small-miner exemption."
6	Section 3. Section 82-4-361, MCA, is amended to read:
7	"82-4-361. Violation penalties. (1) A person who
8	violates any of the provisions of this part or rules or
9	orders adopted under this part or conditions of a
10	small-miner exemption shall pay a civil penalty of not less
11	than \$100 or more than \$1,000 for the violations and an
12	additional civil penalty of not less than \$100 or more than
13	\$1,000 for each day during which a violation continues and
14	may be enjoined from continuing such violations as
15	hereinafter provided in this section. These penalties shall
16	be recoverable in any action brought in the name of the
17	state of Montana by the attorney general in the district
18	court of the first judicial district of this state in and
19	for the county of Lewis and Clark or in the district court
20	having jurisdiction of the defendant.

(2) The attorney general shall, upon the request of the department, sue for the recovery of the penalties provided for in this section and bring an action for a restraining order, temporary or permanent injunction against an operator or other person violating or threatening to

violate an order adopted under this part."

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2 <u>NEW SECTION.</u> Section 4. Extension of authority. Any 3 existing authority of the board of land commissioners or 4 department of state lands to make rules on the subject of 5 the provisions of this act is extended to the provisions of 6 this act.

-End-

49th Legislature

LC 1726/01

LC 1726/01

APPROVED BY COMM. ON Natural resources

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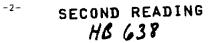
Montana Legislative Council

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to-a-fine-of-not-less-than-\$10-or-more-than-\$1007-payable-to 1 the-department-of-revenue-of-the-state--of--Montana--or--anv 2 3 board --- commission -- or -- person -- authorized -- to-collect-said fine: 4 5 (2) For small-miner exemptions obtained after September 30, 1985, no small miner may obtain or continue an 6 exemption under subsection (1) unless he annually certifies 7 in writing: R (a) if the small miner is a natural person, that: 9 10 (i) no business association or partnership of which he is a member or partner has a small-miner exemption; and 11 (ii) no corporation of which he is an officer, 12 director, or owner of record of 25% or more of any class of ·13 voting stock has a small-miner exemption; or 14 (b) if the small miner is a partnership or business 15 16 association, that: (i) none of the associates or partners holds a 17 small-miner exemption; and 18 (ii) none of the associates or partners is an officer, 19 director, or owner of 25% or more of any class of voting 20 stock of a corporation that has a small-miner exemption; or 21 (c) if the small miner is a corporation, that no 22 officer, director, or owner of record of 25% or more of any 23 class of voting stock of the corporation: 24 25 (i) holds a small-miner exemption;

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24 restraining order, temporary or permanent injunction against 25 an operator or other person violating or threatening to

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violate an order adopted under this part."

2 <u>NEW SECTION.</u> Section 4. Extension of authority. Any 3 existing authority of the board of land commissioners or 4 department of state lands to make rules on the subject of 5 the provisions of this act is extended to the provisions of 6 this act.

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LC 1726/01

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LC 1726/01

THIRD READING

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14	voting stock has a small-miner exemption; or
15	(b) if the small miner is a partnership or business
16	association, that:
17	(i) none of the associates or partners holds a
18	small-miner exemption; and
19	(ii) none of the associates or partners is an officer,
20	director, or owner of 25% or more of any class of voting
21	stock of a corporation that has a small-miner exemption; or
22	(c) if the small miner is a corporation, that no
23	officer, director, or owner of record of 25% or more of any
24	class of voting stock of the corporation:
25	(i) holds a small-miner exemption:

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1	(ii) is a member or partner in a business association
2	or partnership that holds a small-miner exemption;
3	(iii) is an officer, director, or owner of record of
4	25% or more of any class of voting stock of another
5	corporation that holds a small-miner exemption."
6	Section 3. Section 82-4-361, MCA, is amended to read:
7	"82-4-361. Violation penalties. (1) A person who
8	violates any of the provisions of this part or rules or
9	orders adopted under this part or conditions of a
10	small-miner exemption shall pay a civil penalty of not less
11	than \$100 or more than \$1,000 for the violations and an
12	additional civil penalty of not less than \$100 or more than
13	\$1,000 for each day during which a violation continues and
14	may be enjoined from continuing such violations as
15	hereinafter provided in this section. These penalties shall
16	be recoverable in any action brought in the name of the
17	state of Montana by the attorney general in the district
18	court of the first judicial district of this state in and
19	for the county of Lewis and Clark or in the district court
20	having jurisdiction of the defendant.

(2) The attorney general shall, upon the request of
the department, sue for the recovery of the penalties
provided for in this section and bring an action for a
restraining order, temporary or permanent injunction against
an operator or other person violating or threatening to

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violate an order adopted under this part."

<u>NEW SECTION.</u> Section 4. Extension of authority. Any
existing authority of the board of land commissioners or
department of state lands to make rules on the subject of
the provisions of this act is extended to the provisions of
this act.

-End-

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HB 0638/02

1	HOUSE BILL NO. 638	1	(4) "Disturbe
2	INTRODUCED BY IVERSON, D. BROWN	2	surface water dis
3	BY REQUEST OF THE DEPARTMENT OF STATE LANDS	3	issuance of the per
4		4	which the overbur
5	A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE LAW	5	tailings ponds, was
6	PROVIDING EXEMPTIONS FOR SMALL MINERS FROM THE HARD-ROCK	6	dumps, and all s
7	MINING LAW; PROHIBITING CERTAIN PERSONS, BUSINESS	7	from the operation
8	ASSOCIATIONS, PARTNERSHIPS, AND CORPORATIONS FROM OBTAINING	8	reclaimed under the
9	SMALL-MINER EXEMPTIONS; SUBSTITUTING A CIVIL PENALTY FOR	9	(5) "Explorat
10	FAILURE TO COMPLY WITH THE CONDITIONS OF A SMALL-MINER	10	beneath the sur
11	EXEMPTION; AMENDING SECTIONS 82-4-303, 82-4-305, AND	11	disturbance of the
12	82-4-361, MCA."	12	the presence, loc
13		13	viability of minera
14	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:	14	than mining for
15	Section 1. Section 82-4-303, MCA, is amended to read:	15	well as all roads a
16	"82-4-303. Definitions. As used in this part, unless	16	exploration, except
17	the context indicates otherwise, the following definitions	17	(6) "Mineral"
18	apply:	18	than oil, gas,
19	(1) "Abandonment of surface or underground mining" may	19	phosphate rock, or
20	be presumed when it is shown that continued operation will	20	from the surface
21	not resume.	21	concentration, refin
22	(2) "Board" means the board of land commissioners or	22	subsequent use or p
23	such state employee or state agency as may succeed to its	23	use, refinement, or
24	powers and duties under this part.	24	(7) "Mining"
25	(3) "Department" means the department of state lands.	25	first mines ores or
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(4) "Disturbed land" means that area of land or surface water disturbed, beginning at the date of the issuance of the permit, and it comprises that area from which the overburden or minerals have been removed and tailings ponds, waste dumps, roads, conveyor systems, leach dumps, and all similar excavations or covering resulting from the operation and which have not been previously reclaimed under the reclamation plan.

9 (5) "Exploration" means all activities conducted on or 10 beneath the surface of lands resulting in material 11 disturbance of the surface for the purpose of determining 12 the presence, location, extent, depth, grade, and economic 13 viability of mineralization in those lands, if any, other 14 than mining for production and economic exploitation, as 15 well as all roads made for the purpose of facilitating 16 exploration, except as noted in 82-4-305 and 82-4-310.

17 (6) "Mineral" means any ore, rock, or substance, other
18 than oil, gas, bentonite, clay, coal, sand, gravel,
19 phosphate rock, or uranium, taken from below the surface or
20 from the surface of the earth for the purpose of milling,
21 concentration, refinement, smelting, manufacturing, or other
22 subsequent use or processing or for stockpiling for future
23 use, refinement, or smelting.
24 (7) "Mining" commences at such time as the operator

25 first mines ores or minerals in commercial quantities for

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sale, beneficiation, refining, or other processing or
 disposition or first takes bulk samples for metallurgical
 testing in excess of aggregate of 10,000 short tons.

4 (8) "Person" means any person, corporation, firm,
5 association, partnership, or other legal entity engaged in
6 exploration for or development or mining of minerals on or
7 below the surface of the earth.

8 (9) "Reclamation plan" means the operator's written 9 proposal, as required and approved by the board, for 10 reclamation of the land that will be disturbed, which 11 proposal shall include, to the extent practical at the time 12 of application for an operating permit:

13 (a) a statement of the proposed subsequent use of the14 land after reclamation;

15 (b) plans for surface gradient restoration to a 16 surface suitable for the proposed subsequent use of the land 17 after reclamation is completed and the proposed method of 18 accomplishment;

19 (c) the manner and type of revegetation or other20 surface treatment of disturbed areas;

(d) procedures proposed to avoid foreseeable
situations of public nuisance, endangerment of public
safety, damage to human life or property, or unnecessary
damage to flora and fauna in or adjacent to the area;

25 (e) the method of disposal of mining debris;

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(f) the method of diverting surface waters around the
 disturbed areas where necessary to prevent pollution of
 those waters or unnecessary erosion;

4 (g) the method of reclamation of stream channels and
5 stream banks to control erosion, siltation, and pollution;
6 (h) such maps and other supporting documents as may be
7 reasonably required by the department; and

8 (i) a time schedule for reclamation that meets the
9 requirements of 82-4-336.

10 (10) (a) "Small miner" means a person, firm, or 11 corporation that engages in the business of mining, that 12 does not remove from the earth during any calendar year 13 material in excess of 36,500 tons in the aggregate, that 14 holds no operating permit under 82-4-335, and that conducts:

15 (i) operations resulting in not more than 5 acres of 16 the earth's surface being disturbed and unreclaimed; or

17 (ii) two operations which disturb and leave unreclaimed
18 less than 5 acres per operation if the respective mining
19 properties are:

20 (A) the only operations engaged in by the person,21 firm, or corporation;

22 (B) at least 1 mile apart at their closest point; and

23 (C) not operated simultaneously except during seasonal
24 transitional periods not to exceed 30 days.

25 (b) For the purpose of this definition only, the

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department shall, in computing the area covered by the operation, exclude access or haulage roads that are required by a local, state, or federal agency having jurisdiction over that road to be constructed to certain specifications if that public agency notifies the department in writing that it desires to have the road remain in use and will maintain it after mining or-exploration ceases.

8 (11) "Surface mining" means all or any part of the 9 process involved in mining of minerals by removing the overburden and mining directly from the mineral deposits 10 thereby exposed, including but not limited to open-pit 11 mining of minerals naturally exposed at the surface of the 12 earth, mining by the auger method, and all similar methods 13 14 by which earth or minerals exposed at the surface are removed in the course of mining. Surface mining does not 15 include the extraction of oil, gas, bentonite, clay, coal, 16 sand, gravel, phosphate rock, or uranium or excavation or 17 grading conducted for on-site farming, on-site road 18 19 construction, or other on-site building construction.

20 (12) "Underground mining" means all methods of mining21 other than surface mining.

(13) "Unit of surface-mined area" means that area of land and surface water included within an operating permit actually disturbed by surface mining during each 12-month period of time, beginning at the date of the issuance of the permit, and it comprises and includes the area from which overburden or minerals have been removed, the area covered by mining debris, and all additional areas used in surface mining or underground mining operations which by virtue of such use are thereafter susceptible to erosion in excess of the surrounding undisturbed portions of land.

7 (14) "Vegetative cover" means the type of vegetation,
8 grass, shrubs, trees, or any other form of natural cover
9 considered suitable at time of reclamation."

Section 2. Section 82-4-305, MCA, is amended to read: "82-4-305. Exemption -- small miners -- written agreement. (1) No provisions of this part shall apply to any small miner when the small miner annually agrees in writing: (a) that he shall not pollute or contaminate any stream;

16 (b) that he shall provide protection for human and 17 animal life through the installation of bulkheads installed 18 over safety collars and the installation of doors on tunnel 19 portals; and

(c) he shall provide a map locating his mining
operations. Such map shall be to a size and scale as
determined by the department.

23 t2)--Pailure-to-comply-with-the-regulations--stipulated

24 in--this--section--will--constitute--a-misdemeanor;-and-this

25 offense-will-subject-the-owners-or-operators-of-said-project

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1	to-a-fine-of-not-less-than-\$10-or-more-than-\$1007-payable-to
2	the-department-of-revenue-of-the-stateofMontanaorany
3	board7commission7orpersonauthorizedto-collect-said
4	finet
5	(2) For small-miner exemptions obtained after
6	September 30, 1985, no small miner may obtain or continue an
7	exemption under subsection (1) unless he annually certifies
8	in writing:
9	(a) if the small miner is a natural person, that:
10	(i) no business association or partnership of which he
11	is a member or partner has a small-miner exemption; and
12	(ii) no corporation of which he is an officer,
13	director, or owner of record of 25% or more of any class of
14	voting stock has a small-miner exemption; or
15	(b) if the small miner is a partnership or business
16	association, that:
17	(i) none of the associates or partners holds a
18	small-miner exemption; and
19	(ii) none of the associates or partners is an officer,
20	director, or owner of 25% or more of any class of voting
21	stock of a corporation that has a small-miner exemption; or
22	(c) if the small miner is a corporation, that no
23	officer, director, or owner of record of 25% or more of any
24	class of voting stock of the corporation:
25	(i) holds a small-miner exemption;

1	(ii) is a member or partner in a business association
2	or partnership that holds a small-miner exemption;
3	(iii) is an officer, director, or owner of record of
4	25% or more of any class of voting stock of another
5	corporation that holds a small-miner exemption."
6	Section 3. Section 82-4-361, MCA, is amended to read:
7	"82-4-361. Violation penalties. (1) A person who
8	violates any of the provisions of this part or rules or
· 9	orders adopted under this part or conditions of a
10	small-miner exemption shall pay a civil penalty of not less
11	than \$100 or more than \$1,000 for the violations and an
12	additional civil penalty of not less than \$100 or more than
13	\$1,000 for each day during which a violation continues and
14	may be enjoined from continuing such violations as
15	hereinafter provided in this section. These penalties shall
16	be recoverable in any action brought in the name of the
17	state of Montana by the attorney general in the district
18	court of the first judicial district of this state in and
19	for the county of Lewis and Clark or in the district court
20	having jurisdiction of the defendant.
21	(2) The attorney general shall, upon the request of
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(2) The attorney general shall, upon the request of
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violate an order adopted under this part."

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2 <u>NEW SECTION.</u> Section 4. Extension of authority. Any 3 existing authority of the board of land commissioners or 4 department of state lands to make rules on the subject of 5 the provisions of this act is extended to the provisions of 6 this act.

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-End-

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