

HOUSE BILL NO. 755

INTRODUCED BY D. BROWN, IVERSON, O'HARA,
KRUEGER, QUILICI, HANNAH, PAVLOVICH

BY REQUEST OF THE DEPARTMENT OF NATURAL RESOURCES
AND CONSERVATION

IN THE HOUSE

February 9, 1985	Introduced and referred to Committee on Natural Resources.
February 11, 1985	Fiscal Note requested.
February 15, 1985	Fiscal Note returned.
February 16, 1985	Committee recommend bill do pass. Report adopted. Bill printed and placed on members' desks.
February 18, 1985	Second reading, pass consideration.
February 19, 1985	Second reading, do pass. Considered correctly engrossed.
February 20, 1985	Third reading, passed. Transmitted to Senate.

IN THE SENATE

February 22, 1985	Introduced and referred to Committee on Natural Resources.
March 9, 1985	Committee recommend bill be concurrent in. Report adopted.

March 12, 1985

Second reading, concurred in.

March 14, 1985

Third reading, concurred in.
Ayes, 50; Noes, 0.

Returned to House.

IN THE HOUSE

March 15, 1985

Received from Senate.

Sent to enrolling.

Reported correctly enrolled.

1 HOUSE BILL NO. 755
 2 INTRODUCED BY Paul Brown Jessie Ottawa Krueger
 3 Julian BY REQUEST OF THE DEPARTMENT OF NATURAL RESOURCES Hansen
 4 AND CONSERVATION Paulson

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 6 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE MAJOR
 7 FACILITY SITING ACT BY CHANGING THE FILING FEE PAID FOR
 8 PROCESSING APPLICATIONS AND BY PROVIDING FOR HEARINGS ON THE
 9 REVOCATION OR SUSPENSION OF CERTIFICATES; AMENDING SECTIONS
 10 75-20-215 AND 75-20-403, MCA; AND PROVIDING AN IMMEDIATE
 11 EFFECTIVE DATE."

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 13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
 14 Section 1. Section 75-20-215, MCA, is amended to read:
 15 "75-20-215. Filing fee -- accountability -- refund --
 16 use. (1) (a) A filing fee shall be deposited in the state
 17 special revenue fund for the use of the department in
 18 administering this chapter. The applicant shall pay to the
 19 department a filing fee as provided in this section based
 20 upon the department's estimated costs of processing the
 21 application under this chapter, but which shall not exceed
 22 the following scale based upon the estimated cost of the
 23 facility:
 24 (i) ~~2%~~ 4% of any estimated cost up to \$1 million; plus
 25 (ii) 1% of any estimated cost over \$1 million and up to

1 \$20 million; plus
 2 (iii) 0.5% of any estimated cost over \$20 million and
 3 up to \$100 million; plus
 4 (iv) 0.25% of any amount of estimated cost over \$100
 5 million and up to \$300 million; plus
 6 (v) .125% of any amount of estimated cost over \$300
 7 million and up to \$1 billion; plus
 8 (vi) .05% of any amount of estimated cost over \$1
 9 billion.
 10 (b) The department may allow in its discretion a
 11 credit against the fee payable under this section for the
 12 development of information or providing of services required
 13 hereunder or required for preparation of an environmental
 14 impact statement under the Montana or national environmental
 15 policy acts. The applicant may submit the information to
 16 the department together with an accounting of the expenses
 17 incurred in preparing the information. The department shall
 18 evaluate the applicability, validity, and usefulness of the
 19 data and determine the amount which may be credited against
 20 the filing fee payable under this section. Upon 30 days'
 21 notice to the applicant, this credit may at any time be
 22 reduced if the department determines that it is necessary to
 23 carry out its responsibilities under this chapter.
 24 (2) (a) The department may contract with an applicant
 25 for the development of information, provision of services



1 and payment of fees required under this chapter. The
 2 contract may continue an agreement entered into pursuant to
 3 75-20-106. Payments made to the department under such a
 4 contract shall be credited against the fee payable
 5 hereunder. Notwithstanding the provisions of this section,
 6 the revenue derived from the filing fee must be sufficient
 7 to enable the department, the department of health, the
 8 board, the board of health, and the agencies listed in
 9 75-20-216(5) to carry out their responsibilities under this
 10 chapter. The department may amend a contract to require
 11 additional payments for necessary expenses up to the limits
 12 set forth in subsection (1)(a) above upon 30 days' notice to
 13 the applicant. The department and applicant may enter into
 14 a contract which exceeds the scale provided in subsection
 15 (1)(a).

16 (b) If a contract is not entered into, the applicant
 17 shall pay the filing fee in installments in accordance with
 18 a schedule of installments developed by the department,
 19 provided that no one installment may exceed 20% of the total
 20 filing fee provided for in subsection (1).

21 (3) The estimated cost of upgrading an existing
 22 transmission substation may not be included in the estimated
 23 cost of a proposed facility for the purpose of calculating a
 24 filing fee.

25 (4) If an application consists of a combination of two

1 or more facilities, the filing fee shall be based on the
 2 total estimated cost of the combined facilities.

3 (5) The applicant is entitled to an accounting of
 4 moneys expended and to a refund with interest at the rate of
 5 6% a year of that portion of the filing fee not expended by
 6 the department in carrying out its responsibilities under
 7 this chapter. A refund shall be made after all
 8 administrative and judicial remedies have been exhausted by
 9 all parties to the certification proceedings.

10 (6) The revenues derived from filing fees shall be
 11 used by the department in compiling the information required
 12 for rendering a decision on a certificate and for carrying
 13 out its and the board's other responsibilities under this
 14 chapter."

15 Section 2. Section 75-20-403, MCA, is amended to read:
 16 "75-20-403. Revocation or suspension of certificate.
 17 A Following notice and an opportunity for a hearing, a
 18 certificate may be revoked or suspended by the board:

19 (1) for any material false statement in the
 20 application or in accompanying statements or studies
 21 required of the applicant if a true statement would have
 22 warranted the board's refusal to grant a certificate;

23 (2) for failure to maintain safety standards or to
 24 comply with the terms or conditions of the certificate; or

25 (3) for violation of any provision of this chapter,

1 the rules issued thereunder, or orders of the board or
2 department."

3 NEW SECTION. Section 3. Extension of authority. Any
4 existing authority of the board of natural resources and
5 conservation to make rules on the subject of the provisions
6 of this act is extended to the provisions of this act.

7 NEW SECTION. Section 4. Effective date. This act is
8 effective on passage and approval.

-End-

STATE OF MONTANA
FISCAL NOTE

REQUEST NO. FNN 388-85
Form BD-15

In compliance with a written request received February 11, 19 85, there is hereby submitted a Fiscal Note for House Bill 755 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.

DESCRIPTION OF PROPOSED LEGISLATION:

House Bill 755 amends Sections 75-20-215 and 75-20-403, MCA of the Montana Major Facility Siting Act by changing the filing fee paid for processing applications and by providing for hearings on the revocation or suspension of certificates.

ASSUMPTIONS:

No dollar estimates are provided as it is difficult to project with any certainty what Siting Act applications the department might receive over the next biennium.

FISCAL IMPACT:

Revenues and Expenditures:

Section 1 of this bill provides for an increase in the filing fees collected for small facilities and a decrease in fees collected for large facilities. For a short transmission line this will generate a filing fee more in line with the actual cost to complete the required studies. Earmarked revenues collected will equate to expenditures. Section 2 of this bill merely codifies existing Board practice, therefore there is no fiscal impact.

AFFECT ON COUNTY OR OTHER LOCAL REVENUE OR EXPENDITURES:

Not applicable.



BUDGET DIRECTOR
Office of Budget and Program Planning

Date: Feb 15, 1985

HB 755

LONG-RANGE EFFECTS OF PROPOSED LEGISLATION:

Section 1 of this bill provides for an increase in the filing fees collected for small facilities and a decrease in fees collected for large facilities. For a short transmission line this will generate a filing fee more in line with the actual cost to complete the required studies. Earmarked revenues collected will equate to expenditures, therefore there is no long-term fiscal impact.

TECHNICAL OR MECHANICAL DEFECTS OR CONFLICTS WITH EXISTING LEGISLATION:

Not applicable.

APPROVED BY COMM. ON NATURAL RESOURCES

HOUSE BILL NO. 755

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INTRODUCED BY *Jim Gorman, Jessica Otter, Kevell*
BY REQUEST OF THE DEPARTMENT OF NATURAL RESOURCES *Hammer*
AND CONSERVATION *Paulovich*

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE MAJOR FACILITY SITING ACT BY CHANGING THE FILING FEE PAID FOR PROCESSING APPLICATIONS AND BY PROVIDING FOR HEARINGS ON THE REVOCATION OR SUSPENSION OF CERTIFICATES; AMENDING SECTIONS 75-20-215 AND 75-20-403, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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

Section 1. Section 75-20-215, MCA, is amended to read:

- "75-20-215. Filing fee -- accountability -- refund -- use. (1) (a) A filing fee shall be deposited in the state special revenue fund for the use of the department in administering this chapter. The applicant shall pay to the department a filing fee as provided in this section based upon the department's estimated costs of processing the application under this chapter, but which shall not exceed the following scale based upon the estimated cost of the facility:
 - (i) 2% 4% of any estimated cost up to \$1 million; plus
 - (ii) 1% of any estimated cost over \$1 million and up to

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- (v) .125% of any amount of estimated cost over \$300 million and up to \$1 billion; plus
- (vi) .05% of any amount of estimated cost over \$1 billion.
- (b) The department may allow in its discretion a credit against the fee payable under this section for the development of information or providing of services required hereunder or required for preparation of an environmental impact statement under the Montana or national environmental policy acts. The applicant may submit the information to the department together with an accounting of the expenses incurred in preparing the information. The department shall evaluate the applicability, validity, and usefulness of the data and determine the amount which may be credited against the filing fee payable under this section. Upon 30 days' notice to the applicant, this credit may at any time be reduced if the department determines that it is necessary to carry out its responsibilities under this chapter.
- (2) (a) The department may contract with an applicant for the development of information, provision of services



1 and payment of fees required under this chapter. The
 2 contract may continue an agreement entered into pursuant to
 3 75-20-106. Payments made to the department under such a
 4 contract shall be credited against the fee payable
 5 hereunder. Notwithstanding the provisions of this section,
 6 the revenue derived from the filing fee must be sufficient
 7 to enable the department, the department of health, the
 8 board, the board of health, and the agencies listed in
 9 75-20-216(5) to carry out their responsibilities under this
 10 chapter. The department may amend a contract to require
 11 additional payments for necessary expenses up to the limits
 12 set forth in subsection (1)(a) above upon 30 days' notice to
 13 the applicant. The department and applicant may enter into
 14 a contract which exceeds the scale provided in subsection
 15 (1)(a).

16 (b) If a contract is not entered into, the applicant
 17 shall pay the filing fee in installments in accordance with
 18 a schedule of installments developed by the department,
 19 provided that no one installment may exceed 20% of the total
 20 filing fee provided for in subsection (1).

21 (3) The estimated cost of upgrading an existing
 22 transmission substation may not be included in the estimated
 23 cost of a proposed facility for the purpose of calculating a
 24 filing fee.

25 (4) If an application consists of a combination of two

1 or more facilities, the filing fee shall be based on the
 2 total estimated cost of the combined facilities.

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 6 the department in carrying out its responsibilities under
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 11 used by the department in compiling the information required
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 13 out its and the board's other responsibilities under this
 14 chapter."

15 Section 2. Section 75-20-403, MCA, is amended to read:

16 "75-20-403. Revocation or suspension of certificate.
 17 A Following notice and an opportunity for a hearing, a
 18 certificate may be revoked or suspended by the board;

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 20 application or in accompanying statements or studies
 21 required of the applicant if a true statement would have
 22 warranted the board's refusal to grant a certificate;

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 24 comply with the terms or conditions of the certificate; or

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2 department."

3 NEW SECTION. Section 3. Extension of authority. Any
4 existing authority of the board of natural resources and
5 conservation to make rules on the subject of the provisions
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7 NEW SECTION. Section 4. Effective date. This act is
8 effective on passage and approval.

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 3 BY REQUEST OF THE DEPARTMENT OF NATURAL RESOURCES Hammer
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