

HB 631 INTRODUCED BY HAYNE, ET AL.
REDUCES THE SIZE OF THE BOARD OF OIL AND GAS
CONSERVATION

2/06 INTRODUCED
2/06 REFERRED TO NATURAL RESOURCES
2/07 FISCAL NOTE REQUESTED
2/11 HEARING
2/13 FISCAL NOTE RECEIVED
2/13 TABLED IN COMMITTEE

1 House BILL NO. 631
 2 INTRODUCED BY Haynes
 3 Hanson Hanson Uleed Stacy
 4 Bohler Stacy Hanson Cobb
 5 A BILL FOR AN ACT ENTITLED: "AN ACT TO REDUCE THE SIZE OF
 6 THE BOARD OF OIL AND GAS CONSERVATION AND TO AMEND THE
 7 QUALIFICATION REQUIREMENTS FOR THE MEMBERS; AMENDING SECTION
 8 2-15-3303, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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

10 Section 1. Section 2-15-3303, MCA, is amended to read:

11 "2-15-3303. Board of oil and gas conservation --
 12 composition -- allocation -- quasi-judicial. (1) There is a
 13 board of oil and gas conservation.

14 (2) The board consists of seven five members, three
 15 two of whom shall be from the oil and gas industry and have
 16 had at least 3 years' experience in the production of oil
 17 and gas and two one of whom shall be landowners either a
 18 landowner or a mineral owner, or both, residing in an oil or
 19 gas producing counties county of the state but not actively
 20 associated with the oil and gas industry, ~~but one of the two~~
 21 ~~landowners shall be one who owns the mineral rights with the~~
 22 ~~surface and the other shall be one who does not own the~~
 23 ~~mineral rights.~~

24 (3) The board is allocated to the department for
 25 administrative purposes only as prescribed in 2-15-121.

1 However, the board may hire its own personnel, and
 2 2-15-121(2)(d) does not apply. The board may also prescribe
 3 the duties and annual salary of four professional staff
 4 positions.

5 (4) The board is designated as a quasi-judicial board
 6 for purposes of 2-15-124."

7 NEW SECTION. Section 2. Effective date. This act is
 8 effective on passage and approval.

-End-



STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB631, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

This bill would reduce the size of the Board of Oil and Gas Conservation from seven (7) members to five (5) members, and amend the qualification requirements for the members.

ASSUMPTIONS:

1. The average annual cost for board member compensation was based on 18 days per year per member at \$50.00 per day as provided in Section 2-15-124, MCA.
2. The average annual travel and per diem expenditure per member is calculated from FY86 actual board expenditures divided by seven (7) members.

FISCAL IMPACT:Expenditures:

	FY88			FY89		
	Current Law	Proposed Law	Revised	Current Law	Proposed Law	Revised
Personal	\$ 6,300	\$ 4,500	(\$1,800)	\$ 6,300	\$ 4,500	(\$1,800)
Operating	7,000	5,000	(2,000)	7,000	5,000	(2,000)
Total	\$ 13,300	\$ 9,500	(\$3,800)	\$ 13,300	\$ 9,500	(3,800)

Funding:

State Special
(Oil & Gas ERA)

\$3,800

\$3,800

*October 1, 1987, is assumed to be the proposed effective date.

EFFECT ON COUNTY OR OTHER LOCAL REVENUE OR EXPENDITURES:

N/A

LONG-RANGE EFFECTS OF PROPOSED LEGISLATION:

Proposed bill would result in comparable future annual savings of approximately \$3,800.

TECHNICAL OR MECHANICAL DEFECTS IN PROPOSED LEGISLATION OR CONFLICTS WITH EXISTING LEGISLATION:

None.

David L. Hunter DATE 2/13/87
DAVID L. HUNTER, BUDGET DIRECTOR
Office of Budget and Program Planning

Harriet Hayne DATE 2-13-87
HARRIET HAYNE, PRIMARY SPONSOR

Fiscal Note for HB631, as introduced.

HB 631