



IN THE HOUSE

APRIL 8, 1987

RECEIVED FROM SENATE.

SECOND READING, AMENDMENTS  
CONCURRED IN.

APRIL 9, 1987

THIRD READING, AMENDMENTS  
CONCURRED IN.

SENT TO ENROLLING.

1 House BILL NO. 718 Randy Aguirre  
 2 INTRODUCED BY Frank A. McElain Connolly  
 3 Hand Stark C. Smith Judy Backer Bill Lind  
 4 Vannant HARP  
 5 A BILL FOR AN ACT ENTITLED: "AN ACT REALLOCATING FUNDS FROM Beam  
 6 THE ENVIRONMENTAL CONTINGENCY ACCOUNT TO THE ENVIRONMENTAL Blum  
 7 QUALITY PROTECTION FUND; SPECIFYING USES OF THE Spaeth  
 8 ENVIRONMENTAL QUALITY PROTECTION FUND; AMENDING SECTIONS Staff  
 9 75-1-1101, 75-1-1102, 75-10-704, AND 75-10-715, MCA; AND Bradley  
 10 PROVIDING AN EFFECTIVE DATE." Connel

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

12 Section 1. Section 75-1-1101, MCA, is amended to read:

13 "75-1-1101. Environmental contingency-----account  
 14 objectives quality protection fund allocation. (1) There-is  
 15 created-an--environmental--contingency--account--within--the  
 16 state--special--revenue--fund--established--in-17-2-1982--The  
 17 environmental--contingency--account--is--controlled--by--the  
 18 governor;

19 (2) Except as provided in subsection (5) (3), at the  
 20 beginning of each fiscal year, 5% 4% of the total funds  
 21 appropriated--to--the--department--of--natural--resources--and  
 22 conservation from the resource indemnity trust interest  
 23 account, not-to-exceed-\$175,000-in-fiscal-year-1987, must be  
 24 allocated to the environmental contingency-account quality  
 25 protection fund provided for in 75-10-704.

1 (3)(2) Funds are statutorily appropriated, as provided  
 2 in 17-7-502, from the environmental contingency-account-upon  
 3 the-authorization-of--the--governor--to--meet--unanticipated  
 4 public-needs-consistent-with-the-following-objectives:

5 (a)--to---support---water---development---projects---in  
 6 communities-that-face-an-emergency-or-imminent-need-for-such  
 7 services-or-to-prevent--the--physical--failure--of--a--water  
 8 project;

9 (b)--to---preserve---vegetation,---water,---soil,---fish,  
 10 wildlife, or other renewable resources from an imminent  
 11 physical threat or during an emergency, not including:

12 (i)--natural--disasters--adequately--covered--by--other  
 13 funding sources; or

14 (ii)--fire;

15 (c)--to--respond--to--an--emergency--or--imminent--threat--to  
 16 persons, property, or the environment caused by mineral  
 17 development; and

18 (d)--to--fund--the--environmental--quality--protection--fund  
 19 provided--for--in--75-10-704--or--to--take--other--necessary  
 20 actions,--including--the--construction--of--facilities,--to  
 21 respond--to--actual--or--potential--threats--to--persons, property,  
 22 or--the--environment--caused--by--hazardous--wastes--or--other  
 23 hazardous--materials quality protection fund to the  
 24 department of health and environmental sciences to be used  
 25 for remedial action upon release of a hazardous substance as



1 provided for in Title 75, chapter 10, part 7.

2 ~~†4†~~(3) The environmental contingency--account quality  
3 protection fund may receive no additional allocation for any  
4 fiscal year in which the balance in the account exceeds  
5 \$1,000,000 at the beginning of that fiscal year.

6 ~~†5†~~(4) Interest from funds in the environmental  
7 contingency--account quality protection fund accrues to the  
8 resource indemnity trust interest account.

9 ~~†6†~~(5) The governor department of health and  
10 environmental sciences shall submit to the legislature at  
11 the beginning of each regular session a complete financial  
12 report on the environmental contingency--account quality  
13 protection fund, including a description of all expenditures  
14 made since the preceding report."

15 Section 2. Section 75-1-1102, MCA, is amended to read:

16 "75-1-1102. Grant program special revenue account  
17 created -- revenues -- allocation -- limitations on  
18 appropriations. (1) There is created a grant program special  
19 revenue account within the state special revenue fund  
20 established in 17-2-102.

21 (2) There must be paid into the grant program special  
22 revenue account all money allocated for appropriation from  
23 the resource indemnity trust interest account set forth in  
24 Title 15, chapter 38, with the exception of those  
25 allocations made in 15-38-202 and 75-1-1101.

1 (3) Appropriations may be made from the grant program  
2 special revenue account for the following purposes:

3 (a) grants for designated projects and activities; and

4 (b) administrative expenses, including but not limited  
5 to the salaries and expenses of personnel, equipment, office  
6 space, and other expenses necessarily incurred in the  
7 administration of the grant program. These expenses may be  
8 funded prior to funding of projects."

9 Section 3. Section 75-10-704, MCA, is amended to read:

10 "75-10-704. Environmental quality protection fund. (1)  
11 There is created in the state special revenue fund an  
12 environmental quality protection fund to be administered as  
13 a revolving fund by the department. The department is  
14 authorized to expend amounts from the fund necessary to  
15 carry out the purposes of this part.

16 (2) The fund may be used to carry out the provisions  
17 of this part and for remedial actions taken by the  
18 department pursuant to this part in response to a release of  
19 hazardous or deleterious substances, as follows:

20 (a) One-half of the funds deposited, up to a limit of  
21 \$200,000, must be reserved for use in emergency actions  
22 pursuant to 75-10-712. As these funds are expended, the  
23 emergency action reserve must be built up to \$200,000  
24 through dedication of funds recovered by the department  
25 pursuant to any action taken under 75-10-715.

1 (b) Funds not reserved for emergency action must be  
2 used to conduct a program of remedial action at sites:

3 (i) where a release has occurred; and

4 (ii) where the U.S. environmental protection agency  
5 has, under the provisions of the federal Comprehensive  
6 Environmental Response, Compensation, and Liability Act of  
7 1980 (CERCLA), as amended, conducted a hazard ranking study  
8 and judged the site not eligible for inclusion on the  
9 national priority list or where the U.S. environmental  
10 protection agency has no authority or no plan to assess the  
11 site under CERCLA.

12 (3) The department's program for remedial action under  
13 subsection (2)(b) must include:

14 (a) a system for prioritizing sites for remedial  
15 action based on potential effects on human health and the  
16 environment; and

17 (b) investigation, negotiation, and legal action, as  
18 appropriate, to identify responsible parties, to obtain the  
19 participation and financial contribution of responsible  
20 parties for the remedial action, to achieve remedial action,  
21 and to recover costs and damages incurred by the state.

22 ~~(3)~~(4) There must be deposited in the fund:

23 (a) all penalties, damages, and department  
24 expenditures recovered pursuant to 75-10-715;

25 (b) funds appropriated to the fund by the legislature;

1 and

2 (c) funds received from the ~~environmental-contingency~~  
3 ~~account-within-the-state-special--revenue--fund--established~~  
4 ~~resource indemnity trust interest account~~ pursuant to  
5 75-1-1101.

6 ~~(4)--Whenever the amount of money in the fund is~~  
7 ~~insufficient to carry out remedial action, the department~~  
8 ~~may apply to the governor for a grant from the environmental~~  
9 ~~contingency account within the state special revenue fund~~  
10 ~~established pursuant to 75-1-1101."~~

11 Section 4. Section 75-10-715, MCA, is amended to read:

12 "75-10-715. Reimbursement and penalties -- proceedings  
13 -- defenses. (1) Subject only to the defenses set forth in  
14 subsection (4), a party responsible for a release is liable  
15 for:

16 (a) all costs of remedial action taken by the  
17 department pursuant to this part; and

18 (b) damages for injury to, destruction of, or loss of  
19 natural resources caused by the release or threatened  
20 release.

21 (2) If the responsible party fails, without sufficient  
22 cause, to properly provide remedial action upon notification  
23 by the department pursuant to 75-10-711(3)(b), the  
24 responsible party may be liable for punitive damages in an  
25 amount not to exceed two times the amount of any costs

1 incurred by the department pursuant to this section.

2 (3) The department may initiate civil proceedings in  
3 district court to recover costs, damages, or penalties under  
4 subsections (1) and (2). Venue for any action to recover  
5 costs, damages, or penalties lies in the county where the  
6 release occurred or where the responsible party resides or  
7 has its principal place of business or in the district court  
8 of the first judicial district.

9 (4) No party is liable under subsection (1) or (2) if  
10 that party can establish by a preponderance of the evidence  
11 that:

12 (a) the department failed to follow the notice  
13 provisions of 75-10-711 when required; or

14 (b) the release did not emanate from any vessel,  
15 vehicle, or facility over which the party had any authority  
16 or control and was not caused by any action or omission of  
17 the party; or

18 (c) in the case of assessment of punitive damages,  
19 that factors beyond the control of the responsible party  
20 prevented the party from taking timely remedial action.

21 ~~{5}--(a)--Costs-of-remedial-action-recovered-pursuant-to~~  
22 ~~subsection--(1)(a)--must-be-deposited-in-the-fund;~~

23 ~~{b}--Damages---and---penalties--recovered--pursuant--to~~  
24 ~~subsections--(1)(b)--and--(2)--must--be--deposited--in--the~~  
25 ~~environmental--contingency--account-within-the-state-special~~

1 ~~revenue-fund-established-pursuant-to-75-1-1101-~~"

2 NEW SECTION. Section 5. Extension of authority. Any  
3 existing authority of the department of health and  
4 environmental sciences to make rules on the subject of the  
5 provisions of this act is extended to the provisions of this  
6 act.

7 NEW SECTION. Section 6. Effective date. This act is  
8 effective July 1, 1987.

-End-

APPROVED BY COMM. ON NATURAL RESOURCES

1 *House* BILL NO. *718 Rarey Against*  
 2 INTRODUCED BY *Frank Connelly*  
 3 *Handwritten signatures: Frank Connelly, Steve C. Smith, Joseph Beckner, Brad Lewis, Hank Varnant, Hank Varnant*  
 4 A BILL FOR AN ACT ENTITLED: "AN ACT REALLOCATING FUNDS FROM *Beam*  
 5 THE ENVIRONMENTAL CONTINGENCY ACCOUNT TO THE ENVIRONMENTAL *HARP*  
 6 QUALITY PROTECTION FUND; SPECIFYING USES OF THE *503rd*  
 7 ENVIRONMENTAL QUALITY PROTECTION FUND; AMENDING SECTIONS *Staff*  
 8 75-1-1101, 75-1-1102, 75-10-704, AND 75-10-715, MCA; AND *Bradley*  
 9 PROVIDING AN EFFECTIVE DATE." *Connel*

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 17 ~~environmental contingency account is controlled by the~~  
 18 ~~governor.~~  
 19 (2) Except as provided in subsection (5) (3), at the  
 20 beginning of each fiscal year, 5% 4% of the total funds  
 21 ~~appropriated to the department of natural resources and~~  
 22 ~~conservation from the resource indemnity trust interest~~  
 23 ~~account, not to exceed \$175,000 in fiscal year 1987, must be~~  
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 2 in 17-7-502, from the environmental contingency account upon  
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 4 public needs consistent with the following objectives:  
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 6 communities that face an emergency or imminent need for such  
 7 services or to prevent the physical failure of a water  
 8 project;  
 9 (b) to preserve vegetation, water, soil, fish,  
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 15 (c) to respond to an emergency or imminent threat to  
 16 persons, property, or the environment caused by mineral  
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 18 (d) to fund the environmental quality protection fund  
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 20 actions, including the construction of facilities, to  
 21 respond to actual or potential threats to persons, property,  
 22 or the environment caused by hazardous wastes or other  
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 25 for remedial action upon release of a hazardous substance as

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1 *House* BILL NO. *718* *Raney Aguirre*  
 2 INTRODUCED BY *Stanley* *W. Robinson* *Connolly* *Gray*  
 3 *Hand* *Stark C. Smith* *John Beckner* *Bob Lewis*  
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7 has its principal place of business or in the district court  
8 of the first judicial district.

9 (4) No party is liable under subsection (1) or (2) if  
10 that party can establish by a preponderance of the evidence  
11 that:

12 (a) the department failed to follow the notice  
13 provisions of 75-10-711 when required; or

14 (b) the release did not emanate from any vessel,  
15 vehicle, or facility over which the party had any authority  
16 or control and was not caused by any action or omission of  
17 the party; or

18 (c) in the case of assessment of punitive damages,  
19 that factors beyond the control of the responsible party  
20 prevented the party from taking timely remedial action.

21 ~~{5}--(a)--Costs-of-remedial-action-recovered-pursuant-to~~  
22 ~~subsection--(1)(a)--must-be-deposited-in-the-fund.~~

23 ~~{b}--Damages---and---penalties--recovered--pursuant--to~~  
24 ~~subsections--(1)(b)--and--(2)--must--be--deposited--in--the~~  
25 ~~environmental--contingency--account-within-the-state-special~~

1 ~~revenue-fund-established-pursuant-to-75-1-1101."~~

2 NEW SECTION. Section 5. Extension of authority. Any  
3 existing authority of the department of health and  
4 environmental sciences to make rules on the subject of the  
5 provisions of this act is extended to the provisions of this  
6 act.

7 NEW SECTION. Section 6. Effective date. This act is  
8 effective July 1, 1987.

-End-

HOUSE BILL NO. 718

INTRODUCED BY HARPER, DONALDSON, CONNELLY, RANEY, SQUIRES,  
ECK, ADDY, HANNAH, VINCENT, IVERSON, STRIZICH, C. SMITH,  
JONES, COHEN, HARP, BACHINI, BRANDEWIE, REAM, GLASER,  
SPAETH, THOFT, BRADLEY, CORNE', ASAY

A BILL FOR AN ACT ENTITLED: "AN ACT REALLOCATING ALLOCATING  
FUNDS FROM THE ENVIRONMENTAL--CONTINGENCY--ACCOUNT INTEREST  
INCOME OF THE RESOURCE INDEMNITY TRUST FUND TO THE  
ENVIRONMENTAL QUALITY PROTECTION FUND; SPECIFYING USES OF  
THE ENVIRONMENTAL QUALITY PROTECTION FUND; AMENDING SECTIONS  
75-1-1101, 75-1-1102, 15-38-202, 75-10-704, AND 75-10-715,  
MCA; AND PROVIDING AN EFFECTIVE DATE."

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

Section 1, Section 75-1-1101, MCA, is amended to read:

"75-1-1101. Environmental--contingency--account  
objectives quality protection fund allocation. (1) There is  
created an environmental contingency account within the  
state special revenue fund established in 17-2-102. The  
environmental contingency account is controlled by the  
governor.

(2) Except as provided in subsection (5) (3), at the  
beginning of each fiscal year, 5% of the total funds  
appropriated to the department of natural resources and

conservation from the resource indemnity trust interest  
account, not to exceed \$175,000 in fiscal year 1987, must be  
allocated to the environmental contingency account quality  
protection fund provided for in 75-10-704.

(3) Funds are statutorily appropriated, as provided  
in 17-7-502, from the environmental contingency account upon  
the authorization of the governor to meet unanticipated  
public needs consistent with the following objectives:

(a) to support water development projects in  
communities that face an emergency or imminent need for such  
services or to prevent the physical failure of a water  
project;

(b) to preserve vegetation, water, soil, fish,  
wildlife, or other renewable resources from an imminent  
physical threat or during an emergency, not including:

(i) natural disasters adequately covered by other  
funding sources; or

(ii) fire;

(c) to respond to an emergency or imminent threat to  
persons, property, or the environment caused by mineral  
development; and

(d) to fund the environmental quality protection fund  
provided for in 75-10-704 or to take other necessary  
actions, including the construction of facilities, to  
respond to actual or potential threats to persons, property,



1 or the environment caused by hazardous wastes or other  
 2 hazardous materials quality protection fund to the  
 3 department of health and environmental sciences to be used  
 4 for remedial action upon release of a hazardous substance as  
 5 provided for in Title 75, chapter 10, part 7.

6 (4)(3) The environmental contingency account quality  
 7 protection fund may receive no additional allocation for any  
 8 fiscal year in which the balance in the account exceeds  
 9 \$1,000,000 at the beginning of that fiscal year.

10 (5)(4) Interest from funds in the environmental  
 11 contingency account quality protection fund accrues to the  
 12 resource indemnity trust interest account.

13 (6)(5) The governor department of health and  
 14 environmental sciences shall submit to the legislature at  
 15 the beginning of each regular session a complete financial  
 16 report on the environmental contingency account quality  
 17 protection fund, including a description of all expenditures  
 18 made since the preceding report.

19 Section 2, Section 75-1-1102, MCA, is amended to read:

20 "75-1-1102. Grant program special revenue account  
 21 created revenues allocation limitations on  
 22 appropriations. (1) There is created a grant program  
 23 special revenue account within the state special revenue  
 24 fund established in 17-2-102.

25 (2) There must be paid into the grant program special

1 revenue account all money allocated for appropriation from  
 2 the resource indemnity trust interest account set forth in  
 3 Title 15, chapter 30, with the exception of those  
 4 allocations made in 15-38-202 and 75-1-1101.

5 (3) Appropriations may be made from the grant program  
 6 special revenue account for the following purposes:

7 (a) grants for designated projects and activities; and

8 (b) administrative expenses, including but not limited  
 9 to the salaries and expenses of personnel, equipment, office  
 10 space, and other expenses necessarily incurred in the  
 11 administration of the grant program. These expenses may be  
 12 funded prior to funding of projects."

13 SECTION 1. SECTION 15-38-202, MCA, IS AMENDED TO READ:

14 "15-38-202. Investment of resource indemnity trust  
 15 fund -- expenditure -- minimum balance. (1) All moneys paid  
 16 into the resource indemnity trust fund shall be invested at  
 17 the discretion of the board of investments. All the net  
 18 earnings accruing to the resource indemnity trust fund shall  
 19 annually be added thereto until it has reached the sum of  
 20 \$10 million. Thereafter, only the net earnings may be  
 21 appropriated and expended until the fund reaches \$100  
 22 million. Thereafter, all net earnings and all receipts shall  
 23 be appropriated by the legislature and expended, provided  
 24 that the balance in the fund may never be less than \$100  
 25 million.



1 (2) Beginning in fiscal year 1982, provided the amount  
 2 in the resource indemnity trust fund is greater than \$10  
 3 million, 30% of the interest income of the resource  
 4 indemnity trust fund must be allocated to the water  
 5 development state special revenue account created by  
 6 85-1-604.

7 (3) Beginning in fiscal year 1986, 6% of the interest  
 8 income of the resource indemnity trust fund must be  
 9 allocated to the department of health and environmental  
 10 sciences to be used to implement the Montana Hazardous Waste  
 11 Act and the federal Comprehensive Environmental Response,  
 12 Compensation, and Liability Act of 1980 in accordance with  
 13 Title 75, chapter 10, part 6. The allocation in this  
 14 subsection must be appropriated for each full biennium as  
 15 necessary to obtain matching federal funds for the biennium.

16 (4) Beginning in fiscal year 1990, 4% of the interest  
 17 income of the resource indemnity trust fund must be  
 18 allocated to the environmental quality protection fund  
 19 provided for in 75-10-704."

20 Section 2. Section 75-10-704, MCA, is amended to read:  
 21 "75-10-704. Environmental quality protection fund. (1)  
 22 There is created in the state special revenue fund an  
 23 environmental quality protection fund to be administered as  
 24 a revolving fund by the department. The department is  
 25 authorized to expend amounts from the fund necessary to

1 carry out the purposes of this part.

2 (2) The fund may ONLY be used to carry out the  
 3 provisions of this part and for remedial actions taken by  
 4 the department pursuant to this part in response to a  
 5 release of hazardous or deleterious substances: as follows:

6 (a) One-half of the funds deposited, up to a limit of  
 7 \$200,000, must be reserved for use in emergency actions  
 8 pursuant to 75-10-712. As these funds are expended, the  
 9 emergency action reserve must be built up to \$200,000  
 10 through dedication of funds recovered by the department  
 11 pursuant to any action taken under 75-10-715.

12 (b) Funds not reserved for emergency action must be  
 13 used to conduct. FUND USES MUST INCLUDE THE CONDUCT OF THE  
 14 HAZARDOUS WASTE SITE REMEDIAL ACTION PROGRAM, WHICH IS a  
 15 program of remedial action at sites:

16 (i)(A) where a release has occurred; and  
 17 (ii)(B) where the U.S. environmental protection agency  
 18 has, under the provisions of the federal Comprehensive  
 19 Environmental Response, Compensation, and Liability Act of  
 20 1980 (CERCLA), as amended, conducted a hazard ranking study  
 21 and judged the site not eligible for inclusion on the  
 22 national priority list or where the U.S. environmental  
 23 protection agency has no authority or no plan to assess the  
 24 site under CERCLA.

25 (3) The department's program for remedial action under

1 subsection (2)(b) (2) must include:  
 2 (a) a system for prioritizing sites for remedial  
 3 action based on potential effects on human health and the  
 4 environment; and  
 5 (b) investigation, negotiation, and legal action, as  
 6 appropriate, to identify responsible parties, to obtain the  
 7 participation and financial contribution of responsible  
 8 parties for the remedial action, to achieve remedial action,  
 9 and to recover costs and damages incurred by the state.  
 10 (3)(4) There must be deposited in the fund:  
 11 (a) all penalties, damages, and department  
 12 expenditures recovered pursuant to 75-10-715;  
 13 (b) funds appropriated to the fund by the legislature;  
 14 and  
 15 (c) funds received from the environmental-contingency  
 16 account-within-the-state-special-revenue-fund-established  
 17 INTEREST INCOME OF THE resource indemnity trust interest  
 18 account FUND pursuant to 75-1-1101 15-38-202.  
 19 (4)--Whenever the amount of money in the fund is  
 20 insufficient to carry out remedial action, the department  
 21 may apply to the governor for a grant from the environmental  
 22 contingency account within the state special revenue fund  
 23 established pursuant to 75-1-1101."  
 24 (5) WHENEVER THE AMOUNT OF MONEY IN THE FUND IS  
 25 INSUFFICIENT TO CARRY OUT REMEDIAL ACTION, THE DEPARTMENT

1 MAY APPLY TO THE GOVERNOR FOR A GRANT FROM THE ENVIRONMENTAL  
 2 CONTINGENCY ACCOUNT ESTABLISHED PURSUANT TO 75-1-1101."  
 3 Section 3. Section 75-10-715, MCA, is amended to read:  
 4 "75-10-715. Reimbursement and penalties -- proceedings  
 5 -- defenses. (1) Subject only to the defenses set forth in  
 6 subsection (4), a party responsible for a release is liable  
 7 for:  
 8 (a) all costs of remedial action taken by the  
 9 department pursuant to this part; and  
 10 (b) damages for injury to, destruction of, or loss of  
 11 natural resources caused by the release or threatened  
 12 release.  
 13 (2) If the responsible party fails, without sufficient  
 14 cause, to properly provide remedial action upon notification  
 15 by the department pursuant to 75-10-711(3)(b), the  
 16 responsible party may be liable for punitive damages in an  
 17 amount not to exceed two times the amount of any costs  
 18 incurred by the department pursuant to this section.  
 19 (3) The department may initiate civil proceedings in  
 20 district court to recover costs, damages, or penalties under  
 21 subsections (1) and (2). Venue for any action to recover  
 22 costs, damages, or penalties lies in the county where the  
 23 release occurred or where the responsible party resides or  
 24 has its principal place of business or in the district court  
 25 of the first judicial district.

1 (4) No party is liable under subsection (1) or (2) if  
 2 that party can establish by a preponderance of the evidence  
 3 that:

4 (a) the department failed to follow the notice  
 5 provisions of 75-10-711 when required; or

6 (b) the release did not emanate from any vessel,  
 7 vehicle, or facility over which the party had any authority  
 8 or control and was not caused by any action or omission of  
 9 the party; or

10 (c) in the case of assessment of punitive damages,  
 11 that factors beyond the control of the responsible party  
 12 prevented the party from taking timely remedial action.

13 ~~(5)--(a) Costs of remedial action recovered pursuant to~~  
 14 ~~subsection (1)(a) must be deposited in the fund.~~

15 ~~(b) Damages and penalties recovered pursuant to~~  
 16 ~~subsections (1)(b) and (2) must be deposited in the~~  
 17 ~~environmental contingency account within the state special~~  
 18 ~~revenue fund established pursuant to 75-1-1101."~~

19 NEW SECTION. Section 4. Extension of authority. Any  
 20 existing authority of the department of health and  
 21 environmental sciences to make rules on the subject of the  
 22 provisions of this act is extended to the provisions of this  
 23 act.

24 NEW SECTION. SECTION 5. COORDINATION INSTRUCTION. IF  
 25 SENATE BILL NO. 373, INCLUDING THE SECTION OF THAT BILL

1 AMENDING 15-38-202, IS PASSED AND APPROVED, SECTION 18 OF  
 2 SENATE BILL NO. 373 MUST READ:

3 "NEW SECTION. Section 18. Coordination instruction.  
 4 if House Bill No. 777, including the section of that bill  
 5 amending 15-38-202, is passed and approved:

6 (1) the bracketed material in section 12(2)(d) of this  
 7 act allocating funds to the reclamation and development  
 8 grants account must read "50%"; and

9 (2) the bracketed material in section 6 is void.

10 (1) If House Bill No. 777, including the section of  
 11 that bill amending 15-38-202, is passed and approved, and if  
 12 House Bill No. 718, including the section of that bill  
 13 amending 15-38-202, is passed and approved, the bracketed  
 14 material in section 12 must read "46%".

15 (2) If House Bill No. 777, including the section of  
 16 that bill amending 15-38-202, is passed and approved, and if  
 17 House Bill No. 718, including the section amending  
 18 15-38-202, is not passed and approved, the bracketed  
 19 material in section 12 must read "50%".

20 (3) If House Bill No. 777, including the section  
 21 amending 15-38-202 is not passed and approved, and if House  
 22 Bill No. 718, including the section amending 15-38-202, is  
 23 passed and approved, the bracketed material in section 12  
 24 must read "52%".

25 NEW SECTION. Section 6. Effective date. This act is

HB 0718/02

1 effective July 1, 1987.

-End-

STANDING COMMITTEE REPORT

SENATE

Natural Resources Committee

Page 2 of 3

HB 718

March 23, 1987

March 23, 1987

MR. PRESIDENT

We, your committee on NATURAL RESOURCES

having had under consideration HOUSE BILL No. 718

THIRD reading copy (BLUE color)

REALLOCATING ENVIRONMENTAL CONTINGENCY ACCT. TO ENV. QUALITY PROTECTION FUND

HARPER (ECK)

Respectfully report as follows: That HOUSE BILL No. 718 BE AMENDED AS FOLLOWS:

- 1. Title, line 4. Strike: "REALLOCATING" Insert: "ALLOCATING"
2. Title, line 5. Strike: "ENVIRONMENTAL CONTINGENCY ACCOUNT" Insert: "INTEREST INCOME OF THE RESOURCE INDEMNITY TRUST FUND"
3. Title, line 8. Strike: "75-1-1101, 75-1-1102" Insert: "15-38-202"
4. Page 1, line 12, through line 8 on page 4. Strike: sections 1 and 2 in their entirety Insert: "Section 1. Section 15-38-202, MCA, is amended to read: "15-38-202. Investment of resource indemnity trust fund -- expenditure -- minimum balance. (1) All moneys paid into the resource indemnity trust fund shall be invested at the discretion of the board of investments. All the net earnings accruing to the resource indemnity trust fund shall annually be added thereto until it has reached the sum of \$10 million. Thereafter, only the net earnings may be appropriated and expended until the fund reaches \$100 million. Thereafter, all net earnings and all receipts shall be appropriated by the legislature and expended, provided that the balance in the fund may never be less than \$100 million. (2) Beginning in fiscal year 1982, provided the amount in the resource indemnity trust fund is greater than \$10 million, 30% of the interest income of the resource indemnity trust fund must be allocated to the water development state special revenue account created by 85-1-604."

XXXXXXXXXX

CONTINUED

Chairman

(3) Beginning in fiscal year 1986, 6% of the interest income of the resource indemnity trust fund must be allocated to the department of health and environmental sciences to be used to implement the Montana Hazardous Waste Act and the federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980 in accordance with Title 75, chapter 10, part 6. The allocation in this subsection must be appropriated for each full biennium as necessary to obtain matching federal funds for the biennium.

(4) Beginning in fiscal year 1990, 4% of the interest income of the resource indemnity trust fund must be allocated to the environmental quality protection fund, provided for in 75-10-704."

Renumber: subsequent sections

- 5. Page 4, line 16. Following: "may" Insert: "only"
6. Page 4, line 19 through line 2 on page 5. Strike: "as" on page 4, line 19 through "conduct" on line 2, page 5 Insert: ". Fund uses must include the conduct of the hazardous waste site remedial action program, which is"
7. Page 5, line 3. Strike: "(i)" Insert: "(a)"
8. Page 5, line 4. Strike: "(ii)" Insert: "(b)"
9. Page 5, line 13. Strike: "(2)(b)" Insert: "(2)"
10. Page 6. Following: line 3 Insert: "interest income of the"
11. Page 6, line 4. Strike: "interest account" Insert: "fund"
12. Page 6, line 5. Strike: "75-1-1101" Insert: "15-38-202"
13. Page 6, line 10. Following: "75-1-1101" Insert: "(5) Whenever the amount of money in the fund is insufficient to carry out remedial action, the department may apply to the governor for a grant from the environmental contingency account established pursuant to 75-1-1101."

CONTINUED

3-24-87 1:35

14. Page 8.

Following: line 6

Insert: " NEW SECTION. Section 5. Coordination instruction.

If Senate Bill No. 373, including the section of that bill amending 15-38-202, is passed and approved, section 18 of Senate Bill No. 373 must read:

~~"NEW SECTION. Section 18. Coordination instruction. If House Bill No. 777, including the section of that bill amending 15-38-202, is passed and approved:~~

~~{1}--the-bracketed-material-in-section-12(2)(d)-of-this-act allocating-funds-to-the-reclamation-and-development-grants-account must-read-"50%"--and~~

~~{2}--the-bracketed-material-in-section-6-is-void-~~

(1) If House Bill No. 777, including the section of that bill amending 15-38-202, is passed and approved, and if House Bill No. 718, including the section of that bill amending 15-38-202, is passed and approved, the bracketed material in section 12 must read "46%".

(2) If House Bill No. 777, including the section of that bill amending 15-38-202, is passed and approved, and if House Bill No. 718, including the section amending 15-38-202, is not passed and approved, the bracketed material in section 12 must read "50%".

(3) If House Bill No. 777, including the section amending 15-38-202 is not passed and approved, and if House Bill No. 718, including the section amending 15-38-202, is passed and approved, the bracketed material in section 12 must read "52%"."

AND AS AMENDED  
BE CONCURRED IN

*Thomas F. Keating*  
SENATOR THOMAS F. KEATING, Chairman

3-24-87  
135