HOUSE BILL 599

Introduced by Grimes, et al.

| 2/12 | Introduced |
|------|--------------------------------|
| 2/12 | Referreed to Natural Resources |
| 2/12 | First Reading |
| 2/12 | Fiscal Note Requested |
| 2/17 | Hearing |
| 2/18 | Fiscal Note Received |
| 2/18 | Fiscal Note Printed |
| 2/19 | Committee ReportBill Passed as |
| • | Amended |
| 2/20 | 2nd Reading Passed |
| 2/23 | 3rd Reading Passed |
| | Transmitted to Senate |
| 3/01 | First Reading |
| 3/01 | Referred to Natural Resources |
| 3/24 | Hearing |
| 2/27 | Wahlod in Committee |

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provided in

1 A HOUSE BILL NO. 599
2 THRODUCED BY SIMUL Jage RUgel
3 Parky Brily Bril. 7112881

A BILL FOR AN ACT ENTITLED: "AN ACT AMENDING THE MONTANA ENVIRONMENTAL POLICY ACT TO CLARIFY THAT AN AGENCY MAY NOT PREPARE AN ENVIRONMENTAL IMPACT STATEMENT FOR A PROPOSAL THAT WILL NOT, AS MODIFIED BY MITIGATION REQUIREMENTS AGREED TO BY AN APPLICANT, SIGNIFICANTLY AFFECT THE QUALITY OF THE HUMAN ENVIRONMENT: AND AMENDING SECTION 75-1-201, MCA."

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STATEMENT OF INTENT

It is the intent of this legislation to encourage state agencies to prepare a mitigated environmental assessment or some form of environmental review as required under Title 75, chapter 1, and rules adopted pursuant to Title 75, chapter 1, other than an environmental impact statement when a state action, as modified by mitigation requirements agreed to by an applicant, will not significantly affect the quality of the human environment.

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

Section 1. Section 75-1-201, MCA, is amended to read:

23 "75-1-201. General directions -- environmental impact 24 statements. (1) The legislature authorizes and directs that,

25 to the fullest extent possible:

| (b) | all agencies of the state, exce | ept as |
|------------|---------------------------------|--------|
| subsection | on (2), shall: | |

with the policies set forth in parts 1 through 3;

(i) utilize a systematic, interdisciplinary approach which will insure the integrated use of the natural and social sciences and the environmental design arts in planning and in decisionmaking which may have an impact on man's environment;

(a) the policies, regulations, and laws of the state

shall must be interpreted and administered in accordance

- (ii) identify and develop methods and procedures which
 will insure that presently unquantified environmental
 amenities and values may be given appropriate consideration
 in decisionmaking along with economic and technical
 considerations:
 - (iii) except as provided in subsection (3), include in every recommendation or report on proposals for projects, programs, legislation, and other major actions of state government significantly affecting the quality of the human environment, a detailed statement on:
- 21 (A) the environmental impact of the proposed action;
- 22 (B) any adverse environmental effects which that cannot be avoided should if the proposal be is implemented;
- (C) alternatives to the proposed action;
 - (D) the relationship between local short-term uses of

Montpre Laplateire Council

- HB 599 Introduced bill

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man's the environment and the maintenance and enhancement of long-term productivity; and

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- (E) any irreversible and irretrievable commitments of resources which would be involved in the proposed action should it be implemented;
- 6 (iv) study, develop, and describe appropriate
 7 alternatives to recommend courses of action in any proposal
 8 which involves unresolved conflicts concerning alternative
 9 uses of available resources:
- (v) recognize the national and long-range character of
 environmental problems and, where consistent with the
 policies of the state, lend appropriate support to
 initiatives, resolutions, and programs designed to maximize
 national cooperation in anticipating and preventing a

decline in the quality of mankind's the world environment;

- 16 (vi) make available to counties, municipalities,
 17 institutions, and individuals advice and information useful
 18 in restoring, maintaining, and enhancing the quality of the
 19 environment;
- 20 (vii) initiate and utilize ecological information in the 21 planning and development of resource-oriented projects; and
- 22 (viii) assist the environmental quality council 23 established by 5-16-101; and
- (c) prior to making any detailed statement as provided in subsection (1)(b)(iii), the responsible state official

- shall consult with and obtain the comments of any state 1 agency which has jurisdiction by law or special expertise 2 3 with respect to any environmental impact involved. Copies of 4 such the statement and the comments and views of the appropriate state, federal, and local agencies which that 5 authorized to develop and enforce environmental 6 standards shall must be made available to the governor, the 7 environmental quality council, and the public and shall must 9 accompany the proposal through the existing agency review processes. 10
 - (2) The department of public service regulation, in the exercise of its regulatory authority over rates and charges of railroads, motor carriers, and public utilities, is exempt from the provisions of parts 1 through 3.
 - (3) (a)-Until-the-board-of--oil--and--gas--conservation adopts--a-programmatic-environmental-statementy-but-no-later than-Becember-31y-1989y-the-issuance-of-a-permit-to-drill--a well--for--oil--or--gas--is--not--a--major--action--of-state government-as-that-term-is-used-in-subsection-(1)(b)(iii)+
 - (b)--The-board-of-oil-and-gas-conservation-shall-adopt-a
 programmatic-statement--by--December--3ly--1989y--that--must
 include-but-not-be-limited-to:
 - fi)--such--environmental--impacts--as-may-be-found-to-be
 associated-with-the-drilling-for-and-production-of--oil--and
 gas-in-the-major-producing-basins-and-ecosystems-in-Montana;

| (ii)-suchmethodsofaccomplishingdrillingand |
|---|
| production-of-oil-and-gas-as-may-be-found-to-be-necessary-to |
| avoid-permanent-impairment-of-the-environment-or-to-mitigate |
| long-term-impacts-sothattheenvironmentandrenewable |
| resourcesoftheecosystemmaybereturnedtoeither |
| conditionssimilartothoseexistingbefore-drilling-or |
| production-occursorconditionsthatreflectanatural |
| progression-of-environmental-change; |
| (iii)-theprocess-that-will-be-employed-by-the-board-of |
| oil-and-gasconservationtoevaluatesuchenvironmental |
| impactsof-individual-drilling-proposals-as-may-be-found-to |
| exist ₇ |
| (iv)-anappropriatemethodforincorporatingsuch |
| environmentalreviewasmay-be-found-to-be-necessary-into |
| the-board's-rulesanddrillpermittingprocessandfor |
| accomplishing-the-review-in-an-expedient-manner; |
| <pre>fv)themaximumtime-periods-that-will-be-required-to</pre> |
| completethedrillpermittingprocess,includingany |
| environmental-review;-and |
| <pre>(vi)-arecord-of-information-and-analysis-for-the-board</pre> |
| of-oil-and-gas-conservation-to-rely-uponinrespondingto |
| Public-and-private-concerns-about-drilling-and-production: |
| (c)Thegovernorshalldirectandhavemanagement |
| responsibilityforthepreparationoftheprogrammatic |
| statementyincludingresponsibility-on-behalf-of-the-board |

| 1 | ofoilandgasconservationforthedisbursementand |
|----|--|
| 2 | expenditure-of-funds-necessary-tocompletethestatement+ |
| 3 | Thefacilitiesand-personnel-of-appropriate-state-agencies |
| 4 | must-be-used-to-the-extent-the-governor-deemsnecessaryto |
| 5 | completethestatementThegovernorshallforward-the |
| 6 | completed-draft-programmatic-statement-to-the-boardofoil |
| 7 | andgas-conservation-for-hearing-pursuant-to-the-provisions |
| 8 | oftheMontanaAdministrativeProcedureActyTitle27 |
| 9 | chapter-4Pollowingcompletionofafinalprogrammatic |
| 10 | statement,thegovernor-shall-forward-the-statement-to-the |
| 11 | board-for-adoption-and-use-in-theissuanceofpermitsto |
| 12 | drill-for-oil-and-gas- |
| 13 | (d)Untiltheprogrammatic-environmental-statement-is |
| 14 | adoptedy-the-board-of-oil-and-gas-conservation-shall-prepare |
| 15 | a-written-progress-report-after-cach-regular-meeting-ofthe |
| 16 | board-and-after-any-special-board-meeting-that-addresses-the |
| 17 | adoption-or-implementation-of-the-programmatic-environmental |
| 18 | statementAcopyofeachreportmustbesent-to-the |
| 19 | environmentalqualitycouncil: Except as provided in |
| 20 | subsection (4), an agency of state government may not |
| 21 | prepare an environmental impact statement for a proposal |
| 22 | that will not, as modified by mitigation requirements agreed |
| 23 | to by an applicant for a permit, lease, license, |
| 24 | certificate, or other entitlement, significantly affect the |
| | |

quality of the human environment.

| L | (4) If an applicant under subsection (3) stipulates i |
|---|---|
| 2 | writing to an agency of the state government that the agenc |
| 3 | may, in its discretion, prepare an environmental impac |
| • | statement, the prohibition under subsection (3) does no |
| 5 | apply." |

-End-

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB0599, as introduced.

<u>DESCRIPTION OF PROPOSED LEGISLATION</u>: An act amending the Montana Environmental Policy Act to clarify that an agency may not prepare an environmental impact statement for a proposal that will not, as modified by mitigation requirements agreed to by an applicant, significantly affect the quality of the human environment

ASSUMPTIONS:

Department of Health and Knvironmental Sciences (DHRS):

- 1. The DHES rules implementing the Montana Environmental Policy Act (MEPA) provide guidance for producing several types of environmental reviews, including environmental assessments (EAs) and environmental impact statements (EIss).
- 2. Although the "Statement of Intent" for this fiscal note mentions the term <u>mitigated environmental assessment (MRA)</u>, that wording is not included in the proposed change, nor is there a proposal to define the term MEA.
- 3. The DHES rules provide for assessing fees to fund a portion of EISs, but do not provide for funding EAs.
- 4. The cost of preparing EAs is assumed by the DHES program.
- 5. If MEAs are to be prepared using the same rules as existing EAs, the DHES program would continue to bear the costs of doing the assessments.

Department of Natural Resources and Conservation (DNRC):

- 6. There is no general fund impact to the Energy Division of DNRC because all environmental documents prepared under the Major Facility Siting Act, which must be consistent with the Montana Environmental Policy Act, are covered by fees assessed to the applicant.
- 7. Oil and gas drilling permits currently are issued subject to completion of an environmental assessment checklist which incorporates mitigation procedures if necessary. Few, if any, permit requests reviewed in this manner are likely to "significantly affect the quality of the human environment" and thus trigger the need for an EIS.

Environmental Quality Council (RQC):

8. EQC does not prepare environmental review documents, but EQC reviews and comments on documents prepared by executive branch agencies. This will have no fiscal impact.

FISCAL IMPACT:

There will be no fiscal impact due to this bill.

DAVID LEWIS, BUDGET DIRECTOR DATE

Office of Budget and Program Planning

DUANE GRIMES, PRIMARY SPONSOR

Fiscal Note for HB0599, as introduced

HB 599

APPROVED BY COMM. ON NATURAL RESOURCES

| 1 | HOUSE BILL NO. 599 |
|--|--|
| 2 | INTRODUCED BY GRIMES, GAGE, VOGEL, PAVLOVICH, |
| 3 | GRADY, BRUSKI-MAUS, BECK |
| 4 | |
| 5 | A BILL FOR AN ACT ENTITLED: "AN ACT AMENDING-THE-MONTANA |
| 6 | environmentalpolicyact |
| 7 | CLARIFYING THAT THE DEPARTMENT OF STATE LANDS MAY NOT |
| 8 | PREPARE AN ENVIRONMENTAL IMPACT STATEMENT FOR A-PROPOSAL $\overline{\text{AN}}$ |
| 9 | OPERATING PERMIT THAT WILL NOT, AS MODIFIED BY MITIGATION |
| 10 | REQUIREMENTS AGREED TO BY AN APPLICANT, SIGNIFICANTLY AFFECT |
| 11 | THE QUALITY OF THE HUMAN ENVIRONMENT; AND AMENDING SECTION |
| 12 | 75-1-201 82-4-337, MCA." |
| | |
| 13 | |
| 13 | STATEMENT OF INTENT |
| 13 14 | STATEMENT OF INTENT It is the intent of this legislation to encourage state |
| | |
| 13 14 15 | It is the intent of this legislation to encourage state |
| 13 14 15 16 | It is the intent of this legislation to encourage state agencies THE DEPARTMENT OF STATE LANDS to prepare a |
| 13 14 15 16 17 | It is the intent of this legislation to encourage state agencies THE DEPARTMENT OF STATE LANDS to prepare a mitigated environmental assessment or some form of |
| 13 14 15 16 | It is the intent of this legislation to encourage state agencies THE DEPARTMENT OF STATE LANDS to prepare a mitigated environmental assessment or some form of environmental review as required under Title 75, chapter 1, |
| 13 14 15 16 17 18 | It is the intent of this legislation to encourage state agencies THE DEPARTMENT OF STATE LANDS to prepare a mitigated environmental assessment or some form of environmental review as required under Title 75, chapter 1, and rules adopted pursuant to Title 75, chapter 1, other |
| 13 14 15 16 17 18 19 20 | It is the intent of this legislation to encourage state agencies THE DEPARTMENT OF STATE LANDS to prepare a mitigated environmental assessment or some form of environmental review as required under Title 75, chapter 1, and rules adopted pursuant to Title 75, chapter 1, other than an environmental impact statement when a-state-action |
| 13 14 15 16 17 18 19 | It is the intent of this legislation to encourage state agencies THE DEPARTMENT OF STATE LANDS to prepare a mitigated environmental assessment or some form of environmental review as required under Title 75, chapter 1, and rules adopted pursuant to Title 75, chapter 1, other than an environmental impact statement when a-state-action THE ISSUANCE OF AN OPERATING PERMIT, as modified by |

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

| 1 | Section 1. Section 75-1-2017-MCA7-is-amended-to-read: |
|----|---|
| 2 | 475-1-201; General-directionsenvironmentalimpact |
| 3 | statements:-(1)-The-legislature-authorizes-and-directs-that; |
| 4 | to-the-fullest-extent-possible: |
| 5 | (a)thepolicies;regulations;and-laws-of-the-state |
| 6 | shall must-be-interpretedandadministeredinaccordance |
| 7 | with-the-policies-set-forth-in-parts-1-through-3; |
| 8 | (b)aliagenciesofthe-state;-except-as-provided-in |
| 9 | subsection-(2);-shall: |
| 10 | (i)utilize-asystematic;interdisciplinaryapproach |
| 11 | whichwillinsuretheintegrateduse-of-the-natural-and |
| 12 | socialsciencesandtheenvironmentaldesignartsin |
| 13 | płanningandin-decisionmaking-which-may-have-an-impact-on |
| 14 | man-a-environment; |
| 15 | (ii)-identify-and-develop-methods-andprocedureswhich |
| 16 | willinsurethatpresentlyunquantifiedenvironmental |
| 17 | amenities-and-values-may-be-given-appropriateconsideration |
| 18 | indecisionmakingalongwitheconomicandtechnical |
| 19 | considerations; |
| 20 | <pre>fiii)-except-as-provided-in-subsection-f3);includeir</pre> |
| 21 | everyrecommendationorreport-on-proposals-for-projects |
| 22 | programs;-legislation;-andothermajoractionsofstate |
| 23 | governmentsignificantly-affecting-the-quality-of-the-human |
| 24 | anuicamenta-dateilad-statement |

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(A) -- the -environmental - impact - of - the - proposed - action;

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| 1 | (B)any-adverse-environmental-effects-which that-cannot |
|----|--|
| 2 | be-avoided-should if-the-proposal-be is-implemented; |
| 3 | <pre>(0)alternatives-to-the-proposed-action;</pre> |
| 4 | (D)the-relationship-between-local-short-termusesof |
| 5 | man's the-environment-and-the-maintenance-and-enhancement-of |
| 6 | long-term-productivity;-and |
| 7 | (E)anyirreversibleand-irretrievable-commitments-of |
| 8 | resources-which-would-be-involvedintheproposedaction |
| 9 | should-it-be-implemented; |
| 10 | <pre>fiv)-study;develop;anddescribeappropriate</pre> |
| 11 | alternatives-to-recommend-courses-of-action-in-anyproposal |
| 12 | whichinvolvesunresolved-conflicts-concerning-alternative |
| 13 | uses-of-available-resources; |
| 14 | (v)recognise-the-national-and-long-range-characterof |
| 15 | environmentalproblemsandywhereconsistentwiththe |
| 16 | policiesofthestate;lendappropriatesupportto |
| 17 | initiativesyresolutionsy-and-programs-designed-to-maximize |
| 18 | nationalcooperationinanticipatingandpreventinga |
| 19 | decline-in-the-quality-of-mankind's the-world-environment; |
| 20 | (vi)-makeavailabletocounties,municipalities, |
| 21 | institutions;and-individuals-advice-and-information-useful |
| 22 | in-restoring;-maintaining;-and-enhancing-the-quality-ofthe |
| 23 | environment; |
| 24 | (vii)-initiate-and-utilize-ecological-information-in-the |

planning-and-development-of-resource-oriented-projects;-and

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| 1 | (viii)-assisttheenvironmentalqualitycouncil |
|----|--|
| 2 | established-by-5-16-1017-and |
| 3 | (c)prior-to-making-any-detailed-statement-asprovided |
| 4 | insubsection(1)(b)(iii),the-responsible-state-official |
| 5 | shall-consult-with-and-obtainthecommentsofanystate |
| 6 | agencywhichhasjurisdiction-by-law-or-special-expertise |
| 7 | with-respect-to-any-environmental-impact-involvedCopies-of |
| 8 | such thestatementandthecommentsandviewsofthe |
| 9 | appropriatestateyfederalyand-local-agencies-which that |
| 10 | areauthorizedtodevelopandenforceenvironmental |
| 11 | standardsshall <u>must</u> -be-made-available-to-the-governor;-the |
| 12 | environmental-quality-council,-and-the-public-and-shall must |
| 13 | accompany-the-proposal-through-theexistingagencyreview |
| 14 | processes |
| 15 | (2)The-department-of-public-service-regulation;-in-the |
| 16 | exerciseof-its-regulatory-authority-over-rates-and-charges |
| 17 | of-railroads;motorcarriers;andpublicutilities;is |
| 18 | exempt-from-the-provisions-of-parts-1-through-3- |
| 19 | (3)(a)-Untiltheboardofoil-and-gas-conservation |
| 20 | adopts-a-programmatic-environmental-statement;-but-nolater |
| 21 | thanDecember-317-19897-the-issuance-of-a-permit-to-drill-a |
| 22 | well-foroilorgasisnotamajoractionofstate |
| 23 | government-as-that-term-is-used-in-subsection-(1)(b)(iii). |
| 24 | <pre>tb)The-board-of-oil-and-gas-conservation-shall-adopt-a</pre> |
| 25 | programmaticstatementbyBecember31719897that-must |

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HB 0599/02

HB 0599/02

| 1 | include-but-not-be-limited-to: |
|----|---|
| 2 | (i)such-environmental-impacts-as-may-befoundtobe |
| 3 | associatedwiththe-drilling-for-and-production-of-oil-and |
| 4 | gas-in-the-major-producing-basins-and-ecosystems-in-Montana; |
| 5 | (ii)-suchmethodsofaccomplishingdrillingand |
| 6 | production-of-oil-and-gas-as-may-be-found-to-be-necessary-to |
| 7 | avoid-permanent-impairment-of-the-environment-or-to-mitigate |
| 8 | <pre>łong-termimpactssothattheenvironment-and-renewable</pre> |
| 9 | resourcesoftheecosystemmaybereturnedtoeither |
| 10 | conditions-similar-tothoseexistingbeforedrillingor |
| 11 | productionoccursorconditionsthatreflecta-natural |
| 12 | progression-of-environmental-change; |
| 13 | (iii)-the-process-that-will-be-employed-by-the-boardof |
| 14 | oilandgasconservationtoevaluate-such-environmental |
| 15 | impacts-of-individual-drilling-proposals-as-may-be-foundto |
| 16 | exist; |
| 17 | (iv)-anappropriatemethodforincorporatingsuch |
| 18 | environmental-review-as-may-be-found-tobenecessaryinto |
| 19 | theboard'srulesanddrillpermittingprocess-and-for |
| 20 | accomplishing-the-review-in-an-expedient-manner; |
| 21 | <pre>{v}the-maximum-time-periods-that-will-berequiredto</pre> |
| 22 | completethedrillpermittingprocess;includingany |
| 23 | environmental-review;-and |

(vi)-a-record-of-information-and-analysis-for-the--board

of--oil--and--gas-conservation-to-rely-upon-in-responding-to

| 1 | public-and-private-concerns-about-drilling-and-production- |
|----|---|
| 2 | (c)Thegovernorshalldirectandhavemanagement |
| 3 | responsibilityforthepreparationoftheprogrammatic |
| 4 | statementy-including-responsibility-on-behalf-oftheboard |
| 5 | ofoilandgasconservationforthedisbursementand |
| 6 | expenditureoffundsnecessary-to-complete-the-statement- |
| 7 | The-facilities-and-personnel-of-appropriatestateagencies |
| 8 | mustbeused-to-the-extent-the-governor-deems-necessary-to |
| 9 | complete-thestatementThegovernorshallforwardthe |
| 10 | completeddraftprogrammatic-statement-to-the-board-of-oil |
| 11 | and-gas-conservation-for-hearing-pursuant-to-theprovisions |
| 12 | oftheMontanaAdministrativeProcedureActyTitle27 |
| 13 | chapter4Pollowingcompletionofa-final-programmatic |
| 14 | statementy-the-governor-shall-forward-the-statementtothe |
| 15 | boardforadoptionanduse-in-the-issuance-of-permits-to |
| 16 | drill-for-oil-and-gas: |
| 17 | <pre>(d)Until-the-programmatic-environmentalstatementis</pre> |
| 18 | adopted;-the-board-of-oil-and-gas-conservation-shall-prepare |
| 19 | awritten-progress-report-after-each-regular-meeting-of-the |
| 20 | board-and-after-any-special-board-meeting-that-addresses-the |
| 21 | adoption-or-implementation-of-the-programmatic-environmental |
| 22 | statement:-A-copyofeachreportmustbesenttothe |
| 23 | environmentalqualitycouncil: Exceptasprovidedin |
| | |

subsection-(4)7--an--agency--of--state--government--may--not

prepare--an--environmental--impact--statement-for-a-proposal

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required.

that-will-noty-as-modified-by-mitigation-requirements-agreed
to--by--an--applicant--for---a---permity---leasey---licensey
certificatey--or-other-entitlementy-significantly-affect-the
quality-of-the-human-environment-

SECTION 1. SECTION 82-4-337, MCA, IS AMENDED TO READ:

- "82-4-337. Inspection issuance of operating permit
 modification. (1) (a) The board shall cause all
 applications for operating permits to be reviewed for
 completeness within 30 days of receipt. The board shall
 notify the applicant concerning completeness as soon as
 possible. An application is considered complete unless the
 applicant is notified of any deficiencies within 30 days of
 receipt.
- (b) Unless the review period is extended as provided in this section, the board shall review the adequacy of the proposed reclamation plan and plan of operation within 30 days of the determination that the application is complete or within 60 days of receipt of the application if the board does not notify the applicant of any deficiencies in the application. If the applicant is not notified of

- deficiencies or inadequacies in the proposed reclamation
 plan and plan of operation within such time period, the
 operating permit shall be issued upon receipt of the bond as
 required in 82-4-338 and pursuant to the requirements of
 subsection (1)(c). The department shall promptly notify the
 applicant of the form and amount of bond which will be
 - (c) No permit may be issued until:
- 9 (i) sufficient bond has been submitted pursuant to 10 82-4-338;
- 11 (ii) the information and certification have been 12 submitted pursuant to 82-4-335(9); and
- 13 (iii) the department has found that permit issuance is 14 not prohibited by 82-4-335(8) or 82-4-341(6).
 - (d) (i) Prior to issuance of a permit, the department shall inspect the site unless the department has failed to act on the application within the time prescribed in subsection (1)(b). If the site is not accessible due to extended adverse weather conditions, the department may extend the time period prescribed in subsection (1)(b) by not more than 180 days to allow inspection of the site and reasonable review. The department must serve written notice of extension upon the applicant in person or by certified mail, and any such extension is subject to appeal to the board in accordance with the Montana Administrative

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Procedure Act.

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- (ii) If the department determines that additional time is needed to review the application and reclamation plan for a major operation, the department and the applicant shall negotiate to extend the period prescribed in subsection (1)(b) by not more than 365 days in order to permit reasonable review.
- (iii) Failure of the board to act upon a complete application within the extension period constitutes approval of the application, and the permit shall be issued promptly upon receipt of the bond as required in 82-4-338.
- 12 (2) (a) Except as provided in subsection (2)(b), the
 13 department may not prepare an environmental impact statement
 14 for an operating permit application under 82-4-335 that will
 15 not, as modified by mitigation requirements agreed to by the
 16 applicant, significantly affect the quality of the human
 17 environment.
 - (b) If an applicant under subsection (2)(a) stipulates in writing to the department that the department may, in its discretion, prepare an environmental impact statement, the prohibition under subsection (2)(a) does not apply.
 - (2)(3) The operating permit shall be granted for the period required to complete the operation and shall be valid until the operation authorized by the permit is completed or abandoned unless the permit is suspended or revoked by the

- board as provided in this part.
- the operating permit shall provide that the reclamation plan may be modified by the board, upon proper application of the permittee or department, after timely notice and opportunity for hearing, at any time during the term of the permit and for any of the following reasons:
- 7 (a) to modify the requirements so they will not 8 conflict with existing laws;
- 9 (b) when the previously adopted reclamation plan is 10 impossible or impracticable to implement and maintain:
- 11 (c) when significant environmental problem situations 12 are revealed by field inspection."

-End-

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| 1 | HOUSE BILL NO. 599 |
|----|--|
| 2 | INTRODUCED BY GRIMES, GAGE, VOGEL, PAVLOVICH, |
| 3 | GRADY, BRUSKI-MAUS, BECK |
| 4 | |
| 5 | A BILL FOR AN ACT ENTITLED: "AN ACT AMENDING THE MONTANA |
| 6 | Bnyironmentalpolicyacttoclarifythatanagency |
| 7 | CLARIFYING THAT THE DEPARTMENT OF STATE LANDS MAY NOT |
| 8 | PREPARE AN ENVIRONMENTAL IMPACT STATEMENT FOR A-PROPOSAL AN |
| 9 | OPERATING PERMIT THAT WILL NOT, AS MODIFIED BY MITIGATION |
| 10 | REQUIREMENTS AGREED TO BY AN APPLICANT, SIGNIFICANTLY AFFECT |
| 11 | THE QUALITY OF THE HUMAN ENVIRONMENT; AND AMENDING SECTION |
| 12 | 75-1-201 82-4-337, MCA." |
| 13 | |
| 14 | STATEMENT OF INTENT |
| 15 | It is the intent of this legislation to encourage state |
| 16 | agencies THE DEPARTMENT OF STATE LANDS to prepare a |
| 17 | mitigated environmental assessment or some form of |
| 10 | onvironmental review as required under Mitle 75 chapter 1 |

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

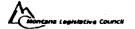
and rules adopted pursuant to Title 75, chapter 1, other

than an environmental impact statement when a-state-action

THE ISSUANCE OF AN OPERATING PERMIT, as modified by

mitigation requirements agreed to by an applicant, will not

significantly affect the quality of the human environment.



| 1 | Section f Section - 75-1-2017 - MCA7-is-amended-to-read: |
|------------|---|
| 2 | #75-1-201;General-directionsenvironmentalimpact |
| 3 | statements |
| 4 | to-the-fullest-extent-possible: |
| 5 | {a}thepolicies;regulations;and-laws-of-the-state |
| 6 | shall must-be-interpretedandadministeredinaccordance |
| 7 | with-the-policies-set-forth-in-parts-1-through-37 |
| 8 | (b)allagenciesofthe-statey-except-as-provided-in |
| 9 | subsection-(2),-shall: |
| 0 | <pre>fi)utilize-asystematic;interdisciplinaryapproacl</pre> |
| 11 | whichwillinsuretheintegrateduse-of-the-natural-and |
| . 2 | socialsciencesandtheenvironmentaldesignartsi |
| 13 | płanningandin-decisionmaking-which-may-have-an-impact-o |
| 4 | man's-environment; |
| 1 5 | (ii)-identify-and-develop-methods-andprocedureswhich |
| L 6 | willinsurethatpresentlyunquantifiedenvironmenta |
| 17 | amenities-and-values-may-be-given-appropriateconsideration |
| 18 | indesignamentingeleganwithesanguisendbashqise |

THERE ARE NO CHANGES IN THIS BILL AND WILL NOT BE REPRINTED. PLEASE REFER TO YELLOW COPY FOR COMPLETE TEXT.