## SENATE BILL NO. 429

# INTRODUCED BY GAGE BY REQUEST OF THE SENATE TAXATION COMMITTEE

# IN THE SENATE

MARCH 5, 1993 INTRODUCED AND REFERRED TO COMMITTEE ON TAXATION.

FIRST READING.

- MARCH 23, 1993 COMMITTEE RECOMMEND BILL DO PASS AS AMENDED. REPORT ADOPTED.
- MARCH 24, 1993 PRINTING REPORT.

SECOND READING, DO PASS.

MARCH 25, 1993 ENGROSSING REPORT.

THIRD READING, PASSED. AYES, 43; NOES, 6.

TRANSMITTED TO HOUSE.

INTRODUCED AND REFERRED TO COMMITTEE

IN THE HOUSE

MARCH 26, 1993

FIRST READING.

ON TAXATION.

APRIL 1, 1993 COMMITTEE RECOMMEND BILL BE CONCURRED IN. REPORT ADOPTED.

APRIL 2, 1993 SECOND READING, CONCURRED IN.

APRIL 5, 1993THIRD READING, CONCURRED IN.AYES, 64; NOES, 36.

APRIL 6, 1993 RETURNED TO SENATE.

IN THE SENATE

APRIL 7, 1993 SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

1

LC 1560/01

2 INTRODUCED BY BY REQUEST OF THE SENATE TAXATION COMMITTEE 3 4 A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING THE 5 DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION TO GIVE 6 7 PRIORITY, UNDER CERTAIN CONDITIONS, TO RECLAMATION AND DEVELOPMENT GRANT REQUESTS FROM THE BOARD OF OIL AND GAS 8 CONSERVATION; AMENDING SECTION 90-2-1113, MCA; AND PROVIDING 9 10 AN EFFECTIVE DATE." 11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA: 12 Section 1. Section 90-2-1113, MCA, is amended to read: 13 "90-2-1113. Evaluation criteria -- priority. (1) The 14

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15 Except as provided in subsection (2), the department shall 16 consider the following criteria in evaluating eligible 17 applications and in selecting projects to be recommended to 18 the governor for funding:

19 <del>(1)(a)</del> the degree to which the project will provide
20 benefits in its eligibility category or categories;

21 (2)(b) the degree to which the project will provide
22 public benefits;

23 (3)(c) the degree to which the project will promote,
24 enhance, or advance the policies and purposes of the
25 reclamation and development grants program;



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effective July 1, 1993.

(4)(d) the degree to which the project will provide for 1 2 the conservation of natural resources; (5)(e) the degree of need and urgency for the project; 3 +6+(f) the extent to which the project sponsor or local 4 5 entity is contributing to the costs of the project or is 6 generating additional nonstate funds; 7 (7) (q) the degree to which jobs are created for persons 8 who need job training, receive public assistance, or are 9 chronically unemployed; and 10  $(\theta)$  (h) any other criteria the department considers 11 necessary to carry out the policies and purposes of the 12 reclamation and development grants program. 13 (2) (a) Subject to the conditions of this part, the 14 department shall give priority to grant requests, not to exceed \$600,000 in total for the biennium, from the board of 15 16 oil and gas conservation. 17 (b) The priority given to the board of oil and gas 18 conservation under subsection (2)(a) does not preclude the board of oil and gas conservation from submitting additional 19 20 grant requests. The department shall evaluate additional 21 grant requests from the board of oil and gas conservation in 22 accordance with the provisions of subsection (1)." 23 NEW SECTION. Section 2. Effective date. [This act] is

> -End-S&429 -2- INTRODUCED BILL

LC 1560/01

# STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for SB0429, third reading.

DESCRIPTION OF PROPOSED LEGISLATION: An Act requiring the Department of Natural Resources and Conservation to give priority, under certain conditions, to reclamation and development grant requests from the Board of Oil and Gas Conservation.

### ASSUMPTIONS:

- 1. There are more than \$600,000 available for reclamation and development grants in future bienniums.
- 2. The Board of Oil and Gas submits applications for oil and gas reclamation projects requiring at least \$600,000 in grant funds.

FISCAL IMPACT: None.

### LONG-RANGE EFFECTS OF PROPOSED LEGISLATION:

The department will recommend as highest priority, oil and gas reclamation projects submitted by the Board of Oil and Gas Conservation. This provides a secure source of reclamation funding for these projects into the future. Other projects will continue to compete for reclamation and development grant funding. However, funding availability for these projects would be limited to what was left over after the \$600,000 is used to fund oil and gas reclamation projects sponsored by the board.

DAVID LEWIS, BUDGET DIRECTOR DATE Office of Budget and Program Planning

PONSOR

Fiscal Note for <u>SB0429, third reading</u>

#### 53rd Legislature

SB 0429/02

#### APPROVED BY COMMITTEE ON TAXATION

1	SENATE BILL NO. 429
2	INTRODUCED BY GAGE
3	BY REQUEST OF THE SENATE TAXATION COMMITTEE
4	
5	A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING THE
6	DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION TO GIVE
7	PRIORITY, UNDER CERTAIN CONDITIONS, TO RECLAMATION AND
8	DEVELOPMENT GRANT REQUESTS FROM THE BOARD OF OIL AND GAS
9	CONSERVATION; AMENDING SECTION 90-2-1113, MCA; AND PROVIDING

10 11 AN EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA: 12

Section 1. Section 90-2-1113, MCA, is amended to read: 13 "90-2-1113. Evaluation criteria -- priority. (1) The 14 Except as provided in subsection (2), the department shall 15 consider the following criteria in evaluating eligible 16 applications and in selecting projects to be recommended to 17 the governor for funding: 18

(t)(a) the degree to which the project will provide 19 benefits in its eligibility category or categories; 20

(2) (b) the degree to which the project will provide 21 22 public benefits;

(3) (c) the degree to which the project will promote, 23 enhance, or advance the policies and purposes of the 24 reclamation and development grants program; 25



(d) the degree to which the project will provide for 1 2 the conservation of natural resources;

3 (5)(e) the degree of need and urgency for the project;

(6)(f) the extent to which the project sponsor or local 4 entity is contributing to the costs of the project or is 5 6 generating additional nonstate funds;

7 (7) (g) the degree to which jobs are created for persons who need job training, receive public assistance, or are 8 chronically unemployed; and 9

10 (0)(h) any other criteria the department considers necessary to carry out the policies and purposes of the 11 12 reclamation and development grants program.

(2) (a) Subject to the conditions of this part, the 13 14 department shall give priority to grant requests, not to exceed \$600,000 in total for the biennium, from the board of 15 16 oil and gas conservation. THE BOARD OF OIL AND GAS 17 CONSERVATION SHALL USE A GRANT THAT RECEIVED PRIORITY UNDER 18 THIS SUBSECTION (A) ONLY FOR OIL AND GAS RECLAMATION PROJECTS. A GRANT MAY NOT BE USED FOR PERSONNEL COSTS OR 19 20 GENERAL OPERATING EXPENSES OF THE BOARD OF OIL AND GAS 21 CONSERVATION. 22 (B) ANY UNOBLIGATED FUND BALANCE OF A GRANT THAT 23 RECEIVED PRIORITY UNDER SUBSECTION (2)(A) REMAINING AT THE END OF THE CURRENT BIENNIUM MUST BE INCLUDED AS PART OF THE 24 \$600,000 LIMITATION FOR THE NEXT BIENNIUM. 25

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# SB 429 SECOND READING

(b)(C) The priority given to the board of oil and gas 1 conservation under subsection (2)(a) does not preclude the 2 board of oil and gas conservation from submitting additional 3 grant requests. The department shall evaluate additional 4 grant requests from the board of oil and gas conservation in 5 accordance with the provisions of subsection (1)." 6 NEW SECTION. Section 2. Effective date. [This act] is 7 effective July 1, 1993. 8

-End-

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reclamation and development grants program;

SB 0429/02

1 t+)(d) the degree to which the project will provide for SENATE BILL NO. 429 1 2 the conservation of natural resources; INTRODUCED BY GAGE 2 3 (5)(e) the degree of need and urgency for the project; BY REQUEST OF THE SENATE TAXATION COMMITTEE 3 4 (6) (f) the extent to which the project sponsor or local 4 5 entity is contributing to the costs of the project or is "AN ACT REQUIRING THE A BILL FOR AN ACT ENTITLED: 5 6 generating additional nonstate funds; DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION TO GIVE 6 7 (7)(g) the degree to which jobs are created for persons PRIORITY, UNDER CERTAIN CONDITIONS, TO RECLAMATION AND 7 8 who need job training, receive public assistance, or are DEVELOPMENT GRANT REQUESTS FROM THE BOARD OF OIL AND GAS 8 9 chronically unemployed; and CONSERVATION; AMENDING SECTION 90-2-1113, MCA; AND PROVIDING 9 10 (8)(h) any other criteria the department considers 10 AN EFFECTIVE DATE." 11 necessary to carry out the policies and purposes of the 11 12 reclamation and development grants program. BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA: 12 13 (2) (a) Subject to the conditions of this part, the Section 1. Section 90-2-1113, MCA, is amended to read: 13 14 department shall give priority to grant requests, not to "90-2-1113. Evaluation criteria -- priority. (1) The 14 15 exceed \$600,000 in total for the biennium, from the board of Except as provided in subsection (2), the department shall 15 16 oil and gas conservation. THE BOARD OF OIL AND GAS consider the following criteria in evaluating eligible 16 17 CONSERVATION SHALL USE A GRANT THAT RECEIVED PRIORITY UNDER applications and in selecting projects to be recommended to 17 18 THIS SUBSECTION (A) ONLY FOR OIL AND GAS RECLAMATION 18 the governor for funding: 19 PROJECTS. A GRANT MAY NOT BE USED FOR PERSONNEL COSTS OR (1) the degree to which the project will provide 19 20 GENERAL OPERATING EXPENSES OF THE BOARD OF OIL AND GAS benefits in its eligibility category or categories; 20 21 CONSERVATION. f2f(b) the degree to which the project will provide 21 22 (B) ANY UNOBLIGATED FUND BALANCE OF A GRANT THAT 22 public benefits; 23 RECEIVED PRIORITY UNDER SUBSECTION (2)(A) REMAINING AT THE tat(c) the degree to which the project will promote, 23 24 END OF THE CURRENT BIENNIUM MUST BE INCLUDED AS PART OF THE enhance, or advance the policies and purposes of the 24 25 \$600,000 LIMITATION FOR THE NEXT BIENNIUM.

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SB 429

THIRD READING



1 (b)(C) The priority given to the board of oil and gas
2 conservation under subsection (2)(a) does not preclude the
3 board of oil and gas conservation from submitting additional
4 grant requests. The department shall evaluate additional
5 grant requests from the board of oil and gas conservation in
6 accordance with the provisions of subsection (1)."
7 NEW SECTION. Section 2. Effective date. [This act] is

effective July 1, 1993.

-End-

1	SENATE BILL NO. 429	1	<pre>the degree to which the project will provide for</pre>
2	INTRODUCED BY GAGE	2	the conservation of natural resources;
3	BY REQUEST OF THE SENATE TAXATION COMMITTEE	3	<pre>(5)(e) the degree of need and urgency for the project;</pre>
4		4	<pre>f6;(f) the extent to which the project sponsor or local</pre>
5	A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING THE	5	entity is contributing to the costs of the project or is
б	DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION TO GIVE	6	generating additional nonstate funds;
7	PRIORITY, UNDER CERTAIN CONDITIONS, TO RECLAMATION AND	7	<del>(7)(g)</del> the degree to which jobs are created for persons
8	DEVELOPMENT GRANT REQUESTS FROM THE BOARD OF OIL AND GAS	8	who need job training, receive public assistance, or are
9	CONSERVATION; AMENDING SECTION 90-2-1113, MCA; AND PROVIDING	9	chronically unemployed; and
10	AN EFFECTIVE DATE."	10	<pre>f0; any other criteria the department considers</pre>
11		11	necessary to carry out the policies and purposes of the
12	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:	12	reclamation and development grants program.
13	Section 1. Section 90-2-1113, MCA, is amended to read:	13	(2) (a) Subject to the conditions of this part, the
14	=90-2-1113. Evaluation criteria priority. (1) The	14	department shall give priority to grant requests, not to
15	Except as provided in subsection (2), the department shall	15	exceed \$500,000 in total for the biennium, from the board of
16	consider the following criteria in evaluating eligible	16	oil and gas conservation. THE BOARD OF OIL AND GAS
17	applications and in selecting projects to be recommended to	17	CONSERVATION SHALL USE A GRANT THAT RECEIVED PRIORITY UNDER
18	the governor for funding:	18	THIS SUBSECTION (A) ONLY FOR OIL AND GAS RECLAMATION
19	(1)(a) the degree to which the project will provide	19	PROJECTS. A GRANT MAY NOT BE USED FOR PERSONNEL COSTS OR
	benefits in its eligibility category or categories;	20	GENERAL OPERATING EXPENSES OF THE BOARD OF OIL AND GAS
20	<pre>the degree to which the project will provide</pre>	21	CONSERVATION.
21		22	(B) ANY UNOBLIGATED FUND BALANCE OF A GRANT THAT
22	public benefits;	23	RECEIVED PRIORITY UNDER SUBSECTION (2)(A) REMAINING AT THE
23	(3) the degree to which the project will promote,	24	END OF THE CURRENT BIENNIUM MUST BE INCLUDED AS PART OF THE
24	enhance, or advance the policies and purposes of the	25	\$600,000 LIMITATION FOR THE NEXT BIENNIUM.
36	regisestion and development grants DEOGRAM:		

na Leonslative Council

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SB 429

REFERENCE BILL

1	$\frac{b}{c}$ The priority given to the board of oil and gas		
2	conservation under subsection (2)(a) does not preclude the		
3	board of oil and gas conservation from submitting additional		
4	grant requests. The department shall evaluate additional		
5	grant requests from the board of oil and gas conservation in		
6	accordance with the provisions of subsection (1)."		
7	NEW SECTION. Section 2. Effective date. [This act] is		

8 effective July 1, 1993.

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-End-

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