

SENATE JOINT RESOLUTION NO. 28

INTRODUCED BY DOHERTY, GROSFIELD, MCCLERNAN

IN THE SENATE

MARCH 23, 1993	INTRODUCED AND REFERRED TO COMMITTEE ON NATURAL RESOURCES.
	FIRST READING.
APRIL 12, 1993	COMMITTEE RECOMMEND BILL DO PASS. REPORT ADOPTED.
APRIL 13, 1993	PRINTING REPORT.
	SECOND READING, DO PASS.
APRIL 14, 1993	ENGROSSING REPORT.
	THIRD READING, PASSED. AYES, 40; NOES, 9.
	TRANSMITTED TO HOUSE.

IN THE HOUSE

APRIL 15, 1993	INTRODUCED AND REFERRED TO COMMITTEE ON STATE ADMINISTRATION.
	FIRST READING.
APRIL 16, 1993	COMMITTEE RECOMMEND BILL BE CONCURRED IN. REPORT ADOPTED.
APRIL 17, 1993	SECOND READING, CONCURRED IN.
APRIL 20, 1993	THIRD READING, CONCURRED IN. AYES, 86; NOES, 13.
APRIL 21, 1993	RETURNED TO SENATE.

IN THE SENATE

APRIL 21, 1993	SENT TO ENROLLING.
	REPORTED CORRECTLY ENROLLED.

1 *Senate* JOINT RESOLUTION NO. *28*  
2 INTRODUCED BY *Donny Gustafson McClern*  
3  
4 A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF  
5 REPRESENTATIVES OF THE STATE OF MONTANA REQUESTING THE  
6 LEGISLATIVE AUDITOR TO CONDUCT A PERFORMANCE AUDIT OF THE  
7 HARD ROCK BUREAU, RECLAMATION DIVISION, DEPARTMENT OF STATE  
8 LANDS; REQUESTING THE LEGISLATIVE AUDITOR TO INCLUDE A  
9 DETAILED ANALYSIS OF CERTAIN BUREAU FUNCTIONS IN THE  
10 AUDITOR'S SCHEDULED BIENNIAL FINANCIAL COMPLIANCE AUDIT OF  
11 THE BUREAU; AND REQUIRING THAT A REPORT OF THE RESULTS OF  
12 BOTH THE PERFORMANCE AND FINANCIAL COMPLIANCE AUDITS BE  
13 SUBMITTED TO THE 54TH LEGISLATURE.  
14  
15 WHEREAS, the citizens of this state desire and deserve a  
16 stable and productive economy and protection of the  
17 environment; and  
18 WHEREAS, the mining industry has raised concerns  
19 regarding the equitable and efficient administration of the  
20 state hard-rock mine permitting laws; and  
21 WHEREAS, public interest groups have raised concerns  
22 regarding the adequacy of environmental protection  
23 associated with the state permitting of hard-rock mines.  
24  
25 NOW, THEREFORE, BE IT RESOLVED BY THE SENATE AND THE HOUSE

1 OF REPRESENTATIVES OF THE STATE OF MONTANA:  
2 (1) That the Legislative Auditor conduct a performance  
3 audit of the Hard Rock Bureau, Reclamation Division,  
4 Department of State Lands. This performance audit should  
5 include an evaluation of the entire hard-rock mine  
6 permitting process, including but not limited to the  
7 following issues:  
8 (a) permitting, including timeframes, permit  
9 application completeness review, and permit revision and  
10 amendment review;  
11 (b) permit enforcement; and  
12 (c) permit monitoring.  
13 (2) That the Legislative Auditor include in the  
14 scheduled biennial financial compliance audit a specific and  
15 detailed component analyzing the Hard Rock Bureau revenue,  
16 expenditures, and internal controls.  
17 BE IT FURTHER RESOLVED, that the Legislative Auditor  
18 report the findings of both the performance audit and the  
19 financial compliance audit to the 54th Legislature and  
20 present options for legislative consideration if the Auditor  
21 determines that options are necessary.

-End-



## STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for SJR028, as introduced.

**DESCRIPTION OF PROPOSED LEGISLATION:** A joint resolution of the Senate and the House of Representatives of the State of Montana requesting the Legislative Auditor to conduct a performance audit of the Hard Rock Bureau, Reclamation Division, Department of State Lands; requesting the Legislative Auditor to include a detailed analysis of certain bureau functions in the auditor's scheduled biennial financial-compliance audit of the bureau; and requiring a report of the results of both audits be submitted to the 54th Legislature.

**ASSUMPTIONS:****Office of the Legislative Auditor:**

1. A performance audit of the Hard Rock Bureau would be incorporated into the current performance audit schedule and other required work would be reprioritized by the Legislative Audit Committee.
2. The analysis to be included in the biennial financial-compliance audit will increase the audit scope requiring an additional 40 hours to complete the audit. The additional hours will be billed at the standard \$30 per hour rate (40 x \$30 = \$1,200).
3. The current level revenue estimate for legislative audit fees (state special revenue) includes \$25,000 estimated nonbudgeted revenue. The increased revenue attributable to this resolution is shown in FY94.

**Department of State Lands:**

4. Audit fees for the additional financial-compliance audit work by the Legislative Auditor will be included in the audit appropriation in HB2 (General Appropriations Act) for the department.
5. No additional costs will be incurred by the Hard Rock Bureau, Reclamation Division, or the department in connection with the audit work other than the audit fees assessed by the Legislative Auditor.

**FISCAL IMPACT:****Department of State Lands-Central Management:**

	FY '94			FY '95		
<u>Expenditures</u>	<u>Current</u>	<u>Proposed</u>	<u>Difference</u>	<u>Current</u>	<u>Proposed</u>	<u>Difference</u>
Operating (legislative audit fees)	46,504	47,704	1,200	0	0	0
<u>Funding</u>						
General Fund	46,504	47,704	1,200	0	0	0
<b>Office of Legislative Auditor:</b>						
<u>Revenue</u>						
State Special Revenue	1,331,066	1,332,266	1,200	1,225,719	1,225,719	0

*David Lewis* 3-29-93  
 DAVID LEWIS, BUDGET DIRECTOR DATE  
 Office of Budget and Program Planning

*Steve Doherty* 3/29/93  
 STEVE DOHERTY, PRIMARY SPONSOR DATE

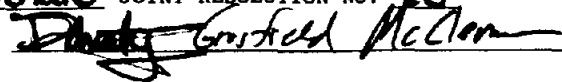
Fiscal Note for SJR028, as introduced

**SJR 28**

APPROVED BY COMM. ON  
NATURAL RESOURCES

Senate JOINT RESOLUTION NO. 28

INTRODUCED BY



A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA REQUESTING THE LEGISLATIVE AUDITOR TO CONDUCT A PERFORMANCE AUDIT OF THE HARD ROCK BUREAU, RECLAMATION DIVISION, DEPARTMENT OF STATE LANDS; REQUESTING THE LEGISLATIVE AUDITOR TO INCLUDE A DETAILED ANALYSIS OF CERTAIN BUREAU FUNCTIONS IN THE AUDITOR'S SCHEDULED BIENNIAL FINANCIAL COMPLIANCE AUDIT OF THE BUREAU; AND REQUIRING THAT A REPORT OF THE RESULTS OF BOTH THE PERFORMANCE AND FINANCIAL COMPLIANCE AUDITS BE SUBMITTED TO THE 54TH LEGISLATURE.

WHEREAS, the citizens of this state desire and deserve a stable and productive economy and protection of the environment; and

WHEREAS, the mining industry has raised concerns regarding the equitable and efficient administration of the state hard-rock mine permitting laws; and

WHEREAS, public interest groups have raised concerns regarding the adequacy of environmental protection associated with the state permitting of hard-rock mines.

NOW, THEREFORE, BE IT RESOLVED BY THE SENATE AND THE HOUSE

OF REPRESENTATIVES OF THE STATE OF MONTANA:

(1) That the Legislative Auditor conduct a performance audit of the Hard Rock Bureau, Reclamation Division, Department of State Lands. This performance audit should include an evaluation of the entire hard-rock mine permitting process, including but not limited to the following issues:

(a) permitting, including timeframes, permit application completeness review, and permit revision and amendment review;

(b) permit enforcement; and

(c) permit monitoring.

(2) That the Legislative Auditor include in the scheduled biennial financial compliance audit a specific and detailed component analyzing the Hard Rock Bureau revenue, expenditures, and internal controls.

BE IT FURTHER RESOLVED, that the Legislative Auditor report the findings of both the performance audit and the financial compliance audit to the 54th Legislature and present options for legislative consideration if the Auditor determines that options are necessary.

-End-

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INTRODUCED BY

*Dan Gristed McClom*

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