



TREASURE STATE
RESOURCES ASSOCIATION
OF MONTANA

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TREASURE STATE RESOURCES ASSOCIATION NEWS
December, 2019

Merry Christmas and Happy New Year from TSRA
We hope you and your family enjoy a safe and happy holiday season.

**Sign up to Sponsor the TSRA “Legislator Appreciation Reception” on
January 13, 2020**

Plans are coming together for TSRA’s January 13th “Legislator Appreciation Reception” in Helena. As a reminder, the Montana Legislature is planning a “legislative week” of interim committee meetings and briefings beginning Monday, January 13, 2020 with the Energy and Telecommunications Interim Committee.

The list of sponsors is growing for the reception, which offers an opportunity to meet with legislators “mid term” and say thanks for their service. There are some fun things planned, including a silent auction with proceeds going to the Montana Food Bank Network and a short program recognizing a key player in this interim Legislative Week.

The “Legislator Appreciation Reception” will be held at the Great Northern Best Western Hotel in Helena from 5:30 – 7:00 pm. We hope we can continue to count on our members to not only help by sponsoring the event, but also attend to serve as “ambassadors” for their industry. It’s a great opportunity to catch legislators up on upcoming projects, issues of concern, or simply say thank you. For information about how to sign up as a sponsor, contact Peggy Trenk at ptrenk@tsria.net

Water Policy Interim Committee Hosts Second Geocoding Call December 11, 2019

The Water Policy Interim Committee will host a committee conference call on December 11, 2019 on the geocoding of water rights. The call will feature presentations by legislative staff and the Department of Natural Resources and Conservation. The meeting will take place at 9 am. at the State Capitol in Helena.

The Committee is looking into errors related to the DNRC's water rights database. The database uses a "geocode" – a unique identification number – to indicate a water right's place of use. Members have heard about inaccuracies resulting from the use of geocodes, a situation which may be complicating land sales, property improvements, probate proceedings and use of water. They are looking for a solution that helps all parties involved.

The meeting will be livestreamed at <http://leg.mt.gov> and will be broadcast on the Montana Public Affairs Network (MPAN). For more information, contact Jason Mohr at jasonmohr@mt.gov or 444-1640.

Revenue Interim Committee Tax Study to Focus on Adequacy and Balance

Source: Megan Moore, Legislative Services Division November 25, 2019

The Revenue Interim Committee and the HJ 35 Tax Study Committee met November 18-19 in Helena. The main goal of the HJ 35 Study Committee was to decide the scope of the HJ 35 study of state and local tax policy and the Revenue Interim Committee portion of the meeting focused on the agency monitoring and tax credit review functions of the committee.

The meeting included small group discussions addressing which tax issues to include in the HJ 35 study and possible solutions to the issues identified. The HJ 35 Study Committee then decided to focus the study on the adequacy of state and local revenue and the balance of taxes. Specifically, the committee will study the property tax, individual and corporate income taxes, and natural resource taxes. The study will also include consideration of a sales tax.

The Revenue Interim Committee portion of the meeting included agency updates from the Montana Tax Appeal Board and the Department of Revenue. The Montana Tax Appeal Board reported 250 active property appeals for the 2019 valuation cycle. The Department of Revenue provided a major case update and a report on the quality of the 2019 appraisal of residential and commercial property.

The November meeting was the first one at which the committee conducted its new required duty to review income tax credits. Staff presented information on the purpose, history, and usage

of the foreign states tax credit and the new or expanded industry tax credit. The committee voted to recommend repealing the new or expanded industry tax credit and agreed by consensus to recommend retaining the foreign states tax credit but did not decide whether the credit should be scheduled for review in the future.

The HJ 35 Tax Study Committee will meet next on January 13 as part of Legislative Week. The Revenue Interim Committee will meet next on March 19-20. For more information, visit the committee's website or contact committee staff, Megan Moore.

Committee Website: <https://www.leg.mt.gov/committees/interim/2019rvic/>

Committee Staff: memoore@mt.gov or 406-444-4496

Local Government Interim Committee Covers Wide Array of Topics at November Meeting

Source: Toni Henneman, Legislative Services Division November 16, 2019

The Local Government Interim Committee reviewed a variety of topics ranging from fire protection, state and local revenue systems, pensions, and on-site wastewater systems.

On November 12, 2019, the LGIC began a two-day meeting with an update from the MSU Local Government Center. After discussing the services offered through the Center and the struggle to maintain adequate funding for those services, the committee decided to allocate additional time to the topic. The committee requested a comparison of the services offered through the MSU Local Government Center and the services offered through the Local Government Services Division of the Department of Administration and whether services at both entities have decreased over time.

The Department of Commerce then discussed Opportunity Zones, a federal program designed to encourage investors to invest in areas that experience challenges to economic development, affordable housing, or other socio-economic factors. In 2018, the governor designated certain census tracts as Opportunity Zones, and the federal government administers most other aspects of the program. For more information, please see the [Department of Commerce website](#).

The LGIC finished their first day with a panel discussion on regional fire protection authorities, a topic studied during the 2017-18 interim. A fire authority may allow more options for local fire protection jurisdictions to combine and pool resources, if desired by voters. Last interim, the LGIC drafted and introduced [SB 17](#), but the bill failed on the Senate Floor. This interim, the LGIC decided to revisit the topic and continue workshopping areas that need more development, primarily the method of assessment used in a regional fire protection authority.

Wednesday, November 13 was devoted to pensions, entitlement share, and the committee's assigned study: [Senate Joint Resolution 3](#), a study of optional septic drain fields. During its July meeting, the committee requested an overview of the pension system, focusing primarily on the

pension system's interaction with and impacts on local government and the changes the system has experienced over time. The committee then progressed to a historical review of the entitlement share program, with focus on the work of the 1999-2000 Local Government Funding and Structure Committee and [HB 33](#) from 2015 that impacted FY16 entitlement share payments. The Legislative Fiscal Division then presented information describing the revenues and expenditures of the entitlement share program over time.

The committee finished their November meeting examining on-site wastewater treatment systems. The Whitefish Lake Institute explained problems old and failing systems have caused around Whitefish Lake and discussed possible remedies. The committee also heard from a panel of local sanitarians to examine current regulations, policies, and procedures related to the permitting and installation of on-site wastewater treatment systems. In September, the LGIC requested an overview of Lewis and Clark County's septic tank maintenance program, and the county sanitarian proceeded to inform the committee on the implementation and current procedures of the program.

The next meeting of the LGIC is scheduled for January 15, 2020 at the State Capitol in Helena.

Committee website: <https://leg.mt.gov/committees/interim/2019lgic/>

Congratulations to one of our TSRA members for their great work....

Wildlife Habitat Council recognizes Atlantic Richfield Company for Outstanding Conservation Efforts

Source: Atlantic Richfield Company, November 21, 2019

Atlantic Richfield Company received numerous conservation awards at the 2019 Wildlife Habitat Council annual conference in Baltimore, Maryland. Atlantic Richfield Company's Warm Springs Ponds and Dutchman Wetlands each received multiple awards for their positive impact to conservation and biodiversity.

"We are honored to be a partner in conservation and recognized by the Wildlife Habitat Council for the work we do in Montana," said Lindy Hanson, deputy operations manager, Atlantic Richfield. "This is more than just project work, this is our responsibility. We know Montanans care about public lands and this work show Atlantic Richfield's commitment to what we believe in."

Avian Project Award – Warm Springs Ponds received the avian project award for Atlantic Richfield's enhancement of 2,500 acres of ponds and wetlands to improve the habitat for more than 200 bird species near Silver Bow Creek.

Invasive Species Project Award – Atlantic Richfield received the invasive species project award for exceedance of regulatory requirements for all noxious weed activities within the site to maintain and preserve native vegetative cover.

Mammals Project Award – The Dutchman riparian lands received the Mammals project award for voluntarily monitoring mammals such as elk, white tail deer, mule deer, and moose. The project conservation goals consist of enhancing, restoring, and managing a vast area of riparian habitat which serves as a corridor for these large mammals.

Wetlands Project Award – Warm Springs Pond received the wetlands project award for demonstrating the success and protection of our healthy wetland ecosystem while maintaining the integrity of soil and quality of surface water.

These awards demonstrate Atlantic Richfield Company's commitment to Montana and the work conducted at these sites demonstrates the value of conservation efforts in the remediation and redevelopment of superfund sites.

For more information contact Cameron Nazminia, Director, State and Local Affairs at Cameron.nazminia@bp.com

Montana Climate Solutions Council Meets December 9 -10th in Helena to Consider Committee Recommendations

As a reminder, the Montana Climate Solutions Council created by Governor Bullock to develop recommendations for addressing climate change in Montana has divided its work amongst three committees: GHG Mitigation Strategies, Technology Innovation and Transitions, and Climate Adaptation, Information and Decision Support. Those committees have now forwarded their ideas to the full Council for consideration as it prepares to submit draft proposals for public comment in late January.

The Council plans to meet at the State Capitol in Helena beginning at 1:00 pm. on Monday, December 9th and concluding at 4:30 pm the following day. They will work through the findings of each committee as well as hear presentations on the findings of the Montana Climate Assessment and Decarbonization Pathways for the Northwest and Montana: Findings and Discussion of the Clean Energy Technology Institute Study of Deep Decarbonization. We expect the Committees and the Council to do additional work in January before releasing the recommendations to the public for comment.

One of the challenges of following the work of the Committees has been obtaining working copies of their white papers as they have met and refined their ideas. TSRA has obtained some

updated information and continues to follow the progress of the Council very closely. Please contact Peggy Trenk at ptrenk@tsria.net if you'd like additional information.

The Council has a web presence on the Montana Department of Environmental Quality website. The new web page includes details about upcoming meetings of the Council and its Committees, a list of members, a link to subscribe to emails, and additional resources.

Check out the page at the following link: <https://deq.mt.gov/DEQAdmin/dir/Climate>

Clean Air Act Advisory Committee (CAAAC) Meets Thursday, December 12, 2019

The CAAAC will hold its last meeting of the year on Thursday, December 12th from 1:00 – 3:00 pm. in Room 111 of the DEQ Metcalf Building in Helena. While the agenda has not been finalized, the group is expected to receive updates on the Regional Haze program (FIP to SIP) and implementation of legislative changes.

For more information about the meeting contact Liz Ulrich: eulrich@mt.gov

Water Pollution Control Advisory Council (WPCAC) Postpones Action on Proposed Changes to Arsenic Standards for the Yellowstone River – To Be Considered Again in January, 2020

At the November WPCAC meeting, the Montana Department of Environmental Quality proposed initiation of rulemaking in 2020 to adopt new water quality standards for arsenic based on their determination of the natural condition of five stretches of the Yellowstone River. Due to remaining concerns with how new standards might affect at least one facility currently working through their MPDES permitting process, WPCAC delayed action on making a recommendation to the Board of Environmental Review until they meet again in January. The Department agreed with the decision and will continue to work with stakeholders on the remaining questions. While these proposed standards affect the Yellowstone River, the accompanying methodology for determining nonanthropogenic (natural) conditions and their application to permitting sets precedent for other rivers and streams in Montana.

Court Seems Ready to Curb Claims Over Montana Superfund Site

Source: [Missoulian](#) December 5, 2019 By: Mark Sherman, Associated Press

The U.S. Supreme Court seemed inclined Tuesday to rule that Montana homeowners who are seeking additional cleanup of arsenic left over from years of copper smelting need the permission of the Environmental Protection Agency.

That outcome would be a loss for the homeowners and a win for Atlantic Richfield Company. The BP-owned company is the owner of the shuttered Anaconda smelter that is at the center of a 300-square-miles Superfund site. The company says it has spent \$470 million to clean up the site.

The justices heard arguments over the company's effort to shut down claims in state court that it should have to pay more. Homeowners who are dissatisfied with the EPA-order cleanup want Atlantic Richfield to pay for the removal of more arsenic-tainted soil from their properties.

A high court ruling for Atlantic Richfield would not end the claims, but it would be significantly harder for the homeowners to pursue their lawsuit in Montana courts.

Several justices seemed troubled by the idea that property owners whose land has been contaminated could undertake cleanup without EPA approval. Digging up a yard to put in a sand box for children could "stir up infected dirt that could harm your neighbors many miles away," Chief Justice John Roberts said.

Joseph Palmore, the lawyer representing homeowners in Opportunity, Montana, said the EPA has conceded it has ample authority to stop people who take measures that are inconsistent with the cleanup of the Superfund site.

But Justice Elena Kagan remarked that it might be hard for the EPA to "go around and try to figure out who's creating sand boxes" on Superfund sites.

The EPA is supporting the company at the Supreme Court.

The Montana Supreme Court ruled in 2017 that the homeowners could pursue their claims against Atlantic Richfield in state court.

Editors note: TSRA joined with other parties in filing an Amicus Brief supporting the company in the above-referenced matter.

Upcoming Events/Dates:

December 9-10, 2019	Montana Climate Solutions Council State Capitol, Helena, MT
January 6-7, 2020	Water Policy Interim Committee State Capitol, Helena, MT
January 13, 2020	Energy and Telecommunications Committee State Capitol, Helena, MT

January 13, 2020	Revenue Interim Committee State Capitol, Helena, MT
January 15, 2020	Local Government Interim Committee State Capitol, Helena, MT
January 15-16, 2020	Environmental Quality Council State Capitol, Helena, MT
January 17, 2020	State Administration Committee State Capitol, Helena, MT
February 27, 2020	State Administration Committee State Capitol, Helena, MT
March 9 – 10, 2020	Water Policy Interim Committee State Capitol, Helena, MT
March 18, 2020	Local Government Interim Committee State Capitol, Helena, MT
March 19-20, 2020	Revenue Interim Committee State Capitol, Helena, MT
March 23-24, 2020	Energy and Telecommunications Interim Committee State Capitol, Helena, MT
March 25-26, 2020	Environmental Quality Council State Capitol, Helena, MT
May 12-13, 2020	Revenue Interim Committee State Capitol, Helena, MT
May 13, 2020	Local Government Interim Committee State Capitol, Helena, MT
May 18-19, 2020	Water Policy Interim Committee State Capitol, Helena, MT
May 21-22, 2020	Energy and Telecommunications Committee State Capitol, Helena, MT

May 27-28, 2020	Environmental Quality Council State Capitol, Helena, MT
June 17-18, 2020	TSRA Annual Meeting DoubleTree Hotel, Billings, MT
June 17, 2020	State Administration Interim Committee State Capitol, Helena, MT
July 13-14, 2020	Water Policy Interim Committee State Capitol, Helena, MT
July 14, 2020	Local Government Interim Committee State Capitol, Helena, MT
July 15, 2020	Energy and Telecommunications Committee State Capitol, Helena, MT
July 20-21, 2020	Revenue Interim Committee State Capitol, Helena, MT
July 29-30, 2020	Environmental Quality Council State Capitol, Helena, MT
August 25, 2020	State Administration Interim Committee State Capitol, Helena, MT
September 8, 2020	Energy and Telecommunications Committee State Capitol, Helena, MT
September 9, 2020	Local Government Interim Committee State Capitol, Helena, MT
September 9-10, 2020	Environmental Quality Council State Capitol, Helena, MT
September 11, 2020	Revenue Interim Committee State Capitol, Helena, MT
September 14-15, 2020	Water Policy Interim Committee State Capitol, Helena, MT

October 29, 2020

State Administration Interim Committee
State Capitol, Helena, MT

November 19, 2020

Revenue Interim Committee
State Capitol, Helena, MT

If you don't want to receive the TSRA Newsletter, please let me know. If you want to share with others in your company or organization, please do so. The mission of the Treasure State Resources Association is to promote and enhance the Montana Way of Life through responsible resource development.