



**TREASURE STATE**  
**RESOURCES ASSOCIATION**  
OF MONTANA

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**TREASURE STATE RESOURCES ASSOCIATION NEWS**

**August, 2020**

**TSRA Annual Business Meeting Will Be Held Virtually on Thursday, September 3<sup>rd</sup> at 9:00 am. – EPA Region 8 Administrator Greg Sopkin to Speak**

Even though COVID-19 concerns caused TSRA to cancel the September conference in Billings, we will hold our “official” annual meeting virtually on Thursday, September 3, 2020 at 9:00 am. The meeting will be held via Zoom so watch for your invite. We’ll conduct the usual business of the association, including considering the election of a slate of candidates for the Board of Directors.

We are also looking forward to having EPA Region 8 Administrator Greg Sopkin speak to us during the meeting about a range of topics, including perspectives on changes in water quality standards being considered in Montana, as well as implementation of new NEPA and WOTUS rules. Administrator Sopkin will also take questions. We encourage members to join us for that session.

Administrator Sopkin has spent much of his career working in public service and private legal practice in Colorado, having worked for 12 years on energy, environment, and telecommunications matters prior to coming to EPA. He most recently worked at Wilkinson Barker Knauer LLP. Prior to entering private practice, Greg served as Chairman of the Colorado Public Utilities Commission (PUC) from January 2003 to January 2007. In this capacity, he was responsible for conducting quasijudicial and quasi-legislative proceedings; drafting legal

decisions; meeting with state legislators; and investigating service outages. He also served as Assistant Attorney General from September 1997 to August 2000, representing the PUC staff in electric, gas and telecommunications proceedings before the Commission, and the PUC in appeals to Colorado district courts, the Colorado Supreme Court, and federal courts.

### **Save the Date:**

In the meantime, our 2021 Annual Meeting and Conference has been scheduled for June 16-17<sup>th</sup> at the DoubleTree Hotel in Billings. Be sure to get those dates on your calendar.

## **Reminder: EPA to End COVID-19 Enforcement and Compliance Assurance Program No Later than August 31, 2020**

On Monday, June 29, 2020 the EPA announced it was amending the policy put in place earlier this year to allow flexibility for meeting certain environmental compliance requirements due to COVID-19 challenges to include a termination date. The program will end on August 31, 2020 at the latest. It could terminate earlier if state or national conditions regarding COVID-19 indicate it would be appropriate.

## **Montana Grizzly Bear Advisory Council Working on Final Changes to Report**

Sources include: Missoulian August 6, 2020 By: Rob Chaney

Although Wednesday, August 6<sup>th</sup> was intended to be the final work session on the 20-page set of recommendations and considerations developed by Governor Bullock's Grizzly Bear Advisory Council, members concluded they needed one more meeting to complete their work. The report is due to the Governor on August 31<sup>st</sup>.

The remaining challenge is finding agreement on language concerning "connectivity issues", or those associated with bears moving between four recovery areas.

*Fish, Wildlife and Parks Director Martha Williams said her agency would be guided by the recommendations and the public processes they envision. Her staff is currently working on a statewide grizzly bear management plan intended to reduce conflicts between the expanding population of bears and people who aren't comfortable living close to them. Many of those places will be in linkage zones bears might use to move between the remote mountain areas and the heavily developed valleys between them. "We have to pay attention to those areas where connectivity may happen, and we have to prioritize conflict reduction in those areas," Williams said. (Missoulian article)*

It is that "prioritization of conflict reduction" that creates concerns for some council members, and the public in general, as they fear it will lead to more restrictions on forest

management and recreation activities. Some note the bears have been finding their own way just fine and new restrictions are not needed.

To see a draft of the Council's recommendations, go to:

<http://fwp.mt.gov/fishAndWildlife/management/grizzlyBear/gbac.html>

## **Citizens for Balanced Use Encourages the Public to Weigh in On Custer Gallatin National Forest Plan**

Source: Citizens for Balanced Use

The Custer Gallatin National Forest Plan FEIS has been released (July 9, 2020) starting the 60 day objection period. CBU has developed several objection templates to help our members and supporters submit objections to this flawed plan. The Objection period ends September 9th.

The objections can be found on our website: [www.balanceduse.org](http://www.balanceduse.org)

Go to Projects and then Custer Gallatin Forest Plan.

Down load one or all of the 6 sample objections. Add additional objection points if you wish.

Fill in your name, address and contact information at the top of the objection.

**DON'T FORGET TO SIGN YOUR OBJECTION!**

Mail your objection to the Objection Review Officer at the address provided at the top of the sample objection. CBU suggests you mail the objection certified return receipt to be sure the Forest Service received it. You can fax the objection to 406-329-3411

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### Why object to the Custer Gallatin Forest Plan

- The forest plan will recommend another 125,000 acres of wilderness.
- The Forest Service will remove all current motorized and mechanized use in areas they recommend as wilderness resulting in creating defacto wilderness without congressional approval.

- The Forest Service has adopted the environmental group's plan to recommend 77,631 acres on the Gallatin Crest as wilderness.
- The Forest Service ignored the wilderness character assessment completed by the U of M Wilderness Institute which found the Gallatin Crest did not qualify as wilderness because of low flying commercial aircraft noise intrusions yet they are recommending this area as wilderness.
- Closure of Windy Pass cabin to public rental use setting the stage to burn this facility.
- Reduces timber production to a mere 25% of sustainable yield and setting the stage for more catastrophic fires.
- Designates 30 rivers and streams as Wild and Scenic and the Forest Service will manage these rivers and streams as though Congress had made this formal designation.
- Wild and Scenic rivers and stream designations restrict active forest management within a 1/4 corridor on each side of these waters. Including restricting activities on private property.

### **Legislative Committee Updates:**

In August and September, most Legislative Interim Committees will be finalizing their work in preparation for the 2021 Legislative Session. Many are taking comment on draft bills that have been approved, or may be approved as "Committee Bills", allowing them to be preintroduced.

### **Legislative Council Laying Groundwork for a potential "Remote 2021 Legislative Session" – Next Subcommittee Meeting August 10th**

Source: Montana Legislative Services Division

Two subcommittees of the Legislative Council will meet on August 10th to plan for the 2021 session. The Rules Subcommittee will be considering proposed rules changes for a standard legislative session in 2021. The 2021 Session Planning Committee will be considering the various scenarios the 2021 Session may operate under depending on what phase the state is in regarding the COVID-19 Pandemic. The SB 310 Steering Committee members have also been invited to attend.

- The Legislative Council Rules Subcommittee is planning on meeting at 10 a.m. on August 10, 2020.
- 2021 Session Planning Subcommittee is at 1:00 p.m.

Check the Council's web page for more information at:

<https://leg.mt.gov/committees/admincom/lc/>

The legal opinions and draft documents will be used to help prepare for the various scenarios that could occur for the 2021 session and for Caucus and Orientation. The Rules Subcommittee will also use the discussions and documents in the future to refine any necessary rules changes or temporary rules needed for the various scenarios. The final recommendation from the Legislative Council will be used to plan Caucus and Orientation. The Scenarios and Decision Points will be presented to the newly elected leadership after Caucus to assist in making the final preparations for the 2021 Session. The documents are expected to be refined as plans solidify and additional information is received and the COVID-19 situation evolves.

The full Legislative Council is tentatively planning to meet August 24-25<sup>th</sup>.

**The Water Policy Interim Committee (WPIC) is seeking public comment on three draft reports and two pieces of legislation:**

Source: Montana Legislative Services Division

The reports are:

- HJ 14 study of the future of the Water Court
- HJ 40 study of weather modification
- a whitepaper on "climate and water rights"

The legislation is related to:

- weather modification (PD0006)
- adjudication benchmarks (PD0010)

The committee will also release a bill draft related to water right ownership updates in the coming weeks.

Each report contains background and the committee's inquiries into each topic. The committee may reintroduce the proposed legislation for the 2021 session. The reports and legislation are available for review on the WPIC's website: <http://www.leg.mt.gov/water>. Comments may be sent to the WPIC at P.O. Box 201704, Helena, MT 59620-1704, or emailed to [jasonmohr@mt.gov](mailto:jasonmohr@mt.gov) with the subject line, "Public comments for WPIC reports/bills."

All comments received by 5 p.m. on Sept. 10 will be compiled for the WPIC prior to its Sept. 14-15 meeting. Comments received after the deadline will be provided to the WPIC at or after the meeting. Comments are welcome in person at the meeting as well. An agenda and other meeting materials for the September meeting will be made available on the WPIC's web site approximately two weeks in prior to the meeting.

## Revenue Interim Committee Requests Committee Bills

Source: Montana Legislative Services

The Revenue Interim Committee began to wrap up its interim work at a meeting on July 21.

The agenda included agency updates and required reports, an update on the tax deed process, and continued work on the required review of tax credits.

The committee requested as committee legislation five draft bills that address errors or outdated provisions. As a result of the committee's review of certain tax credits, the committee requested as committee legislation:

- TC01: revising the credit for energy conserving expenditures; and
- TC 02: repealing the new or expanded industry credit.

The committee recommended not reviewing the foreign states tax credit in the future but will review a bill draft to review the tax credit review process to require all other credits to be reviewed on a 10-year cycle. Draft legislation will also be presented to allow for the alternative energy systems credit to be refunded and to increase the minimum project amount for public projects subject to the contractor's gross receipts tax.

The committee did not make a recommendation about the elderly homeowner or renter credit. The HJ 35 Tax Study Committee recommended to the Revenue Interim Committee a broader property tax circuit breaker credit that would repeal the elderly homeowner and renter credit. The committee will consider recommendations about the elderly homeowner and renter tax credit after considering the property tax circuit breaker credit bill.

The committee also asked staff to draft two other bills to:

Address county treasurer concerns about the tax deed process for residential, agricultural, and forest property with a dwelling, and

Remove the tax haven list from corporate income tax laws and instead provide criteria for the Department of Revenue to determine tax havens.

The Department of Revenue also asked the committee to request four bills on behalf of the agency. The committee approved the request.

The Revenue Interim Committee will join the Legislative Finance Committee, Legislative Council, and Legislative Audit Committee for a revenue update on August 12.

Contact the Revenue Interim Committee Staff for more information.

Committee staff: Megan Moore, [memoore@mt.gov](mailto:memoore@mt.gov) or 406-444-4496

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

## **Montana Environmental Quality Council Seeks Public Comment**

Source: Montana Legislative Services Division

The Environmental Quality Council (EQC) seeks public comment on several topics the legislative panel spent the last year studying.

The bipartisan council meets September 9-10 to adopt final reports, review proposed agency legislation, and decide if the council wants to pitch any of its own legislation.

The EQC seeks comment on the topics of decommissioning and bonding for energy projects, dissemination of wildlife location data, wilderness study areas, chronic wasting disease, and trapper education.

At its July 29 meeting, the EQC toured the Mannix Ranch near Helmville where members of the longtime family ranch talked about watershed protection, rangeland health, and forest management. The council also heard updates on grizzly bears and the governor's Climate Solutions Council. After the ranch tour, the council toured state cabin lease sites near Lincoln and heard reports on the state land banking program and the recent discovery in Montana of the fungus that causes white-nose bat syndrome.

After a Zoom meeting on July 30, some members toured the Lump Gulch areas south of Helena where a recent wildfire occurred, and the state and U.S. Forest Service have an ongoing Logging projects.

For more information on draft reports and other documents, go to:

<https://leg.mt.gov/committees/interim/2019eqc/>

## **HJ 35 Tax Study Committee To Meet August 25 to consider additional bill proposals**

Source: Montana Legislative Services Division

The HJ 35 Tax Study Committee, a subcommittee of the Revenue Interim Committee, will meet the morning of August 25 via Zoom to consider three bills requested at the committee's July meeting. The draft bills:

- Provide for a general sales tax
- Revise the property tax on non-primary residences; and
- Decouple from CARES Act changes to the net operating loss deduction.

The Revenue Interim Committee will meet August 25 following the HJ 35 Committee meeting, also via Zoom. The committee will discuss issuing a recommendation on the elderly homeowner and renter tax credit (reviewed at the July meeting) and will receive a presentation of a legislative audit on short-term lodging and rental vehicle taxes.

Agendas and bill drafts will be available by mid-August.

Please contact committee staff, Megan Moore, with questions about the meetings.

Committee staff: Megan Moore, [memoore@mt.gov](mailto:memoore@mt.gov) or 406-444-4496

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

## **Montana Board of Environmental Review (BER) Adopts New Arsenic Standards for Segments of the Yellowstone River**

On Friday, August 7<sup>th</sup> the Montana Board of Environmental Review adopted a rule establishing new standards for arsenic along segments of the Yellowstone River that reflect the nonanthropogenic or “natural” condition of the stream. These rules are the first promulgated under SB 325 passed in the 2015 Legislative Session and follow on years of work by the MT. Department of Environmental Quality and various stakeholders. TSRA has participated in those discussions throughout that time period.

Unfortunately the Board, did not adopt recommendations included in joint comments submitted by TSRA and the MT. Petroleum Association aimed at adding clarity to the means by which the new standards will be implemented in the permitting process for dischargers.

The new rule, and standards, will still need to be approved by the EPA.

## **BER Authorizes Initiation of Rulemaking to Establish a New Fee Structure for Sand and Gravel, Asphalt, and Concrete Plant Registration Program**

In April 2019, the Board of Environmental Review adopted new rules that required the Air Quality Bureau (MT DEQ) to implement a registration program for sand and gravel, asphalt, and concrete plants. Since then the Bureau has been working to transition these facilities from a permitting program to a registration program.





August 25, 2020	Revenue Interim Committee Via Zoom
August TBD	Energy and Telecommunications Committee
September 1, 2020	State Administration Interim Committee Via Zoom
September 3, 2020	TSRA Annual Business Meeting VIA Zoom – 9:00 am.
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 10-11, 2020	Montana Wood Products Association Annual Meeting
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 18-20, 2020	Legislator Caucus & Orientation State Capitol, Helena, MT
November 19, 2020	Revenue Interim Committee State Capitol, Helena, MT
January 4, 2021	Start of 67 <sup>th</sup> Legislative Session (12 Noon) State Capitol, Helena
January 5, 2021	TSRA Natural Resources Showcase Helena, MT – (Depending on Session Calendar)

January 27-28, 2021

Montana Contractors Association Winter Convention  
Best Western Great Northern Hotel, 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.*