



TREASURE STATE RESOURCES ASSOCIATION OF MONTANA

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TREASURE STATE RESOURCES ASSOCIATION NEWS October, 2020

TSRA 2021 Legislative Showcase Cancelled for January – May Be Rescheduled if Session Timeline Permits

Due to the uncertainty of the setting for the 2021 Legislative Session, and the continued rise in COVID-19 cases in Montana; the TSRA Board of Directors has made the decision to cancel the Legislative Showcase scheduled for January 5, 2021 in Helena. We will re-evaluate our options once the timeline and format for the 2021 Legislative Session becomes clearer to determine if there may be an opportunity to hold an event later in the spring.

MT Legislative Council to Meet October 15

As the election nears and the 2021 Legislative Session looms ahead, the MT. Legislative Council will meet on Thursday, October 15, 2020 at 1:00 pm. to discuss session plans. The agenda items include a review of the proposed caucus and orientation schedule, an update on 2021 Session preparations, a report on COVID funding for remote session capability, an update from the Rules Subcommittee and Vote Board Guidelines. Meeting information can be found at:

<http://leg.mt.gov/legcouncil>

Montana Water Policy Interim Committee to Meet on October 13

The Montana Legislature's water committee will tie up loose ends during its scheduled Oct. 13 meeting, as it finalizes legislation and discusses proposed selenium standards in Lake Kooconusa

and the Kootenai River. The Water Policy Interim Committee will meet via the Zoom platform from 9 a.m. to noon Oct. 13.

The committee will consider pre introduction of bill drafts related to:

- Weather modification and control statutes (PD0006)
- Amending water right ownership update process (PD0009)

The WPIC will also discuss a 2019 bill clarifying the use of river basin councils (SB47), and possible language for a Department of Natural Resources and Conservation bill on a Berkeley Pit water right exemption.

The Department of Environmental Quality is proposing a new selenium standard for Lake Koocanusa and the Kootenai River, as those identified levels have been rising for at least 15 years due to high-grade coal mining on the Elk River, a British Columbia tributary. (See additional information in next article)

This meeting is open to the public. The meetings will be streamed live on www.leg.mt.gov and broadcast on the Montana Public Affairs Network (MPAN). An archived recording of the meeting will also be made immediately available on www.leg.mt.gov.

To participate, email jasonmohr@mt.gov with your name and a request, and staff will send instructions for joining and participating in the meeting by 5 p.m. Oct 9. Written comments may be emailed to staff and forwarded to the committee. Additional information on joining these meetings will be provided on the committee website, www.leg.mt.gov/water, and on the committee agenda.

Source: Montana Legislative Services

MT Department of Environmental Quality Proposes Rulemaking to Set Selenium Standards

At the request of MT DEQ, the Board of Environmental Review (BER) has approved the initiation of rulemaking for site specific selenium water quality standards in Lake Koocanusa and the Kootenai River.

The proposal is expected to be published in the October 9, 2020 Montana Administrative Register. A virtual public hearing is scheduled for November 5, 2020. Public comment must be submitted no later than November 23, 2020.

MT DEQ provided an overview of the proposed changes to both the Water Pollution Control Advisory Council and the BER. Click on the following link for a copy of that document.

http://deq.mt.gov/Portals/112/Water/WQInfo/Documents/WPCAC/WPCAC/agendasMinutes/2020/WPCAC_09-11-2020_DEQSMS.pdf

Local legislators and others in the Libby area have expressed concerns about how fast the rulemaking process has moved and are expected to address the Water Policy Interim Committee about the proposal.

While the proposed rule is specific to the Lake and the Kootenai River, it's possible other water bodies will be a target for the more rigorous standards being considered.

Montana DEQ to propose Nutrient Legislation

In the wake of the Waterkeeper I lawsuit, and EPA's subsequent denial of rules providing for general nutrient variances that triggered the non severability clause, MT DEQ is proposing legislation to eliminate the nutrient variance statute since it is no longer applicable. The Department received approval from WPIC for pre-introduction of the bill, but the committee also asked for more specifics.

During the October 2, 2020 Nutrient Work Group meeting, DEQ also committed to sharing draft language with stakeholders as soon as possible. Meanwhile TSRA, the Montana Mining Association, the Montana Petroleum Association and the Montana League of Cities and Towns are also collaborating on potential legislation to lay the groundwork for future nutrient regulations and will share that information with the Work Group in the coming weeks.

Revenue Committee Wraps Up Interim, Requests Legislation

Source: Montana Legislative Services

The Revenue Interim Committee concluded its regular interim work on September 11. The committee received a revenue update, finalized its required tax credit review, considered recommendations from the HJ 35 Tax Study Committee, and heard an agency update from the Department of Revenue.

HJ 35 Tax Study

The committee considered five bills recommended by the subcommittee that completed the HJ 35 study on state and local tax policy and recommended two of the bills for introduction to the 2021 Legislature:

- [HJ35-02](#): Property tax circuit breaker; and
- [HJ35-03](#): Increases minimum corporate income tax to \$200.

Tax Credit Review

The [tax credit review final report](#) adopted by the committee summarizes the tax credits

reviewed, the committee's recommendations for each credit, and requested legislation. At the September meeting, the committee approved two additional bills related to the tax credit review:

- CC01: Revises tax credit review laws; and
- TC03: Provides for the refundability of the alternative systems credit.

Other Committee Actions

The committee requested two committee bills as a result of its regular interim work. RIC-01 revises the tax lien and tax deed process and was requested by the Montana County Treasurers Association.

RIC-02 revises corporate income tax laws to convert the tax haven list to tax haven criteria. The request for draft legislation came after the Department of Revenue presented a required report on countries that may be considered tax havens.

All legislation approved by the Revenue Interim Committee this interim may be viewed on the committee website by clicking "Legislation" at the bottom of the page.

The committee will meet on November 19 to adopt a revenue estimate for introduction to the 2021 Legislature.

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

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

Atlantic Richfield Company Marks One-Year Anniversary of Berkeley Pit Water Treatment Facility: Over 2 Billion Gallons treated and safely released to Silver Bow Creek

Source: Atlantic Richfield Company October 8, 2020 Contact: Cameron Nazminia at: Cameron.nazminia@bp.com

September 30, 2020 marked one year of safe operations at Atlantic Richfield Company's newest water treatment facility in Butte. Over that same time, over 2 billion gallons of treated water have been safely discharged into Silver Bow Creek.

The facility, located adjacent to the Berkeley Pit Viewing Stand, is part of a larger water treatment system which pumps and treats water from the Berkeley Pit Superfund and releases clean water into Silver Bow Creek. The system was constructed and is operated in collaboration with Montana Resources, under the oversight of the United States Environmental Protection Agency and the Montana Department of Environmental Quality.

By controlling the amount of water pumped out of the pit, it is possible to slow or stop water levels from rising. Water from the pit is used in mining operations, and surplus water is

subsequently treated for release to Silver Bow Creek. Operation of the water treatment facilities will continue over the next several years to further test the final treatment components that will be necessary to maintain water levels in the Berkeley Pit below the critical water level in perpetuity.

Loren Burmeister, liability manager for Atlantic Richfield, explained that “These results demonstrate that water levels have stopped rising in the Berkeley Pit for the past year and, on average, 5.5 million gallons per day of water that have been treated to discharge standards. These results underscore Atlantic Richfield’s continued commitment to safe, responsible and reliable environmental remediation in Butte.

Additional information about this site can be found on the PitWatch website, at <http://www.PitWatch.org>. Additional information about Atlantic Richfield’s remediation work in Butte can be found at <http://www.ARMontana.com>

Governor Bullock Announces Montana Climate Solutions Council Issues Final Recommendations

Plan spans over 50 recommendations from a year of deliberations with diverse Montanans

Source: MT Governor’s Office Wednesday, September 9, 2020

Governor Steve Bullock today announced that the Montana Climate Solutions Council has released its final recommendations in a plan that spans over 50 recommendations from a year of deliberations with diverse Montanans. The Council was tasked with developing strategies to reduce greenhouse gas emissions, prepare the state for climate impacts, foster innovation across Montana’s economy, and address the needs of communities in transition through appropriate economic development and workforce strategies.

“Montanans across the state believe climate change is a significant challenge posing risks to Montana and to future generations,” said Governor Bullock. **“As the Montana Climate Solution Council’s work demonstrates, there is an impressive array of opportunities and recommendations that represent a broad-based consensus and can serve as a foundation for bipartisan climate action moving forward.”**

The recommendations in the plan span a mix of state programs and policy, utility regulatory policy, incentive programs, federal policies, and university and business partnerships:

- Chapter 1 of the plan focuses on efforts to prepare communities for current and anticipated future impacts associated with a changing climate.
- Chapter 2 of the plan outlines a comprehensive set of strategies to reduce emissions and put Montana on a trajectory to achieve the goal Governor Bullock outlined for the Council of achieving net-greenhouse gas neutrality for the electric power sector by 2035, and in a

timeline determined by the Council, net-zero emissions across the economy by as soon as 2045 and no later than 2050.

- Chapter 3 of the plan brings forward a set of consensus-based opportunities to work on regional economic development, technology innovation and workforce needs.
- The report also identifies recommendations to prepare Montana’s workforce for a changing economy through focusing on apprenticeships, establishing career training centers in the public education system, and securing high quality wages for workers in industrial, construction and energy trades in related emerging sectors of our economy.

Implementation of this plan requires action by a number of entities, including the state legislature, the public service commission, the executive branch, and numerous business and nonprofit partners. The plan itself is meant to be a foundation for these efforts and the starting point for what needs to be a sustained and ongoing dialogue for the state.

The full plan can be found at this link: <http://deq.mt.gov/DEQAdmin/dir/Climate>

Grizzly Bear Advisory Council Issues Final Grizzly Bear Recommendations. Report’s Influence Could Last Decades

Source: Great Falls Tribune September 10, 2020 By: David Murray

One year ago, Governor Steve Bullock signed an executive order establishing a citizens’ council charged with developing a comprehensive set of recommendations for the future conservation and management of grizzly bears in Montana.

On September 10th the governor’s Grizzly Bear Advisory Council released its final report; a 29-page document that will likely have significant influence over statewide bear management plans far into the foreseeable future.

“The council recognizes that alongside the wilderness, parks and protected lands that have provided refuge for grizzly bears over the past century, there is an essential role for local communities and working lands, both public and private, in helping to maintain a landscape capable of supporting both people and grizzlies. Grizzly bear expansion across the state will continue to bring challenges to traditional and emerging livelihoods as the human population of Montana increases simultaneously with the population of grizzly bears.”

“Substantial deliberation was given to the role of hunting; however, because of the diversity of interpretations of available science, backgrounds, values, and opinions individually held by council members, we cannot reach consensus that hunting has a role in grizzly bear management,” the final draft states.

Another topic that prompted lengthy and sometimes heated debate over the past year was how to deal with grizzlies that wander outside established recovery zones. Much of the (Council's) attention was focused on whether Montana should be separated into a series of broader regional zones in which bear management policy would differ depending on proximity to established grizzly bear habitat. Ultimately members agreed that drawing hard lines on a map of Montana and drafting specific management policies for each accompanying region was a task better left to state wildlife managers.

They did, however, agree on a list of guiding management principles including that FWP should continue to allow the natural movement of grizzlies to new areas between all four identified recovery zones in Montana, and that the relevant agencies should expedite work with landowners, agricultural producers and communities to prioritize the creation of new grizzly bear relocation areas.

There was broad agreement between members on the need to increase public education about grizzly bears, to increase funding for grizzly bear conservation and management that includes conflict prevention actions, and for the 2021 Montana Legislature to fully fund the Livestock Loss Board Trust Fund to help pay for tools such as fencing, carcass pickup and guard dogs, to help minimize bear/human conflicts.

A complete copy of the Final Report can be found on the Montana Fish, Wildlife and Parks website at: fwp.mt.gov/fishandwildlife/management/grizzlybear/gbac.html

Upcoming Events/Dates:

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| October 13, 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 |
| December 9, 2020 | Montana Taxpayers Association 99 th Annual Meeting
Best Western Great Northern Hotel, Helena, MT |

January 4, 2021

Start of 67th Legislative Session (12 Noon)
State Capitol, Helena

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.