

## Department of Environmental Quality

EXHIBIT 8DATE 01/26/05HB. 2

## PROGRAM 40 – REMEDIATION DIVISION

NP 4014 – Hazardous Waste Study – The executive is proposing a \$2 million one-time only, biennial and restricted general fund appropriation to conduct a remedial investigation and feasibility study at the Kalispell Pole and Timber, Reliance Refinery and Yale Oil facilities. The study would assist in determining the means and cost of cleanup.

**LFD  
ISSUE**

There are two pending issues that affect this decision package:

1. SB 143
2. Budget Expenditure Limitations

SB 143 proposes to fund this same activity with \$2 million from the orphan share account. This language would allow remediation investigation activities to be covered with orphan share dollars when a state agency is potentially liable. The DNRC may be liable for investigation and cleanup for the Reliance Refinery contamination site. If SB 143 passes as written the appropriation would not be necessary.

Appropriations for the 2007 biennium cannot exceed appropriations for the 2005 biennium increased by the growth in Montana personal income. An option to manage this situation is to move one-time only general fund activity in the 2007 biennium budget to fiscal 2005. This decision package has been identified as one-time only activity that could potentially be funded in fiscal 2005.