

HOUSE NATURAL RESOURCES COMMITTEE
JANUARY 21, 2005
HOUSE BILL 51

Mr. Chairman and members of the Committee: For the record I am Ellen Engstedt, representing the Montana Wood Products Association. We have 17 member companies doing business in Montana. We also represent about 50 associate members, all of whom rely on the health of the timber industry in Montana for their livelihoods. We strongly support House Bill 51.

HB 51 does seek to rectify an oversight that occurred during the 2001 session in the modernizing of the Montana Environmental Policy Act. Until the legislative actions in 2001 MEPA did not contain a definition of cumulative impacts. Rather the state agencies relied on the model rules that were developed in a cooperative effort by the Montana Environmental Quality Council and all Executive branch agencies in 1988. The Department of Natural Resources adopted those model EQC rules and has used them since that time. Under those rules the DNRC considers cumulative impacts as "actions under concurrent consideration by any state agency through pre-impact statement evaluation, or permit processing procedures.

The oversight in the omission of clarifying that an agency needs to consider other state agency actions raised its ugly head in a lawsuit by the Friends of the Wild Swan against the DNRC on the Goat Squeezer timber sale in the Swan Valley. The sale was broken into three pieces the latest of which was approved by the Board of Land Commissioners this past Tuesday. The first two sales are completed or nearing completion.

The plaintiffs tried to convince a District Court Judge that the DNRC did not adequately address the issue of cumulative impacts because of a Forest Service sale four miles away and private land logged nearby. The Judge did not buy the argument and ruled in favor of the State.

The amount that will be realized for the beneficiaries of state trust lands will be \$1.7 million. In addition, \$536,398 will be collected in forest improvement fees which are used for a variety of activities on state trust lands including reforestation, planting, and access acquisition. These activities directly impact the health of forests for future generations.

Thankfully the Judge did not agree with the plaintiffs and ruled the sales to go forward, but he did point out the fact that in the current statute the definition of cumulative impacts does not contain the term state agency. Hence, you have before you HB 51 to amend the MEPA statute to be consistent with the model rules used by state agencies since 1988.

I urge your favorable consideration and passage of HB 51. Thank you for your time and attention.