

1/26/04

To: Montana House of Representatives
Natural Resources Committee
Re: HB 361 (LC1611) Revise opencut mining act

EXHIBIT 12
DATE 1-26-04
HB 361

Dear Representatives,

My homeowners group has been involved extensively in the last year and a half in issues related to sand and gravel mining. We urge you to support House Bill 361 (LC1611) to revise the opencut mining act.

Our development of about 60 homes is adjacent to an operating gravel pit in the Kalispell area. There are almost 400 other property owners in the Flathead area that are currently involved with issues related to the gravel industry. There are over 120 gravel pits in Flathead County and close to 2,000 statewide. We have spent hundreds of hours reviewing gravel pit permits, Flathead County conditional use permits, state opencut mining law, the way this law is enforced by the Department of Environmental Quality (DEQ) and many other facets of these operations. We are familiar with the workings of this industry.

We are especially supportive of the annual fee the DEQ is proposing to allow the department to increase staffing levels. The DEQ currently has about 4 staff to oversee close to 2,000 statewide permits. This staffing level is nowhere near appropriate. The northwest region staffer that covers our area has over 400 permits to oversee.

The lack of staffing in the opencut area results in several major problems. Complaints from the public take longer to investigate and process, problem operators can continue to operate with limited oversight and industry is limited by the longer time frames required to review or amend permits.

Another major problem with the lack of staffing is that the department does not have the ability to periodically review opencut mining bond levels. The bonds for the pit adjacent to our development were updated last year to over \$1,000,000. The previous bond levels were established in late 70's and 80's and were less than \$15,000. **If the company had defaulted, the Montana taxpayers would have been left with a liability of over \$1,000,000.** The liability across the state could be over a hundred million dollars. The department needs to have more staff to be able to protect Montana taxpayers.

Again, we urge you to support HB 361. Thank you for the opportunity to provide this input.

Sincerely yours,

Todd Spangler
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