EXHIBIT 8
DATE 2.2.05
2/1/05 HB 428 & 429

To: Montana House of Representatives - Natural Resources Committee
Re: HB 428 (LC1306) Revise laws related to enforcement of strip and underground mine reclamation
HB 429 (LC1307) Revise laws relating to enforcement of environmental and mining laws

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 Bills 428/429 (LC1306/1307) to revise mining enforcement laws.

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.

The DEQ needs the ability to increase the penalties on operators that violate state law. The current penalty system is barely a slap on the hand for industry. **A review of DEQ enforcement files determined that a Flathead area company violated state opencut mining law (sand and gravel industry law) and the DEQ calculated a benefit to the company of over $190,000. Because of limitations in the current law, the DEQ could only penalize the company $2,750.** This system is biased towards industry and does not protect Montana taxpayers. The attached table provides other Flathead area cases. Further analysis would likely identify a similar problem across the state. We can provide the DEQ documentation if needed.

The DEQ has stated in their own documents related to opencut mining law that "the department is concerned that the relatively low penalties do not provide an adequate deterrent to violators and does not level the economic playing field. Operators who mine gravel without a permit and later sell the gravel realize a substantial economic benefit. The failure to obtain a permit and provide adequate bond creates a significant reclamation liability for the department in the event the operator or landowner cannot afford proper reclamation." See page 41 of The Report to the Environmental Quality Council FY 2001-2003 (www.deq.state.mt.us/enf/EQC2003 final.pdf).

This penalty system does not protect Montana taxpayers and needs to be improved. HB 428 and 429 are a good first step in this process. We urge you to support both of these bills. Thank you for the opportunity to provide this input.

Sincerely yours,

Todd Spangler
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Flathead area enforcement actions
Benefit versus penalty table

Operator	Violation	Case Number	Year	Total Benefit to the Company	Final Penalty Assessed by DEQ
Bruce Tutvedt	- Mined outside of opencut mining permit area several times - Reclamation bond issues	632	2003	$65,500	$1,000
Mission Valley Concrete	- Mined outside of opencut mining permit area - Inadequate reclamation bond - Didn't salvage topsoil	578	2002	$192,166	$2,750
Robert Spoklie	- Mined outside of opencut mining permit area - Didn't salvage topsoil - Oil/petroleum dumped on ground	557	2002	$24,746	$2,653