

HOUSE OF REPRESENTATIVES
Roll Call
NATURAL RESOURCES COMMITTEE

DATE: 2-16-07

<u>NAME</u>	<u>PRESENT</u>	<u>ABSENT/ EXCUSED</u>
REP. WALTER MCNUTT, CHAIR	✓	
REP. RALPH HEINERT, VICE CHAIR	✓	
REP. RON ERICKSON, VICE CHAIR	✓	
REP. DUANE ANKNEY	✓	
REP. DEBBY BARRETT	✓	
REP. JILL COHENOUR	✓	
REP. SUE DICKENSON	✓	
REP. BETSY HANDS	✓	
REP. GORDON HENDRICK	✓	
REP. CAROL LAMBERT	✓	
REP. SCOTT MENDENHALL	✓	
REP. JP POMNICHOWSKI	✓	
REP. JOHN ROSS	✓	
REP. VERONICA SMALL-EASTMAN	✓	
REP. KENDALL VAN DYK	✓	
REP. CHAS VINCENT	✓	



HOUSE STANDING COMMITTEE REPORT

February 17, 2007

Page 1 of 4

Mr. Speaker:

We, your committee on **Natural Resources** recommend that **House Bill 304** (first reading copy -
- white) do pass as amended.

Signed: 
Representative Walter McNutt, Chair

And, that such amendments read:

1. Title, line 5.

Strike: "AGENCY OVERSIGHT"

Insert: "RESEARCH AND STUDY"

Following: "ISSUES"

Strike: "FOR CERTAIN AGENCIES"

2. Title, line 7.

Following: "COMMITTEE;"

Insert: " PROVIDING AN APPROPRIATION;"

Strike: "SECTIONS"

Insert: "SECTION"

3. Title, line 7 through line 8.

Strike: "75-1-324" on line 7 through "85-2-436," on line 8

4. Page 2, line 7 through line 10.

Strike: "has administrative" on line 7 through "85-2-105." on
line 11

Insert: "is subject to the provisions of 5-5-211 and the
committee members appointed must be selected from the
following standing committees:

- (a) senate natural resources and energy;
- (b) house natural resources;
- (c) senate local government; and
- (d) house local government.

(2) The water policy interim committee shall conduct a
detailed analysis and study of issues related to water quantity,
water quality, and water use in Montana. The study must include

Committee Vote:

Yes 16, No 0

Fiscal Note Required ____

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the following issues at a minimum:

(a) surface water and ground water in closed basins and mitigation, augmentation, or aquifer recharge, including:

(i) review and summary of current Montana law related to mitigation, augmentation, or aquifer recharge;

(ii) analysis of other states' laws and rules related to mitigation, augmentation, or aquifer recharge and the other states' experiences with applying and using mitigation, augmentation, and aquifer recharge;

(iii) comparison of mitigation, augmentation, and aquifer recharge options and alternatives for applying the concepts in Montana water law;

(iv) analysis and determination of water quality testing requirements to ensure that the use of mitigation, augmentation, or aquifer recharge does not adversely affect ground water quality;

(v) analysis of data developed to determine the type and amount of research, data, and analysis necessary to develop a scientifically defensible hydrogeologic assessment to be used in making informed decisions with regard to mitigation, augmentation, or aquifer recharge activity in Montana;

(vi) appropriate monitoring requirements to determine the effectiveness of mitigation, augmentation, or aquifer recharge plans; and

(vii) other issues related to mitigation, augmentation, or aquifer recharge in Montana to facilitate continued economic development and growth while providing reasonable protections to senior appropriators and water quality of surface and ground water resources;

(b) methods for the management of water, particularly in closed basins, to ensure compliance with closed basin law, including:

(i) artificial recharge of ground water, including but not limited to alternatives such as aquifer storage and recovery;

(ii) identifying research necessary, if any, to determine alternatives and options for conducting water management through artificial recharge of ground water; and

(iii) conducting a water quality analysis associated with storage or introduction of surface water to ground water resources;

(c) determining an appropriate, accurate, and time-efficient process for coordinating water quality requirements with the water appropriations process by:

(i) determining how the department of environmental quality and the department of natural resources and conservation are issuing permits that affect ground water or surface water quality and whether or not the water appropriation process and the water quality process are coordinated;

(ii) ensuring that a detailed process is outlined that provides potential applicants with a clear process that must be followed to ensure that prior appropriators and water quality in

both surface water and ground water are protected while allowing development in Montana; and

(iii) identifying the extent to which cumulative impacts are analyzed from a water quantity and a water quality perspective and whether or not the two findings are assessed jointly and determining the appropriate level of coordination;

(d) wells that are exempt from the permitting process pursuant to 85-2-306, including:

(i) a detailed reporting of the number of exempt wells currently in Montana and an estimate of the number of exempt wells expected to be developed by 2020;

(ii) a determination and summary of the types of beneficial uses to which water from exempt wells is applied;

(iii) a determination of the hydrogeologic analysis necessary to determine consumptive use on a per-acre or fraction of an acre basis and on a per-use basis;

(iv) an analysis of the amount of water reasonably necessary for the various beneficial uses and a comparison of this reasonable use standard with current statutory limits, including volume, flow rate, and other criteria that the committee determines is necessary to provide for accurate and adequate measurement of water use through exempt wells;

(v) options and alternatives for enforcing statutory limitations regarding exempt well usage; and

(vi) a determination of the necessity and reasons for providing a process that is exempt from the permitting process;

(e) an analysis of water marketing and water reallocation options available in Montana, including:

(i) leasing water rights, water banking, water trading, and water sales;

(ii) the lease-to-sale ratio of water rights in Montana;

(iii) the number of market purchases that have been completed in Montana;

(iv) the purposes for which water trades or sales have taken place;

(v) the feasibility of creating and operating a water bank in Montana; and

(vi) the administrative procedures and costs that would be necessary to establish and operate a water bank in Montana.

(3) The committee shall gather appropriate information that the committee determines is necessary to make sound and well-reasoned policy decisions to guide the management and use of Montana's ground water resource into the future, including but not limited to:

(a) identifying gaps in data necessary to determine appropriate locations to conduct artificial recharge of ground water; and

(b) presenting long-term goals and policy proposals for water management related to ground water resources.

(4) The committee shall prepare a report to submit to the 61st legislature that provides clear policy direction and

necessary legislation to guide Montana's water policy and that ensures fair and reasonable use of Montana's water resource as demands on water increase while supplies remain the same or decrease."

5. Page 2, line 13 through page 9, line 25.

Strike: section 3 through section 9 in their entirety

Renumber: subsequent sections

6. Page 9.

Following: line 25

Insert: "NEW SECTION. Section 3. Appropriation. (1) There is appropriated \$50,000 from the general fund for the biennium beginning July 1, 2007, to the water policy interim committee for the purpose of completing a water quantity and water quality policy analysis.

(2) There is appropriated \$50,000 from the general fund for the biennium beginning July 1, 2007, to the Montana bureau of mines and geology for the purpose of collected and compiling existing ground water and aquifer testing data."

Renumber: subsequent sections

7. Page 9, line 30.

Strike: "on passage and approval"

Insert: "July 1, 2007"

8. Page 10, line 2.

Strike: "[Section 7]"

Insert: "[This act]"

Strike: "2020"

Insert: "2009"

- END -



HOUSE STANDING COMMITTEE REPORT

February 17, 2007

Page 1 of 6

Mr. Speaker:

We, your committee on **Natural Resources** recommend that **House Bill 205** (first reading copy -
- white) do pass as amended.

Signed: 
Representative Walter McNutt, Chair

And, that such amendments read:

1. Title, line 5.

Strike: "REQUIREMENTS"

Following: "THAT"

Insert: "A CONTROLLED GROUND WATER AREA PETITION"

Strike: "MET"

Insert: "CORRECT AND COMPLETE"

2. Title, line 6.

Strike: "ACCEPT A PETITION"

Insert: "PROCEED"

Following: "PETITION;"

Strike: "PROVIDING FOR A BOND;"

3. Title, line 8.

Following: "RULES;"

Insert: "PROVIDING FOR CONTESTED CASE PROCEEDINGS;"

4. Page 1, line 14 through line 15.

Following: "costs" on line 14

Strike: remainder of line 14 through "bonding" on line 15

5. Page 1, line 18.

Strike: "70%"

Insert: "51%"

Strike: "users"

Insert: "permitholders, certificate holders, and claimants"

Committee Vote:

Yes 13, No 3

Fiscal Note Required

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6. Page 1, line 24.

Following: "ground water area"

Insert: "resulting in adverse effects to a prior appropriator's appropriation right"

7. Page 1, line 29.

Strike: "cause"

Insert: "induce or alter"

8. Page 2, line 4.

Following: "(b)"

Insert: "(i)"

Strike: "accept or consider"

Insert: "proceed with"

Following: "unless"

Strike: ":"

9. Page 2, line 5.

Strike: "(i)"

10. Page 2, line 7.

Following: "analysis"

Strike: "on"

Insert: "and scientific data showing that"

Following: "(2)(a)"

Insert: "is occurring"

11. Page 2, line 8 through line 10.

Strike: subsection (ii) in its entirety

Insert: "(ii) The department shall, within 60 days, notify the petitioner in writing regarding whether or not the petition is correct and complete. If a petition is not correct and complete, the department must identify any deficiencies or scientific data necessary to make the petition correct and complete.

(iii) A petition that is not made correct and complete within 60 days from the date of receipt of notification by the department of any defect is terminated as a matter of law."

12. Page 2, line 17.

Strike: "(6)"

Insert: "(7)"

13. Page 2, line 21.

Following: "(3)"

Strike: "When a proposal is made"

Insert: "Within 90 days from the date of notice that the

department has determined that a petition is correct and complete"

Following: "been met,"

Insert: "affected parties may object to the proposed controlled ground water area."

14. Page 2, line 21 through line 25.

Strike: "the department" on line 21 through "(6)," on line 25

15. Page 2, line 25.

Following: "(6),"

Insert: "Within 30 days of determination that an application is correct and complete,"

Following: "notice of the"

Strike: "hearing"

Insert: "opportunity to object"

16. Page 2, line 29.

Following: "the"

Strike: "purpose of the hearing"

Insert: "opportunity to object"

17. Page 2, line 30 through page 3, line 1.

Following: "the time"

Strike: " and place" on page 2, line 30 through "heard" on page 3, line 1

Insert: "limit that applies to filing objections to the proposed controlled ground water area" on page 3, line 1

18. Page 3, line 2.

Strike: "(5)"

Insert: "(4)"

Following: "notice of"

Strike: "hearing"

Insert: "the opportunity to object"

Strike: "month"

Insert: "week"

Strike: "3"

Insert: "2"

19. Page 3, line 3.

Strike: "90"

Insert: "60"

Following: "before the"

Insert: "final"

Strike: "of the hearing"

Insert: "for objections"

20. Page 3, line 5.

Strike: "copy"

Insert: "summary"

21. Page 3, line 6.

Strike: "30"

Insert: "60"

Strike: "hearing"

Insert: "termination of the time allowed for objections"

22. Page 3, line 19.

Strike: "petition"

Insert: "notice"

23. Page 3, line 20.

Following: "owner"

Insert: "of record"

24. Page 3, line 24.

Strike: "hearing"

Insert: "opportunity to object"

25. Page 3.

Following: line 24

Insert: "(5) If the department does not receive an objection within the 90-day objection period, the department shall, within 60 days of the termination of the objection period, deny the petition for a controlled ground water area or grant the controlled ground water area petition. The denial or granting of the controlled ground water area is the final agency action for petitions that did not receive an objection.

(6) If an objection is received, the department shall assign the controlled ground water area petition to a department legal unit hearings officer for a contested case proceeding as provided in Title 2, chapter 4, part 6. The contested case proceeding is available to the applicant and to any objector."

Renumber: subsequent subsections

26. Page 3, line 26.

Strike: "department" through "salary,"

27. Page 3, line 30 through Page 4, line 5.

Strike: subsection (1) in its entirety

Renumber: subsequent subsections

28. Page 4, line 6.

Following: "(2)"

Strike: "After the conclusion of the hearing"

Insert: "Pursuant to the contested case provisions of Title 2,
chapter 4, part 6"

Strike: "department"

Insert: "hearings officer"

29. Page 4, line 7.

Strike: "department" in both places

Insert: "hearings officer" in both places

30. Page 5, line 10.

Strike: "department"

Insert: "hearings officer"

31. Page 5, line 11.

Strike: "department"

Insert: "hearings officer"

32. Page 5, line 15 through line 18.

Strike: "The department" on line 15 through "extension." on line
18

33. Page 5, line 19.

Strike: "and any extensions of the time period"

34. Page 5, line 22.

Following: "be presented"

Strike: "at"

Insert: "to the hearings officer for "

35. Page 5, line 23.

Strike: "appearing at the first hearing"

Insert: "to the contested case"

36. Page 5, line 28 through line 29.

Strike: "by the department" on line 28 through "law and" on line
29

Insert: "pursuant to Title 2, chapter 4, part 6. The hearings
officer shall"

37. Page 6, line 1.

Strike: "or extension of the period"

38. Page 6, line 2.

Strike: "or extension"

39. Page 6, line 5.

Strike: "department"

Insert: "hearings officer"

40. Page 6, line 6.

Strike: "hearing"

Insert: "the opportunity to object"

41. Page 6, line 7.

Strike: "department"

Insert: "hearings officer"

42. Page 6, line 16 through line 18.

Strike: subsection (8) in its entirety

Re-number: subsequent sections

43. Page 6, line 21.

Strike: "85-2-506(6)"

Insert: "85-2-506(7)"

- END -



HOUSE STANDING COMMITTEE REPORT

February 17, 2007

Page 1 of 1

Mr. Speaker:

We, your committee on **Natural Resources** recommend that **House Bill 271** (first reading copy -
- white) do pass as amended.

Signed: 
Representative Walter McNutt, Chair

And, that such amendments read:

1. Page 1, line 24.

Strike: "an"

Insert: "a natural resource"

2. Page 1, line 24 through line 25.

Strike: "(e)"

Insert: "(d)"

Strike: "regulated by" on line 24 through "quality" on line 25

- END -

Committee Vote:

Yes 9, No 7

Fiscal Note Required _____

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WMC
2/17/07



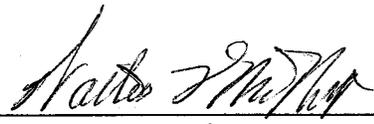
HOUSE STANDING COMMITTEE REPORT

February 17, 2007

Page 1 of 1

Mr. Speaker:

We, your committee on **Natural Resources** recommend that **House Bill 276** (first reading copy -
- white) **do pass**.

Signed: 
Representative Walter McNutt, Chair

- END -

Committee Vote:

Yes 9, No 7

Fiscal Note Required

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hbw
2/17/07

Nancy
451



HOUSE STANDING COMMITTEE REPORT

February 17, 2007

Page 1 of 1

Mr. Speaker:

We, your committee on **Natural Resources** recommend that **House Bill 401** (first reading copy -
- white) **do pass.**

Signed: 
Representative Walter McNutt, Chair

- END -

Committee Vote:

Yes 16, No 0

Fiscal Note Required _____

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2/17/07



See
Nancy
451

HOUSE STANDING COMMITTEE REPORT

February 17, 2007

Page 1 of 1

Mr. Speaker:

We, your committee on **Natural Resources** recommend that **House Joint Resolution 34** (first reading copy -- white) **be adopted**.

Signed: 
Representative Walter McNutt, Chair

- END -

Committee Vote:

Yes 16, No 0

Fiscal Note Required

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2/17/07

HOUSE Chief Clerk of the House COPY

TABLED BILL

The **HOUSE NATURAL RESOURCES COMMITTEE** TABLED **HB 203, HB 261, HB 262, HB 320, HJ 15,**
by motion, on **Friday, February 16, 2007.**

Nancy Kraft
(For the Committee)

(Chief Clerk of the House)

7:55 2/19
(Time) (Date)

February 19, 2007

Nancy Kraft, Secretary

Phone: 444-7353

HOUSE OF REPRESENTATIVES

Roll Call Vote

NATURAL RESOURCES COMMITTEE

DATE 2-16-07 BILL NO HB 205 MOTION NO. 3
MOTION: Do Pass as Amended

NAME	AYE	NO	ABSENTEE
REP. WALTER MCNUTT, CHAIR	✓		
REP. RALPH HEINERT, VICE CHAIR	✓		
REP. RON ERICKSON, VICE CHAIR	✓		
REP. DUANE ANKNEY	✓		
REP. DEBBY BARRETT	✓		
REP. JILL COHENOUR	✓		
REP. SUE DICKENSON	✓		
REP. BETSY HANDS	✓		
REP. GORDON HENDRICK	✓		
REP. CAROL LAMBERT	✓		
REP. SCOTT MENDENHALL	✓		
REP. JP POMNICHOWSKI		✓	
REP. JOHN ROSS		✓	
REP. VERONICA SMALL-EASTMAN	✓		
REP. KENDALL VAN DYK		✓	
REP. CHAS VINCENT	✓		

13-2

HOUSE OF REPRESENTATIVES

Roll Call Vote

NATURAL RESOURCES COMMITTEE

DATE 2-16-07 BILL NO HB 2661 MOTION NO. 3
 MOTION: Do Pass as Amended

NAME	AYE	NO	ABSENTEE
REP. WALTER MCNUTT, CHAIR		✓	
REP. RALPH HEINERT, VICE CHAIR		✓	
REP. RON ERICKSON, VICE CHAIR	✓		
REP. DUANE ANKNEY		✓	
REP. DEBBY BARRETT		✓	
REP. JILL COHENOUR	✓		
REP. SUE DICKENSON	✓		
REP. BETSY HANDS	✓		
REP. GORDON HENDRICK		✓	
REP. CAROL LAMBERT		✓	
REP. SCOTT MENDENHALL		✓	
REP. JP POMNICHOWSKI	✓		
REP. JOHN ROSS		✓	
REP. VERONICA SMALL-EASTMAN	✓		
REP. KENDALL VAN DYK	✓		
REP. CHAS VINCENT	✓	✓	

7-9

HOUSE OF REPRESENTATIVES

Roll Call Vote

NATURAL RESOURCES COMMITTEE

DATE 2-16-07

BILL NO HB 262 MOTION NO. 1

MOTION: Do Pass

NAME	AYE	NO	ABSENTEE
REP. WALTER MCNUTT, CHAIR		✓	
REP. RALPH HEINERT, VICE CHAIR		✓	
REP. RON ERICKSON, VICE CHAIR	✓		
REP. DUANE ANKNEY		✓	
REP. DEBBY BARRETT		✓	
REP. JILL COHENOUR	✓		
REP. SUE DICKENSON	✓		
REP. BETSY HANDS	✓		
REP. GORDON HENDRICK		✓	
REP. CAROL LAMBERT		✓	
REP. SCOTT MENDENHALL		✓	
REP. JP POMNICHOWSKI	✓		
REP. JOHN ROSS		✓	
REP. VERONICA SMALL-EASTMAN	✓		
REP. KENDALL VAN DYK	✓		
REP. CHAS VINCENT		✓	

2-9

HOUSE OF REPRESENTATIVES

Roll Call Vote

NATURAL RESOURCES COMMITTEE

DATE 2-16-07 BILL NO HB 271 MOTION NO. 3
 MOTION: _____

<u>NAME</u>	<u>AYE</u>	<u>NO</u>	<u>ABSENTEE</u>
REP. WALTER MCNUTT, CHAIR	✓		
REP. RALPH HEINERT, VICE CHAIR	✓		
REP. RON ERICKSON, VICE CHAIR		✓	
REP. DUANE ANKNEY	✓		
REP. DEBBY BARRETT	✓		
REP. JILL COHENOUR		✓	
REP. SUE DICKENSON		✓	
REP. BETSY HANDS		✓	
REP. GORDON HENDRICK	✓		
REP. CAROL LAMBERT	✓		
REP. SCOTT MENDENHALL	✓		
REP. JP POMNICHOWSKI		✓	
REP. JOHN ROSS	✓		
REP. VERONICA SMALL-EASTMAN		✓	
REP. KENDALL VAN DYK		✓	
REP. CHAS VINCENT	✓		

9-7

HOUSE OF REPRESENTATIVES

Roll Call Vote

NATURAL RESOURCES COMMITTEE

DATE 2-16-07

BILL NO HB 276 MOTION NO. 1

MOTION: _____

Do Pass

NAME	AYE	NO	ABSENTEE
REP. WALTER MCNUTT, CHAIR	✓		
REP. RALPH HEINERT, VICE CHAIR	✓		
REP. RON ERICKSON, VICE CHAIR		✓	
REP. DUANE ANKNEY	✓		
REP. DEBBY BARRETT	✓		
REP. JILL COHENOUR		✓	
REP. SUE DICKENSON		✓	
REP. BETSY HANDS		✓	
REP. GORDON HENDRICK	✓		
REP. CAROL LAMBERT	✓		
REP. SCOTT MENDENHALL	✓		
REP. JP POMNICHOWSKI		✓	
REP. JOHN ROSS	✓		
REP. VERONICA SMALL-EASTMAN		✓	
REP. KENDALL VAN DYK		✓	
REP. CHAS VINCENT	✓		

9-7

HOUSE OF REPRESENTATIVES

Roll Call Vote

NATURAL RESOURCES COMMITTEE

DATE 2-16-07 BILL NO 320 MOTION NO. 3
MOTION: Do Pass as Amended

NAME	AYE	NO	ABSENTEE
REP. WALTER MCNUTT, CHAIR		✓	
REP. RALPH HEINERT, VICE CHAIR		✓	
REP. RON ERICKSON, VICE CHAIR		✓	
REP. DUANE ANKNEY	✓		
REP. DEBBY BARRETT		✓	
REP. JILL COHENOUR		✓	
REP. SUE DICKENSON		✓	
REP. BETSY HANDS		✓	
REP. GORDON HENDRICK	✓		
REP. CAROL LAMBERT		✓	
REP. SCOTT MENDENHALL		✓	
REP. JP POMNICHOWSKI		✓	
REP. JOHN ROSS	✓		
REP. VERONICA SMALL-EASTMAN		✓	
REP. KENDALL VAN DYK	✓		
REP. CHAS VINCENT		✓	

4-12

**Montana House of Representatives
Visitors Register**

NATURAL RESOURCES COMMITTEE

Date 2-16-07

HS 24; HS 34

Bill No. HB 383; 555; 560 Sponsor(s) _____

PLEASE PRINT

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Name and Address	Representing	Support	Oppose	Inf.
JAE ADTTL	SELF	383 ✓		
Art Hayes Jr	TRWUE SELF		✓	
Erin Thompson	Women's Voices for the Earth	HS 24, HB 560		
John Youngberg	MFBF	383		
Faye Bergan	RWRCC	HT 34		✓
Steve Pichea	MT Stock Growers	HB 383 ✓		
Connie Murray	Self / CFRD	HB 383		
John Murray	" CFRD	"		
Max Morris	"	HB 383		
Robert Morris	" Charles Larsen	383		
ROBERT THROSSELL	MT Wildlife Fed	383	✓	
Julia Page	Northern Plains	383	383	
Ann Peterson	MEIC	HS 24 HB 560 383 HB 555		
Keith Bales	Self	383		
Mark Angeres	Montana Trust Unlimited		383	560 HS 24 + HS 34
Mark Moreland	Rancholmo Cattle	383		
Bruce Porter	Thousand Hills Ranch	383		

Please leave prepared testimony with Secretary. Witness Statement forms are available if you care to submit written testimony.

**Montana House of Representatives
Visitors Register**

NATURAL RESOURCES COMMITTEE

Date 2-16-07

Bill No. _____ Sponsor(s) _____

PLEASE PRINT

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Name and Address	Representing	Support	Oppose	Inf.
Mandy Morris	Self/Ace & Addie Goodwin	383 ✓		
Ch. Metson	Fidelity E+P	383 ✓		
Connie Wilson	self	383 ✓		
Dick Wilson	CFRD	383 ✓		
Brian Johnston	Pinnacle Gas	383 ✓		
Mike Murphy	MARA	383 ✓		
Don Allen	WEPA	383		
BREX JAROSSEK	MT Wildlife Fed	HJ34		
Tyler Enkoizer	GAME FOUNDATION	HJ34 ✓		
ROBIN CUNNINGHAM	FISHING OUTLETTERS ASSOC. OF MT	HJ34 ✓		
Bob Lyne	DFWP	HJ34		

Please leave prepared testimony with Secretary. Witness Statement forms are available if you care to submit written testimony.