EXHIBIT 1
DATE 2/9/11
HB 422

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Written Testimony Before the House Natural Resource Committee on HB 422 (2/9/11)

Dear Chairman Hendrick and Members of the Committee:

Independent (i.e. "3rd party") environmental consultants are hired to assist DEQ in the preparation of most large mine permits. The project "proponent" (i.e. the company) pays for the 3rd party contractor.

Currently, the 3rd party consultant invoices are reviewed by two DEQ entities before the proponent sees them. Due to delays by the 3rd party contractor and DEQ, there have been cases where the proponent has received bills for work that was performed as much as 13 months prior. By that time, it is difficult for the proponent to comment on or ask for explanations of the costs.

This bill would allow proponents to request that 3rd party EA and EIS contractors directly bill them. It would also save the DEQ from dealing with reviewing and processing the invoices.

It is important to note that the 3rd party contractor would still be managed and controlled by DEQ. DEQ will continue to direct the contractor so that they provide independent analyses and reviews. The only change would be that the contractor would directly invoice the proponent, allowing the proponent to review and discuss costs soon after they are incurred.

Note that both the BLM and U.S. Forest Service allow 3rd party contractors to directly bill the proponent. The Forest Service has been doing this for over 10 years.

This bill is a common sense approach. It is only fair that a proponent be allowed to view invoices that they must pay shortly after they have been submitted.

I would be happy to discuss this further; my contact information is above.

Thank you very much,

Sincerely,

Fess Foster

Fess Foster Ph.D., CPG