

Testimony by Robert Filipovich, Helena HB308 Jan. 10, 2015 House Local Government Committee

First, let's see if we agree on these descriptors of the bill: It supports increased rail transport of coal; it promotes granting Coal Trust money to population centers along the coal-hauling routes; it increases the size and qualifications of the Coal Board; its fiscal note indicates no additional costs.

First, I wonder why this bill was originally directed to House Appropriations Committee, then to this Committee. After all, we are talking here about a natural resource, coal, and the transport of coal. Why didn't this bill go to the House Natural Resources and Transportation Committee?

Since I oppose HB308, it ignores the possibility of reduced coal shipments; it creates a larger Coal Board, 8 of the 9 of whose members have a vested interest in gaining money for their localities instead of a Board composed of members with no direct bias as to who gets the grants; it doesn't have a sunset provision; it doesn't have a limit as to the amount of money a locality may receive.

I also wonder if there is any intent here to increase impact grants over time and take more and more money out of the Coal Trust? For example, the intersection of Montana Ave in Helena with the railroad tracks needs a bridge or underpass. The latest estimate from the Greater Helena Area Transportation draft plan suggests that this one bridge would cost about 18 million dollars. Since coal impacts grants from 1976 through 2013 have averages about 2.5 \$million per year, the impact of money to population centers along coal train tracks is very small. And the cities of Helena and East Helena have 8 rail/vehicle crossings without bridges now. Also, won't these grants to class 1, 2, and 3 towns along the coal train tracks put local officials in the position of being obligated to compete for grants and to ignore the negative effects of coal transport – dust, diesel particulates, noise, congestion at intersections, blocking of emergency vehicles, for example. Also, I don't see how these grants would fit with MDOT prioritized statewide transportation needs. The Montana Ave. bridge I just mentioned is now near the top of MDOT's list, according to information I've received during City/County Transportation Coordinating Committee meetings over the last 13 months. Would there be a conflict?

The biased Board created by this bill, which would assist local elected officials to get reelected if they get a coal grant, would encourage these officials to ignore the green house gases and particulates that result from the combustion of coal. Atmospheric pollution from burning coal knows no boundaries. This cost in asthma, heart disease, premature deaths is, under this bill, is simply externalized.

And what happens if we fail to acknowledge the shrinking price of coal, the increasing concern about its use, and the transition toward natural gas and renewable energy sources? Will the coal royalty investigations now underway influence the amount of coal hauled to the West Coast? What about MSU's Energy Research Institute's project, now with federal funding, that would leave the coal in the ground and extract methane by means of circulation of CBM water and algae (this project was presented today in the Capitol rotunda). What of the world-side concern for coal combustion expressed at the recent international gathering in Davos?

summary If we can't pay for even a fraction of the increased railroad transportation costs without taking more money out of the Coal Trust, if we can't predict whether coal transport will increase or decrease, if we

27000

8700

51

ignore the negative global warming effects and pollution from coal combustion, if we create a Coal Board composed of vested interests that tend to align our governments with corporate interests, are we doing the right thing with HB308?

R Filipovich
2-10-15
Falk.