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**Testimony regarding the Flathead Basin Commission
before the Legislative Budget Committee, Helena, MT
October 4, 2017**

Madam Chair
Dear ~~Chairman~~ Ballance and Members of the Legislative Finance Committee:

My name is Thompson Smith. I'm the immediate past Chair of the Flathead Basin Commission. I had the great honor of serving twelve years on the FBC, including several years as chair, as a volunteer citizen member from Charlo. I was appointed twice by Governor Schweitzer and once by Governor Bullock. Governor Bullock also appointed me to the Montana Invasive Species Advisory Council.

When the legislature established the FBC in 1983 and charged it with the broad purpose of protecting the waters and environment of the Flathead Basin, it made the new entity a commission, rather than a department of an existing agency. The legislature did so for two reasons.

First, as a commission, the FBC could be composed of a broad array of stakeholders—state, tribal, county, federal, and industry representatives, as well as private citizens. That composition defines the FBC's way of operating, of bringing together many people in the shared cause of protecting the Flathead.

The second reason was to give the FBC independence. The legislature saw that the FBC would best serve its purpose by providing the Governor and legislature with accurate, well-informed, and unvarnished advice and recommendations. To ensure that independence, the legislature made the FBC only "administratively attached" to DNRC. As stated in MCA 2-15-121, section 1a, that means the FBC "shall exercise its ... policymaking functions independently of the department and without approval or control of the department."

Given the critical moment we face here, I will be blunt. My experience on the FBC showed me repeatedly that we have too many people in state government, some in key positions, who regard the FBC's independence as a problem rather than the asset that it is. In fact, they too often view natural resource issues through the lens of whether things are under their absolute control, rather than whether the resource is being protected.

The FBC has been remarkably effective and efficient in fulfilling its mandate, not only in protecting the transboundary North Fork from mining, but in addressing the other challenges that now threaten this crown jewel of Montana. In recent years, foremost

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Exhibit 9

among those threats has been the menace of aquatic invasive species. The FBC has been the leader in the state on AIS, often in spite of the obstruction and inaction of state agencies. In large measure that has been because of an exceptionally dedicated, capable, resourceful, and knowledgeable executive director. For years, Caryn Miske has raised 5 to 8 times the FBC's entire base budget in grants, most of it to protect the Flathead against the threat of aquatic invasive species.

Thank God we have had that protection in place, even as other areas of Montana have become infested. Given the continuing gaps and problems in the state's AIS effort, the administration's proposed elimination of the staff budget of the FBC would leave the Flathead far more vulnerable to the introduction of AIS. As you well know, the cost of AIS infestation of the Flathead would dwarf the FBC's small annual budget. More importantly, it would result in the permanent ruination of a resource that Montanans have dedicated themselves to protecting for decades.

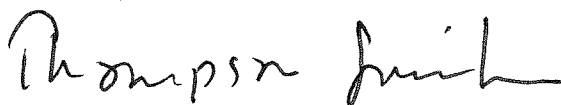
John Tubbs's recommendation of defunding the FBC also contravenes the legislature's intent. It does so in three ways:

- First, it would in effect punish the FBC for its lawful exercise of its legislatively established independence. We have emails confirming this as DNRC's motivation for the budget cuts.
- Second, these cuts would countermand the 2017 legislature's passage of not just the maintenance of the FBC's modest budget, but also an increase of \$40,000 to meet our need for administrative help.
- And third, these cuts would directly undermine House Bill 622, passed by the legislature and signed by the Governor. HB 622 recognizes the urgent need to strengthen protection of the Flathead against AIS, and therefore mandates, in Section 7, that the FBC create a robust pilot program of "no launch without prior inspection." The DNRC's proposed budget cut would prevent the FBC from being able to develop the rules and implement the Flathead pilot program. The cuts would therefore gut a duly enacted law.

Please urge the Governor to stop this defiance of legislative intent, and restore fairness, reason, and lawfulness to this process. If the overall budget cuts must be done, the FBC should take its fair share, a 10% cut. But we must not allow the budget to be used for unwise and short-sighted political purposes that would result in permanent harm to a priceless resource.

Thank you for your time.

Sincerely,

A handwritten signature in black ink that reads "Thompson Smith". The signature is written in a cursive, flowing style.

Thompson Smith