DNRC 2011 Legislative Proposal Summaries

July 6, 2010

Trust Lands Management Division:

1) **Modify State Land Recreational Use Penalty** – Currently in 2 sections of Statute (77-1-801 & 77-1-806 MCA), classify certain violations of recreational use laws on state land. Some violations are classified as misdemeanors while other violations are classified as civil penalties under Statute (77-1-804(8)). The Department has found civil penalties are difficult to administer and often result in the violation going unresolved. Having two types of violations is also confusing for DFWP wardens who enforce all of the recreational use laws. This proposal would change all recreational use violations under 77-1-804(8) to misdemeanors.

2) Modify timing of deposits of State Land Trust interest and income and modify definitions section of 77-1-101: The bill would be to update MCA 20-9-342 to refer to a fiscal year instead of a calendar year for the deposit of State Land Trust interest and income revenue. The definition of state trust lands needs to be added to 77-1-101. Additionally, it is necessary to update 77-1-101 to clean up the distributable revenue definitions in section 4.

3) Modify 82-10-103 to establish interest payments for unpaid coal royalties: The bill amends Section 82-10-103, MCA, to collect interest payments on un-paid coal royalties. Currently, statutory interest under Section 82-10-103, MCA, only accrues upon un-paid oil & gas royalties. This amendment would collect statutory interest upon un-paid coal royalties.

Water Resources Division:

4) Water Marketing: This proposed legislation would provide a mechanism for existing water right owners to market their water right for future mitigation needs. When an applicant for a new appropriation needs mitigation water to off-set their adverse affects on senior water rights, they would be able to purchase or lease water from the bank for this mitigation purpose.

5) Discontinue Floodway Obstruction Removal Fund: This legislation cleans up the Flood Plain and Flood Way Management statutes. The $10 fee has never been assessed by the DNRC nor a political subdivision on the floodplain development permits. No fees have ever been transferred to a floodway obstruction removal fund. Section 76-5-206(1) Powers and duties of department relative to obstructions would be removed and Section 76-5-206(2) would be amended to change the reference from "department" to "political subdivision" in the text and section title. Section 76-5-207, authority for the Floodway Obstruction Removal Fund and the fee per Section 76-5-405(3), would be removed.

Forestry Division:

6) Slash Hazard Reduction Law - Authority to Spend Non-Compliance Bond Funds: The bill amends MCA 76-13-410 to allow revenue from forfeited Hazard Reduction Agreement performance bonds for timber slash removal to be deposited in a state special revenue fund. It provides DNRC with state special revenue fund spending authority for the completion of timber harvest clean-up activities using DNRC staff.

7) Clarification of State Wildfire Assessment Language: Amends MCA 76-13-108(3) to change the term "forest protection district" to "wildland protection district" to be consistent with language changes made by the 2007 Legislature. It also amends MCA 76-13-102(6) to add Board of Regents to the definition of owners to ensure the continued ability to collect fire protection assessments for the 22,967 acres owned by the Montana University System.

Conservation and Resource Development Division:

7) Clarification of Public Finance Law: This legislation would amend the Public Finance Law to deal with administrative problems encountered by smaller sewer and water districts and Regional Water Authorities. The amendment would allow a district's operator to serve as its general manager. The Regional Water Authority amendments would clarify the areas regional water authorities serve and establish a clear process for allowing regional water authorities to provide water service within the boundaries of other jurisdictions that provide water service.

8) Streamlining Coal Bed Methane Protection Program: The program evaluates landowners' claims for compensation due to losses sustained through coal bed methane activities. This bill streamlines the program by clarifying definitions for program's administration and by raising the compensation limit to cover losses in production and land values.

Reserved Water Rights Compact Commission:

9) Blackfeet Mitigation Account Interest payment spending authority correction: This measure provides for the annual distribution of water rights compact mitigation account interest payments to the Blackfeet Tribe pursuant to MCA 85-20-1504, authorized by the 2007 Legislature. Spending authority was inadvertently not sought last biennium and needs to be restored.

10) Blackfeet infrastructure Account: This account was created when the legislature approved the Blackfeet Water Compact in 2009. The State has committed to funding $20 million of the ultimate $90 million of construction dollars to repair and rehabilitate the Four Horns Reservoir for the benefit of Indian and non-Indian irrigators. $4 million was deposited in the fund this biennium and an additional $16 million has been committed in the next biennium. The settlement was introduced in Congress at the end of April and it is anticipated to have hearings and possible committee markup this year. Decisions will be made on the funding source later in 2010.

11) Ft. Belknap People's Creek Account: This is a cleanup measure to change the existing account from a "private purpose trust account" to a statutory appropriation per recommendation of the Department of Administration. There is now $1 million in account from HB645 in 2009 Session. Ultimately it will have $5 million for construction of a reservoir on People's Creek for the protection of state-based water users upstream from the reservation as well as providing a minimum flow on the reservation for stock watering. The $5 million was authorized by the 2009 Legislature.