It’s been a busy couple of weeks in Helena! With a transmittal deadline of April 1st, legislators have been working ‘round-the-clock to move bills out of committee and onto the floor.

Our flagship clean energy bill, SB 245 (Montana Commercial Property-Assessed Clean Energy Act), was one of those bills. In a few short days, C-PACE was passed UNANIMOUSLY out of the Senate Energy and Telecommunications Committee and moved to the Senate floor, where it passed (35-15). SB 245 is now on its way to the House Federal Relations, Energy, and Telecommunications Committee.

While this is a huge step forward in our efforts to make clean energy accessible and affordable for all Montanans, we still need your help!

Please call (406-444-4800) or email the House Federal Relations, Energy, and Telecommunications Committee to ask them to vote YES on SB 245.

C-PACE is such a common-sense tool for realizing the potential of energy efficiency, and we’re so happy that a solid majority of the Montana State Senate recognized that. We’re also pleased that it didn’t fall victim to political crossfire, in which a bill goes down for reasons unrelated to the actual content of the bill. So we’re going to celebrate crossing this initial threshold and will work hard to get it past the next hurdle.

- Ed Gulick
Chair, Northern Plains’ Clean Energy Task Force
After an unsuccessful but valiant attempt to revive COOL (HB 594) in the House Ag Committee, the bill’s sponsor—Sen. Brad Hamlett (R-Great Falls)—made one last attempt to “blast” HB 594 onto the House floor on March 27.

In order to “blast” a House bill, the motion must receive 58 “Yes” votes. Unfortunately, the motion to “blast” COOL to the floor failed 48 to 50. We thank Rep. Connie Keogh (D-Missoula) for vocalizing her support of this motion on the House floor. We also thank Sen. Hamlett for his dedication and tireless efforts along the way.

While it’s a shame that both the Montana Stockgrowers Association and Montana Farm Bureau Federation stood strong in opposition to COOL this legislative session, Northern Plains will continue fighting for consumer transparency and family agriculture through our work on country-of-origin labeling.

We are so proud of Northern Plains’ Agriculture Task Force (and the COOL Committee) for the work they did, not only to move HB 594 through the legislature, but also to revive the dialogue around COOL in Montana.

We are also grateful to ALL of our members who actively supported COOL, braved snowstorms to lobby and testify, and paid attention! Because of you, we are that much closer to restoring COOL in the future.
HJ 38: LEVEL THE PLAYING FIELD FOR RENEWABLE ENERGY
Sponsored by Rep. Daniel Zolnikov (R-Billings), this resolution—which calls for an interim study—was requested by the House Energy, Technology, and Federal Relations Committee in response to SB 93, a bill that would require decommissioning bonding for large-scale solar facilities despite the lack of similar requirements for coal-fired or natural gas power plants. This requested study (HJ 38) also relates to concerns about the decommissioning and cleanup of the Colstrip plant.

HJ 38 passed out of the House Energy, Technology, and Federal Relations Committee on March 2 and will be heard by the full House soon.

HB 22: LEVEL THE PLAYING FIELD FOR RENEWABLE ENERGY
Sponsored by Rep. Laurie Bishop (D-Livingston), this bill would extend the contract length for renewable energy projects to 25 years to make them more competitive for inclusion in Montana utilities’ energy portfolios—a necessary step to encourage the transition to clean, renewable energy.

HB 22 passed out of the House on February 25 and will be heard in the Senate Energy and Telecommunications Committee soon!

HB 219: ESTABLISH INDIGENOUS PEOPLE’S DAY
Sponsored by Sen. Shane Morigeau (D-Missoula), HB 219 removes Columbus Day as a state holiday and replaces it with Indigenous People’s Day. Establishing Indigenous People’s Day would give Montana the chance to celebrate and educate our communities about indigenous cultures and begin to heal generations of atrocities and wrongdoing against native peoples. HB 219 provides a way for Montana to recognize the importance of first nations in a small but significant way.

HB 219 passed the House with a vote of 62-35 and was heard on March 13 in the Senate State Administration Committee.

HB 267: LAY THE GROUNDWORK FOR SMART METERS AND THE SMART GRID
Sponsored by Sen. Daniel Zolnikov (R-Billings), this bill establishes the legal security framework necessary to protect consumers’ personal information if they choose to have a “smart meter” installed by a utility. Smart meters are an effective tool that allows consumers to monitor and control their energy use through smartphones or computers. They also allow utilities to track energy use and make adjustments to conserve energy. Smart meters are an essential part of the eventual creation of the “smart grid” of the future.

HB 267 passed both houses and is on its way to the Governor for his signature.

HB 292: CONTINUE FUNDING THE COAL BOARD TO HELP COAL COMMUNITIES PREPARE FOR ENERGY TRANSITION
Sponsored by Rep. Barry Usher (R-Billings), this bill would allow the coal natural resources account to continue funding monetary distributions to coal communities at 5.8% until 2023, rather than drastically decreasing it to 2.9% this year. HB 292 will allow the Coal Board to continue helping coal communities adjust to the decline of the coal industry and transition to different energy and economic opportunities.

This bill passed the House on February 14 and was heard in the Senate Taxation Committee on March 14.

HB 327: THE REAL MEAT ACT
Sponsored by Rep. Alan Redfield (R-Livingston), protein products, derived from animal cells but grown in a lab, are no longer the stuff of science fiction. Giant corporate meatpackers like Tyson and Cargill have invested tens of millions of dollars in developing techniques to mass-produce these new products and plan to mix them with meat products from live animals. This will give the packers a steady, cheap supply of product that they can use to drive down the prices they pay ranchers. HB 327 would clarify that hamburger and ground beef come from live animals and that cell-cultured meat could not be labeled as hamburger and ground beef. This bill will give consumers the
information they need while ensuring ranchers get a fair price for their product.

**UPDATE:** HB 327 passed both Houses and is on its way to the Governor for his signature

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**HB 400: HELP LOW-INCOME MONTANANS GAIN ACCESS TO FRESH PRODUCE AT FARMERS MARKETS**

Sponsored by Kimberly Dudik (D-Missoula), this bill would create a grant program aimed to increase access to locally-produced fresh fruits and vegetables at venues such as farmers markets for Montanans using the supplemental nutritional assistance program (SNAP). This would be a positive step toward ensuring our most vulnerable neighbors have access to healthy, nutritious food while supporting Montana farmers.

HB 400 should be scheduled for a hearing soon!

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**HB 431: CREATION OF A MONTANA FARMER EDUCATIONAL LOAN REPAYMENT ASSISTANCE PROGRAM**

Sponsored by Rep. Zach Brown (D-Bozeman), this bill would enact a student loan forgiveness program for Montana residents who pursue a career in farming or ranching after receiving their degree. HB 431 would revise Growth Through Agriculture laws and use interest income from coal severance tax funds to repay up to 50% of a student's loans. This bill was heard in the House Agriculture Committee on February 14.

HB 431 passed out of the House and we expect it to be scheduled for a Senate hearing soon.

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**HB 467: HELP NORTHWESTERN ENERGY PLAN FOR THE FUTURE WITHOUT PUTTING RATEPAYERS ON THE HOOK**

Sponsored by Rep. Denise Hayman (D-Bozeman), this bill would allow NorthWestern Energy (NWE) to apply to the Public Service Commission to “securitize” its remaining debt using state-issued bonds. This is similar to refinancing your mortgage. The bill would allow NWE to diversify its energy-generation portfolio and deal with its cleanup obligations at Colstrip without unfairly shifting these costs onto its captive customers (you and me). This concept has been applied to other sectors for decades. HB 467 would make this tool available if NorthWestern should choose to pursue it, and the company would only be allowed to take this route with the approval and oversight of the PSC. This bill was heard in the Senate Energy and Telecommunications Committee on March 28.

⚠ **Take Action:** Contact members of the committee and ask them to vote YES on HB 467.

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**HB 594: THE MONTANA COUNTRY-OF-ORIGIN LABELING ACT**

Sponsored by Rep. Bradley Hamlett (D-Cascade), this bill would give our ranchers and farmers a fair shake and give Montana consumers the information they want. The bill would require that placards be placed in meat counters to inform consumers about the county where the meat was born, raised, harvested, and processed. HB 594 was tabled in the House Agriculture Committee on February 26. After a failed attempt to bring this bill directly to the House floor, HB 594 remains tabled.

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**HB 597: REVAMP UTILITY GENERATION AND REGULATION**

Sponsored by Rep. Daniel Zolnikov (R-Billings). As the most robust energy legislation we are tracking this session, HB 597 makes some equally robust changes to the way the Public Service Commission (PSC) regulates utilities in our state. There are three major sections in this bill that are important to know:

1. **HB 597 requires NorthWestern Energy and Montana-Dakota Utilities to shed light on their competitive solicitation process and prove that it really is competitive. NorthWestern Energy’s solicitation process for energy resources has a reputation of being murky, and this bill seeks to clarify it.**

2. **HB 597 requires the PSC to hire an independent hearings examiner (basically a third-party judge) to make recommendations on contested cases.**
3. HB 597 requires that utilities prove how and why they choose the type of energy they do. This provides greater transparency about how they manage efficiency before energy gets to the user.

HB 597 was passed by the House and will be heard in the Senate Energy Telecommunications Committee soon.

SB 176: ESTABLISH A CERTIFIED HEMP PLAN AND PROGRAM FOR MONTANA

Sponsored by Sen. Tom Jacobson (D-Great Falls). With Montana being one of the top industrial hemp producers in the nation, this bill would help add value to this promising new crop by creating a program to certify Montana hemp and promote it in the market.

SB 176 passed the House Agriculture Committee on March 21 and will be heard on the House floor soon.

SB 177: REVISE MONTANA LAW TO ENABLE FARMERS TO TAKE ADVANTAGE OF A GROWING INDUSTRIAL HEMP MARKET

Sponsored by Sen. Tom Jacobson (D-Great Falls), this bill would revise Montana law to align with new federal rules that allow industrial hemp to be grown, processed, and marketed like other crops. SB 177 would give Montana farmers a boost in taking advantage of the quickly growing hemp industry. SB 177 passed the House Agriculture Committee on March 21 and will be heard on the House floor soon.

SB 191: ALLOW COAL COUNTIES TO CREATE COAL TRUST FUNDS TO PREPARE TRANSITION

Sponsored by Sen. Duane Ankney (R-Colstrip), this bill relates to counties with coal power plants and mines. SB 191 would allow those counties to create trust funds to be used to support local economies affected by the transition away from coal. The funds would be taken from property tax revenue generated from the counties’ coal plants and mines.

This bill passed out of the House Energy, Technology, and Federal Relations Committee on March 27 and will be heard on the House floor soon.

SB 201: PROTECT COAL MINERS’ PENSIONS WHEN COAL COMPANIES GO OUT OF BUSINESS

Sponsored by Sen. Duane Ankney (R-Colstrip), this bill would require coal mining companies to post surety bonds with the state to cover the cost of their workers’ pensions when they go bankrupt or reorganize – scenarios we’re already seeing play out in the midst of declining coal prices. SB 201 will create more security and stability for workers and their communities as they confront the energy transition. This bill was passed out of the Senate on February 27 and was heard by the House Natural Resources Committee on March 22.

SB 245: MONTANA COMMERCIAL PROPERTY-ASSESSED CLEAN ENERGY ACT (C-PACE)

Sponsored by Sen. Mary McNally (D-Billings), this bill would provide business owners and agricultural producers access to 100% upfront financing to make energy efficiency and renewable energy improvements to their properties. C-PACE allows business and ag producers to start saving money on their energy bills from day one. This bill is good for Montana businesses, creates jobs, promotes energy independence, and immediately addresses the impacts of climate change. C-PACE financing will be repaid as long-term loans (up to 20 years) through an assessment on the property.

This bill passed the Senate on March 29 and will be heard in the House Energy and Telecommunications Committee soon.

⚠ Take Action: Contact your representative and tell them to vote YES on SB 245!

SB 264: ENSURE COAL ASH REMEDIATION JOBS PAY COMPETITIVE WAGES WITH BENEFITS

Sponsored by Sen. Jason Small (R-Busby), this bill would require that all workers hired for power plant remediation work be hired at the standard prevailing wage. This will ensure that these skilled workers are compensated fairly for their skilled labor. This bill will also make certain that union workers will be competitive when hiring decisions are made for the hundreds of jobs associated with cleanup. SB 264 was heard by the House Business and Labor Committee on March 25 and will be heard by the full House soon.
SJ 4: URGE CONGRESS TO REAUTHORIZE THE ABANDONED MINE LANDS (AML) FUND IN THE SURFACE MINE CONTROL RECLAMATION ACT

Sponsored by Sen. Jon Sesso (D-Butte). With the help of Northern Plains, SMCRA was passed into law in 1977 to require reclamation (cleanup) of strip mines. The law also created a new program, paid for by a fee on active coal mines, to reclaim mines that were abandoned before 1977. In western states like Montana, this program is used to reclaim both hard rock and coal mines. The AML fund has provided millions of dollars to clean up historic mining sites including the McLaren Tailings in Cooke City on the edge of Yellowstone National Park. For decades, McLaren Tailings created a “dead zone” in Soda Butte Creek, a tributary of the Lamar River. The AML fund is set to expire in 2020 unless it is reauthorized by Congress. SJ 4 urges its reauthorization so we can continue to clean up Montana and America’s legacy of mining pollution.

SJ 4 passed out of the Senate on February 12 and was heard in the House Natural Resources Committee on March 18.
BILL POSITIONS

BILLS WE OPPOSE

HJ 4: ENCOURAGE MORE COAL EXPORT

Sponsored by Rep. Joe Read (R-Ronan), this joint resolution would send a message from the legislature to Washington, D.C. that Montana wants the federal government to intervene and force Washington state to allow the Millennium coal terminal to be built to increase the export of Montana coal to Asia. The resolution is a meaningless gesture encouraging the federal government to meddle in state affairs. This resolution was heard in the House Natural Resources committee on January 30. The bill passed out of the House and was heard in the Senate Natural Resources Committee on February 20. HJ 4 passed out of the Senate on March 12 and has been sent to Enrolling.

UPDATE: HJ4 passed out of Senate on March 12 and has been signed by the Speaker of the House and filed with the Secretary of State.

HB 144: KILL TAX CREDITS FOR ENERGY CONSERVATION AND SO MUCH MORE!

Sponsored by Rep. Alan Redfield (R-Livingston). In the name of raising revenue for state coffers, this bill would end tax credits that Montanans use to make energy conservation investments in their homes, as well as more than two dozen other tax credits. In addition to energy conservation, HB 144 would axe tax credits for landowners who allow access to landlocked public lands, biodiesel production, investments in historic preservation, for employers who invest in daycare facilities, and for employers who provide disability insurance to employees. HB 144 leaves other tax credits alone, including those involving capital gains and donations to churches and other tax-exempt groups. This bill was heard in the House Taxation Committee on Thursday, January 24.

⚠️ Take Action: HB 144 passed the House on March 28. Contact your senator and tell them to vote NO on HB 144!

HB 487: UNDERMINE MONTANA’S RENEWABLE PORTFOLIO STANDARD

Sponsored by Rep. Derek Skees (R-Somers), this bill attempts to undercut the Montana’s Renewable Portfolio Standard (RPS) by allowing existing hydro-electric dams to be included in the list of new renewable energy projects. (Last time we checked, 100-year-old dams should not count as new renewable energy projects.) Allowing existing hydro-electric dams to be eligible for the RPS and the Community Renewable Energy Project (CREP) standard defeats the purpose of the current law, which exists to encourage rural economic development through renewable energy projects.

HB 625: THROW THE BABY OUT WITH THE BATH WATER (QUALITY STANDARDS) FOR THE BENEFIT OF INDUSTRY

Sponsored by Rep. Bill Mercer (R-Billings), would eliminate numeric standards for nitrogen and phosphorus from Montana water quality laws, threatening the health of Montana’s rivers, lakes, and streams. Polluting industries can currently receive general variances from the Montana Department of Environmental Quality (DEQ) that allow them to continue doing business even if they don’t meet current water quality standards. The variances allow them to incrementally come into compliance with water standards over time. However, industry fears that federal courts may soon rule that these general variances for private industry are a violation of the Clean Water Act. Rather than waiting for the court decision and then working with the DEQ to obtain individual variances that would allow them to continue doing business while incrementally improving their discharges, industry wants to just scrap the standards. Without numeric standards for water quality laws, the state would be left with “narrative standards” which can be subject to interpretation and difficult to enforce.

The bottom line is that polluters would rather try to flex their muscle with the DEQ, continuing to pollute, as opposed to working with the department to reduce their discharges.

HB 625 passed out of the House on a near party-line vote on March 1. We expect HB 625 to be heard by the Senate Natural Resources Committee soon.
SB 48: OPPOSE UNLESS RULE-MAKING IS CONDUCTED BY THE BOARD OF ENVIRONMENTAL REVIEW

Sponsored by Sen. Tom Richmond (R-Billings) and proposed by the Montana Department of Environmental Quality (DEQ), this bill is intended to allow the department to grant variances from water quality standards to municipal wastewater treatment facilities that are having trouble meeting water quality standards. The aim is to give the DEQ and the treatment facilities time and space to improve and meet the standards. While the intent is well-intentioned, writing the law in a way that keeps wastewater treatment facilities and other polluters (and the DEQ) accountable for protecting our streams and rivers demands precise language and objectives.

We adamantly opposed the first version of this bill but have been working with DEQ to amend it so they will have the tools they need to bring polluters into compliance and protect our water quality. Unfortunately, the bill was amended in committee, at the request of industry, to shift rule-making from the Board of Environmental Review to the Department of Environmental Quality, decreasing transparency and the consideration of stakeholder concerns.

SB 48 was heard in the House Natural Resources Committee on March 18.

SB 93: IMPOSE EXCESSIVE DECOMMISSIONING AND BONDING REQUIREMENTS ON LARGE-SCALE SOLAR

Sponsored by Sen. Tom Richmond (R-Billings), this bill would create decommissioning requirements (including bonding) for large solar projects, similar to what exists for wind. In theory, this is a good idea—it would provide the surety to protect taxpayers and landowners from having to clean up solar developments when they reach the end of their lives. As written, however, SB 93 doesn’t take into account that solar companies often already engage in this sort of bonding with landowners on whose land these projects are developed. More important, it doesn’t require the same decommissioning requirements for other forms of energy production like natural gas and coal. Consistent bonding policy is desperately needed and this bill puts renewables at a competitive disadvantage compared to other forms of generation.

SB 93 passed out of the Senate on February 26 and was heard in the House Energy, Technology and Federal Relations Committee on March 18.

⚠ Take Action: Contact your Representative and tell them to vote NO on SB 93!

SB 199: TIE THE PUBLIC SERVICE COMMISSION’S HANDS TO PROTECT RATEPAYERS FROM NORTHWESTERN’S BAD INVESTMENTS

Sponsored by Sen. Tom Richmond (R-Billings), this bill would restrict the Public Service Commission’s (PSC) ability to protect utility customers (you and me). This bill will take away the PSC’s ability to shorten the economic life or contract length of a utility’s electricity generation facility to earlier than its depreciation date. This means that utilities can make bad long-term investments in energy sources expected to be less competitive in the future while forcing ratepayers to foot the bill. SB 199 applies to existing and future power plants.

The bill would force ratepayers to pay off a utility’s investment debt after a power plant is taken offline. This is unfair. For example, if NorthWestern bought a gas-fired power plant for $185 million on Monday and found that it was uneconomical on Tuesday, it could close the plant and charge ratepayers for that $185 million for decades.

Utilities like NorthWestern Energy are monopolies and their customers are captive. The PSC is there to protect consumers from being held accountable for a utility’s bad financial decisions.

SB 199 passed out of the Senate on February 25 and was heard in the House Energy, Technology and Federal Relations Committee on March 15.
BILLS WE OPPOSE (Cont’d)

SB 328: GIVE NEW COAL STRIP MINES A MASSIVE TAX BREAK

Sponsored by Sen. Tom Richmond (R-Billings), this bill would allow counties to give a 50% tax abatement to new or expanded coal strip mines for their first ten years of operation. This could encourage bullying of counties by coal companies that could starve coal counties of precious revenue for education and infrastructure and undermine their abilities to prepare for future instability in the coal market.

SB 328 passed the Senate on March 29.

SB 329: EXTEND THE OTTER CREEK COAL TRACT LEASES FOR ANOTHER 10 YEARS

Sponsored by Sen. Tom Richmond (R-Billings), this bill would allow the Land Board to extend state coal leases, including those at Otter Creek, for an additional ten years if the Land Board finds lease extension in the best interest of the state. Coal companies already have ten years to develop their leases. Speculative coal ventures should not be allowed to cast uncertainty and fear indefinitely over the landowners that would be affected by a new mine or the associated infrastructure. Landowners near the Otter Creek tracts and in the Tongue River Valley lived under the constant threat of a new mine and the Tongue River Railroad for decades. Given that Arch Coal is in bankruptcy, the company’s leases should be allowed to expire so landowners can get on with their lives.

SB 329 passed the Senate on March 28.

⚠ Take Action: Contact members of the House and tell them to vote NO on SB 329!

SB 331: $75 MILLION RATEPAYER GIVEAWAY TO NORTHWESTERN

Sponsored by Sen. Tom Richmond (R-Billings), This bill would guarantee that NorthWestern Energy (NWE) can pass on up to $75 million in Colstrip-related costs to rate-payers for ten years without Public Service Commission oversight if NWE buys more of the Colstrip Power Plant. The Public Service Commission was created to protect captive energy customers from a monopoly utility like NorthWestern jacking up our bills. The legislature should let the Public Service Commission do its job, not prevent the use of an evidence-based process in determining power bills.

SB 331 passed the Senate floor on March 27 with a 32-18 vote and will be heard by the House Energy, Technology and Federal Relations Committee soon.

⚠ Take Action: Contact members of the House Energy, Technology and Federal Relations Committee and tell them to vote NO on SB 331!
RAPID RUNDOWN:

- **SB 245**: C-PACE passed the Senate and is on its way to the House!
- **HB 594**: COOL remains tabled after unsuccessful efforts to move it straight to the floor of the House. Despite a loss this legislative session, our work on country-of-origin labeling is far from over!
- **SB 331**: Unfortunately, this $75 million ratepayer giveaway to NorthWestern Energy passed the Senate and is on its way to the House (see pg. 9 inside for more details).
- **SB 329**: This terrible bill extending Otter Creek coal tract leases passed the Senate and is on its way to the House (see pg. 9 inside for more details).

CONTACT YOUR LEGISLATORS

**EMAIL**: Go to [https://leg.mt.gov](https://leg.mt.gov) and click “Message a Legislator” on the right side of the page.

**PHONE**: Call (406) 444-4800 and leave a message for up to five legislators or for an entire committee.

**STAY INFORMED**: For the most up-to-date information, visit our website: [https://www.northernplains.org](https://www.northernplains.org) and click on the Legislature bubble.