Coal over community

House committee favors coal speculators over landowners

Last Monday, members of the House Natural Resources Committee heard SB 329, and we were there to testify against it. This bill—another attempt to prop up the coal industry—would allow the Land Board to extend state coal leases, including Arch Coal’s lease at Otter Creek, from the current ten years to 20 years.

Landowners near the Otter Creek tracts and in the Tongue River Valley have lived under the threat of a new mine and the Tongue River Railroad for too long—decades, in fact. Speculative coal ventures should not be allowed to cast uncertainty and fear indefinitely over the landowners who would be most affected by new developments. Given that Arch Coal is in bankruptcy, the company’s leases should be allowed to expire in 2022 so landowners can get on with their lives.

We are asking people to contact Gov. Bullock to VETO SB 329 when it lands on his desk.

C-PACE defeated on a tie

C-PACE (SB 245) was tabled in the House Taxation Committee on Thursday with a gut-wrenching 9-9 vote after passing the Senate Energy Committee with a UNANIMOUS vote and getting broad support in the full Senate. We were unable to secure the 58 votes necessary to “blast” it out of committee on Friday.

Thank you to all who joined us in this valiant effort!

Medicaid held hostage for green light on SB 331

The drama escalates with SB 331, NorthWestern Energy’s bill to shift financial risk to ratepayers without oversight by the Public Service Commission.

The bill’s sponsor, Sen. Tom Richmond (R- Billings), is also a co-sponsor of the bill to renew Medicaid expansion (along with a few other Republicans). But Richmond and Sen. Duane Ankney withheld support from that bill unless SB 331 is passed.

SB 331, you may remember, was crafted to funnel $75 million from Montana ratepayers to NorthWestern without Public Service Commission oversight. That’s the ransom they are demanding to approve Medicaid expansion.
FREQUENTLY ASKED QUESTIONS

Q: You keep asking me to call on the same bill! Why?
A: That’s a great question! Calling multiple times on the same bill is incredibly important. Each bill gets voted on at least six times—through various committees and chambers of the legislature—before it heads to the governor’s desk. That means there are multiple points of decision on any given bill. It also means legislators know we are paying attention!

Q: Why are you asking me to call my House representative for a Senate bill, and my senator for a House bill?
A: In the Montana State Legislature, bills keep their original number when moving from the House to Senate, and vice versa. Now that we are past transmittal, this will nearly always be the case!

Q: When will the 2019 legislature wrap up?
A: The legislature goes for 90 days unless leadership decides to make it shorter or longer. May 1st is the 90th day of the 2019 Montana Legislative Session, so that’s our current assumption.

Q: Why do some legislators seem to lack a moral compass?
A: Ugh, your guess is as good as ours! But we know that the only way to hold them accountable is to stay engaged. We can’t check out of democracy if we want it to function the way it should. Stay tuned for our Legislative Scorecard, which we’ll publish at the end of May!

BILL POSITIONS

BILLS WE SUPPORT

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 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.
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.

BILLS WE OPPOSE

⚠ Take Action:
Please contact Gov. Bullock and ask him to VETO the following bills:

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.

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 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 most affected. 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 in 2022 so landowners can get on with their lives.

SB 331: $75 MILLION RATEPAYER GIVEAWAY TO NORTHWESTERN

Sponsored by Sen. Tom Richmond (R-Billings), this bill was written to 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.
Democracy is a beautiful thing! Without it, we wouldn’t have the freedom to speak out and challenge elected officials about important issues. But democracy doesn’t work without some complex—and often confusing—processes along the way.

To make things a little clearer, this week’s legislative bulletin includes answers to frequently asked questions that have come up during the 2019 legislative session. See page 2.