SOCIOECONOMICS APPENDIX

Attitudes, Beliefs, Lifestyles, and Values

Population Groups

General information about population groups was developed from a number of sources, including the documents cited in the text. While the generalized characterizations are not likely to apply to all individuals, the intention is to provide an idea of the range of the attitudes and lifestyles of the population subgroups present in the study area.

The study area population is largely rural, with strong ties to the land and to the many small towns. Ranch and farm families are one of the major groups of people living in the study area. They tend to favor traditional land uses and the preservation of intergenerational family operations. They may feel reluctance toward short-term developments that will alter their lifestyle. The study area population also includes long-time small town residents. While these people generally wish to maintain their way of life, at the same time, some may seek to find a compromise between their current situation and gradual development.

Another portion of the population in the study area is Native Americans, many of whom are residents of the three Indian reservations within the study area. These groups generally desire to preserve many elements of their heritage and do not wish to become homogenized into and by the non-Indian culture. At the same time, some tribal members or subgroups are pursuing the development of energy resources for the long-term social and economic betterment of tribal members.

A small but growing population is made up of professionals, craftspeople, retirees, and others who have moved to small towns to enjoy the slower pace of life and various amenities. While the forested areas of western Montana tend to attract more of this group than eastern Montana, these people are present in the study area as well. They may participate in opposition to development proposals that appear to jeopardize the quality of their new lifestyles.

Areas where energy resources are developed often see the influx of people from other areas. Many of these people regard their employment as temporary, expect to move on to other areas, and do not play an integral part in community affairs. Long-term local residents often resent these “outsiders” while at the same time realizing some economic benefits from the business and service demands of these newcomers.

In summary, residents generally value the rural character of their lifestyle. Specific aspects of this lifestyle might include appreciation of wide-open spaces, natural landscape, fresh air and solitude. The lifestyle of rural communities often offers the desirable qualities of neighbors knowing each other, lack of urban problems, relaxed pace, personal freedom, and being a good place to raise children. Longtime residents often want to see continued control of the land at the local level without interference from outside agencies or groups.

Public Comments from EIS Scoping Process (2001)

The public comments received during the EIS scoping process convey important information about general attitudes toward coal bed methane (CBM) and other energy or mineral development. The vast majority of public comments received during scoping relayed concerns about potential impacts on water quality and quantity. Specifically, commentators were concerned with the discharge of water of poor quality (e.g., saline) and the drawdown of groundwater aquifers.

Public comments are often shaped by an individual’s lifestyle and livelihood. For example, ranching and irrigated agriculture are both dependent on the supply of water. Of the comments received by individuals engaged in farming and ranching, a great many related to concerns about potential degradation of water quality and quantity, in addition to general environmental impacts. The comments reflect a tension between the desire for new development to support the often stagnant rural economies and the concern that such development could harm the environment and the lifestyle qualities for which Montana is known, including natural beauty, wide-open spaces, and solitude.

In general the comments reflect a difference in attitudes toward CBM development among those individuals and organizations that might profit directly from CBM and those that would not. Those who own land or mineral rights where CBM could be developed tend to favor cautious and prudent development for the economic benefits it could bring

to them and the local economies. Some who do not stand to benefit directly also favor responsible CBM development as soon as possible, believing the economic benefits are needed urgently to bolster stagnant or failing local economies and in turn help maintain existing rural lifestyles. Particularly in the less affluent portions of the study area, CBM and other resource development may be seen as one of the few means to meet urgent human needs in the form of employment and income.

Other individuals, including those who do not stand to benefit directly from CBM, are concerned that the quality of their life and the environment will be adversely affected; that local benefits will be minor; and that most of the benefits will accrue to outsiders. There is a perception that such outside developers, or "wildcatters," will move into a community, extract the profits, and leave a despoiled environment behind. Rural residents, including those in small developments or neighborhoods, are generally concerned about the potential for CBM development in adjacent areas to disturb the peaceful and pristine setting, to contribute unsightly development, to disturb wildlife, and to threaten the provision of adequate public services.

There is also a perception from some comments that CBM will adversely affect the lifestyles of the Native Americans living in and around the 16-county study area—particularly those on the reservations. Concerns reflect the traditional high value placed on natural resources by these groups, the importance of existing water and other natural resources in tribal economies and cultures, and the opinion that tribal members will be unduly burdened with the costs of development while not receiving many or any benefits.

Newspaper Reports

One of the largest newspapers in the study area, the *Billings Gazette*, was reviewed for information about local attitudes and concerns related to the socioeconomics of CBM. During the week of February 19, 2001, the *Billings Gazette* presented an in-depth report on CBM development in Wyoming and Montana. While the series was running, readers were invited to register their opinions about the positive and negative aspects of CBM in the Powder River Basin. Because this was not a scientific or statistical survey, the responses are likely to be biased toward those who had a concern or issue to communicate.

Of the 154 responses received, 94 agreed with the statement, "Coal bed methane development will be detrimental to Montana's environment and shouldn't be developed here." Thirty-seven respondents agreed with the statement, "Coal bed methane should be developed in Montana with regulation to reduce negative affects on water and other land uses," and 23 selected the statement, "Coal bed methane will bring jobs and money to Montana and should be developed as soon as possible." (*Billings Gazette* 2001.) Thus, roughly one-third of the respondents supported CBM development and two-thirds did not. A number of other written comments were published, which generally reflect the diversity of opinions described previously in the public comments section.

Attitudes Toward Public Lands

Attitudes about general social conditions and about U.S. Bureau of Land Management's (BLM's) management of public lands in eastern Montana were gathered by Trent (1991) in interviews with about 100 residents. The results are summarized here from the discussion in the *Big Dry RMP/EIS* (BLM 1995). The residents indicated the most important aspects of their area and community were the outdoors and wide open spaces, good people, a small town atmosphere, keeping the community alive, the ability to earn a living, enjoying outdoor recreation, and, finally, that the area is a good place to raise children.

In relation to use and management of public lands, many of the respondents stated the importance of multiple uses and support for resource protection while allowing a variety of activities on public lands. Vegetation and soils were identified as the resources most important to protect, with livestock grazing and hunting the most favored activities. Recreation was slightly less favored and oil/gas, coal, and other mineral development were less favored than recreation. Concern about local economic conditions was predominant among the respondents. Respondents were concerned about the livestock industry, citing it as the most threatened activity on public lands. The respondents also were concerned with resource protection and preserving special resource values such as wildlife habitat, riparian areas, and wetlands.

Another summary of attitudes toward public lands and resource management is provided in the *Off-Highway Vehicle Final EIS* (U.S. Department of the Interior [USDI] 2001). The document states that social values for lands and natural resources take many forms, such as commodity, amenity, environmental quality, ecology, public use, spiritual, health, and security. In the past, natural resource management tended to emphasize commodity values.

An emerging emphasis is a shift from commodities and services to environments and habitats. At the same time, in places where land use has been unrestricted, there is increasing concern by some that new regulations and uses are driving out traditional uses such as livestock grazing and off-highway vehicle use.

Oil and Gas Development

Other past data on attitudes toward oil and gas development is contained in the report "Natural Resource Development in Montana" (Wallwork and Johnson 1986). The discussion here is summarized from the *Final Oil and Gas RMP/EIS Amendment for Billings, Powder River and South Dakota* (1992). The original study consisted of interviews with 624 Montana adults. Nearly two-thirds of the respondents indicated natural resource development, in general, to be essential to the State's future economic health. The primary benefits were construed to be jobs and income, help the state and local economy, tax revenues, and the provision of needed products. Respondents indicated the primary costs or disadvantages associated with natural resource development would be environmental impacts, pollution, poor reclamation, population growth, and boom-and-bust economic cycles. About three-fifths of the respondents saw little or no conflict between natural resource development and outdoor recreation, while one-fourth felt that the two activities did conflict.

Most respondents in the 1986 interviews felt the following activities should be allowed on government lands: timber cutting (85 percent approval); oil and gas extraction (83 percent); coal mining (78 percent); and hardrock mining (79 percent). Some respondents felt the following activities should be prohibited on government lands: timber cutting (11 percent disapproval); oil and gas extraction (12 percent); coal mining (17 percent); and hard rock mining (15 percent). In response to specific questions about oil and gas leasing and development, about half the respondents felt oil and gas development to be essential to Montana's future economic health, with a higher percentage of respondents in eastern Montana feeling this way. Another third of the respondents indicated oil and gas development to be fairly essential. Responses to the pace of development were evenly split, with nearly 40 percent responding that it was just right and 40 percent feeling it was too slow. Nearly 75 percent of the respondents said they had a favorable impression of the industry. About two-fifths of the eastern Montana respondents rated the industry excellent or pretty good in its behavior as a responsible citizen of the state. Another two-fifths of these respondents rated the industry as only fair or poor in its behavior as a responsible state citizen.

Northern Cheyenne and Crow Tribes

Attitudes toward coal development among the members of the Northern Cheyenne and Crow tribes are described in the Economic, Social and Cultural Supplement to the *Powder River I Regional Draft EIS* (BLM 1989). While there may be differences in attitudes between coal development and natural gas (CBM), there are also likely to be similarities.

Northern Cheyenne attitudes toward coal development are complex. In general, tribal members have shown a determination to maximize the potential benefits of coal development (such as training and employment opportunities and possible revenue sources) and to minimize the potential adverse effects (such as air quality degradation and increased demand on tribal facilities and services). In spite of the conflict it causes with traditional values and attitudes toward land and resources, many tribal members felt that if mining is going to occur in the area anyway, then the tribe and its members should try to reap some of its benefits as well as bear some of its costs. However, other Northern Cheyenne, particularly some of the more traditional elders, were firmly against energy development because of its disruption to the land and environment. They recognized that there is a need for jobs on the reservation but felt that other jobs that were less disruptive to the land and traditional values must be found.

The attitudes of individual Northern Cheyenne members toward coal development off the reservation reflected their perceptions about whether, and to what extent, they or their friends and family were benefiting from it. Those who were benefiting from coal-related employment or who aspired to do so seemed to be in favor of this development. Those who had been refused coal-related jobs or were not interested in them felt less positive about regional coal development. Many cited both positive effects (mostly jobs) and negative effects (environmental pollution, increased traffic, and drug and alcohol problems) that they believed were associated with the coal mines and power plants that had been constructed since 1970.

For residents of the Crow Reservation, a high level of concern was found regarding the impact that off-reservation coal development could have on the

reservation. Three major concerns emerged regarding off-reservation coal development: 1) that it would compete with the marketing and development of on-reservation coal; 2) that reservation services and infrastructure would be affected and experience fiscal shortfalls; and 3) that regional coal development could have an impact on Crow culture and individual behavior such as alcohol and drug abuse. Specific cultural concerns included potential loss or dilution of culture values such as sharing and the importance of family as a result of the exposure to non-Native American values.

Many people on the Crow Reservation, including tribal officials, expressed the concern that federal coal would compete directly with tribal-owned coal. If federal coal is leased, then tribal-owned coal is less likely to be leased. Tribal coal leasing was seen by some members as a way for the tribe to raise money to save its land base and to enhance the tribe's ability to govern itself. If the tribe can generate its own revenues, it can determine how that money is spent and will no longer have to depend on the federal government to address problems.

Government Revenue Sources

Total county revenues for fiscal year 1999 are presented in Table SEA-1. The table shows that the total revenues collected in the 16 study-area counties accounted for 26.7 percent of the revenues collected by all of the counties in the State. By comparison, the study area population was 31.8 percent of the state total in 2000.

Taxes

Total taxes collected by counties are shown in Table SEA-2. With some exceptions, taxes account for a large share—often about one half—of total county revenue. Counties that are less reliant on tax revenues have other miscellaneous income or intergovernmental income, generally related to natural resources rents or royalties.

Property Taxes and Assessed Value

Property taxes are levied by counties on real property and on any specified facilities and/or improvements to that real property.

The assessed value, taxable value, and total property taxes collected for the state and each study area county are presented in Table SEA-2. The average mill levy rate for each county is also shown. Property taxes collected in the 16 study-area counties totaled more than $15 million, which is 31.9 percent of the state total. The percentage of property taxes collected in the study area is consistent with the study area population, which was similarly 31.8 percent of the state total in 2000. The taxes collected in the counties vary widely in accordance with the assessed values, taxable values, and tax rates and mill levies in each county.

Natural Resource Taxes

Natural resource taxes were a relatively small component of total tax revenues, at $100 million or 6.5 percent. Natural resource taxes include taxes on coal, oil, natural gas, and metals mining. Table SEA-3 shows the State natural gas tax revenues for 1999 and 2000. Total revenues were $11,205,901 in 2000—an increase of 8.1 percent from the previous year.

As shown in Table SEA-1, county revenues from oil and natural gas production taxes and the percent of these revenues compared to total county revenues varied greatly among the 16 study-area counties. For a number of the counties, the income was minimal or zero. The exceptions include Blaine County ($626,111 or 15.7 percent of county revenue), Carbon County ($178,443 or 4.1 percent) and Musselshell County ($256,627 or 7.1 percent).

TABLE SEA-1
TOTAL COUNTY REVENUES BY SOURCE, FISCAL YEAR 1999[1]

	Revenue Source	Amount	% of County Total
Big Horn County	Taxes	$4,481,631	44.6%
	Licenses and Permits	$114,511	1.1%
	Intergovernmental	$1,235,480	12.3%
	Oil and Gas Production Tax (LGST) **(Included in Intergovernmental above)**	$5,280	0.1%
	Charges for Services	$1,364,573	13.6%
	Fines and Forfeitures	$115,996	1.2%
	Miscellaneous Revenue	$2,090,577	20.8%
	Investment Earnings	$643,663	6.4%
	Total:	$10,046,431	100.0%

TABLE SEA-1
TOTAL COUNTY REVENUES BY SOURCE, FISCAL YEAR 1999[1]

	Revenue Source	Amount	% of County Total
Blaine County	Taxes	$1,856,603	46.7%
	Licenses and Permits	$95,030	2.4%
	Intergovernmental	$1,482,422	37.3%
	Oil and Gas Production Tax (LGST) **(Included in Intergovernmental above)**	$626,111	15.7%
	Charges for Services	$195,137	4.9%
	Fines and Forfeitures	$38,474	1.0%
	Miscellaneous Revenue	$165,916	4.2%
	Investment Earnings	$144,133	3.6%
	Total:	$3,977,715	100.0%
Carbon County	Taxes	$2,243,839	51.8%
	Licenses and Permits	$158,176	3.7%
	Intergovernmental	$1,441,197	33.3%
	Oil and Gas Production Tax (LGST) **(Included in Intergovernmental above)**	$178,443	4.1%
	Charges for Services	$196,394	4.5%
	Fines and Forfeitures	$62,692	1.4%
	Miscellaneous Revenue	$62,203	1.4%
	Investment Earnings	$164,215	3.8%
	Total:	$4,328,716	100.0%
Carter County	Taxes	$1,026,167	53.9%
	Licenses and Permits	$20,765	1.1%
	Intergovernmental	$267,473	14.1%
	Charges for Services	$100,220	5.3%
	Fines and Forfeitures	$6,569	0.3%
	Miscellaneous Revenue	$399,562	21.0%
	Investment Earnings	$82,130	4.3%
	Total:	$1,902,886	100.0%

TABLE SEA-1
TOTAL COUNTY REVENUES BY SOURCE, FISCAL YEAR 1999[1]

	Revenue Source	Amount	% of County Total
Custer County	Taxes	$2,327,867	49.8%
	Licenses and Permits	$110,737	2.4%
	Intergovernmental	$1,042,529	22.3%
	Oil and Gas Production Tax (LGST) **(Included in Intergovernmental above)**	$41,434	0.9%
	Charges for Services	$484,733	10.4%
	Fines and Forfeitures	$68,931	1.5%
	Miscellaneous Revenue	$471,159	10.1%
	Investment Earnings	$163,813	3.5%
	Total:	$4,669,769	100.0%
Gallatin County	Taxes	$9,853,528	44.8%
	Licenses and Permits	$797,126	3.6%
	Intergovernmental	$3,661,062	16.6%
	Charges for Services	$6,072,812	27.6%
	Fines and Forfeitures	$458,497	2.1%
	Miscellaneous Revenue	558,876	2.5%
	Investment Earnings	608,291	2.8%
	Total:	22,010,192	100.0%
Golden Valley County	Taxes	387,137	57.0%
	Licenses and Permits	13,242	1.9%
	Intergovernmental	174,519	25.7%
	Oil and Gas Production Tax (LGST) **(Included in Intergovernmental above)**	6,415	0.9%
	Charges for Services	22,560	3.3%
	Fines and Forfeitures	13,219	1.9%
	Miscellaneous Revenue	4,967	0.7%
	Investment Earnings	63,575	9.4%
	Total:	679,219	100.0%

TABLE SEA-1
TOTAL COUNTY REVENUES BY SOURCE, FISCAL YEAR 1999[1]

	Revenue Source	Amount	% of County Total
Musselshell County	Taxes	1,084,288	30.1%
	Licenses and Permits	73,915	2.0%
	Intergovernmental	739,530	20.5%
	Oil and Gas Production Tax (LGST) **(Included in Intergovernmental above)**	256,627	7.1%
	Charges for Services	256,627	7.1%
	Fines and Forfeitures	35,272	1.0%
	Miscellaneous Revenue	1,287,222	35.7%
	Investment Earnings	130,944	3.6%
	Total:	3,607,798	100.0%
Park County	Taxes	3,051,367	47.3%
	Licenses and Permits	202,702	3.1%
	Intergovernmental	1,352,106	21.0%
	Charges for Services	1,257,900	19.5%
	Fines and Forfeitures	229,957	3.6%
	Miscellaneous Revenue	109,530	1.7%
	Investment Earnings	241,766	3.8%
	Total:	6,445,328	100.0%
Powder River County	Taxes	1,193,285	37.7%
	Licenses and Permits	44,235	1.4%
	Intergovernmental	586,548	18.5%
	Oil and Gas Production Tax (LGST) **(Included in Intergovernmental above)**	89,261	2.8%
	Charges for Services	1,177,971	37.2%
	Fines and Forfeitures	29,218	0.9%
	Miscellaneous Revenue	50,028	1.6%
	Investment Earnings	86,243	2.7%
	Total:	3,167,528	100.0%

TABLE SEA-1
TOTAL COUNTY REVENUES BY SOURCE, FISCAL YEAR 1999[1]

	Revenue Source	Amount	% of County Total
Rosebud County	Taxes	3,736,882	50.7%
	Licenses and Permits	96,804	1.3%
	Intergovernmental	1,627,917	22.1%
	Oil and Gas Production Tax (LGST) **(Included in Intergovernmental above)**	14,024	0.2%
	Charges for Services	642,491	8.7%
	Fines and Forfeitures	86,111	1.2%
	Miscellaneous Revenue	824,751	11.2%
	Investment Earnings	349,646	4.7%
	Total:	7,364,602	100.0%
Stillwater County	Taxes	2,302,415	8.3%
	Licenses and Permits	338,758	1.2%
	Intergovernmental	24,113,855	86.8%
	Oil and Gas Production Tax (LGST) **(Included in Intergovernmental above)**	11,326	0.0%
	Charges for Services	256,559	0.9%
	Fines and Forfeitures	101,596	0.4%
	Miscellaneous Revenue	445,202	1.6%
	Investment Earnings	215,360	0.8%
	Total:	27,773,745	100.0%
Sweet Grass County	No report received		
Treasure County	Taxes	422,269	60.4%
	Licenses and Permits	16,076	2.3%
	Intergovernmental	124,734	17.8%
	Charges for Services	46,933	6.7%
	Fines and Forfeitures	47,409	6.8%
	Miscellaneous Revenue	16,561	2.4%
	Investment Earnings	25,710	3.7%
	Total:	699,692	100.0%

TABLE SEA-1
TOTAL COUNTY REVENUES BY SOURCE, FISCAL YEAR 1999[1]

	Revenue Source	Amount	% of County Total
Wheatland County	Taxes	20,477	0.84%
	Licenses and Permits	240,304	9.9%
	Intergovernmental	132,438	5.4%
	Charges for Services	25,717	1.06%
	Fines and Forfeitures	416,588	17.2%
	Miscellaneous Revenue	22,246	0.92%
	Investment Earnings	1,557,462	64.5%
	Total:	2,415,232	100.0%
Yellowstone County	Taxes	16,996,908	44.1%
	Licenses and Permits	2,732,460	7.1%
	Intergovernmental	7,946,773	20.6%
	Oil and Gas Production Tax (LGST) **(Included in Intergovernmental above)**	5,155	0.0%
	Charges for Services	8,757,415	22.7%
	Fines and Forfeitures	676,103	1.8%
	Miscellaneous Revenue	240,406	0.6%
	Investment Earnings	1,232,920	3.2%
	Total:	38,582,985	100.0%
Study Area Total (2)		**152,253,514**	
% of State Total		**6.7%**	
Montana State Total		**569,806112**	

Source: Montana Department of Commerce, Billings.
[1]Based on unaudited data reported by Counties.
[2]Does not include Sweet Grass County (no data available).

TABLE SEA-2
ASSESSED VALUES AND PROPERTY TAX COLLECTIONS BY COUNTY (2000)

	2000 Assessed Value	2000 Taxable Value	Total Property Taxes and fees Collected	Average Mill Levy
Big Horn County	$565,023,700	$21,354,436	$6,952,144	293.77
Blaine County	$284,898,249	$12,079,607	$5,685,958	362.11
Carbon County	$521,678,159	$23,754,742	$9,288,300	349.51
Carter County	$120,132,817	$6,808,649	$2,382,143	329.01
Custer County	$371,459,345	$14,389,152	$8,806,856	460.53
Gallatin County	$3,133,267,036	$118,555,127	$52,607,233	361.25
Golden Valley County	$98,470,244	$5,687,402	$1,784,283	305.79
Musselshell County	$179,355,501	$6,881,914	$3,173,428	393.23
Park County	$735,065,531	$28,466,784	$12,442,895	339.82
Powder River County	$125,672,599	$4,415,991	$2,227,445	463.94
Rosebud County	$1,957,565,773	$100,635,100	$20,804,541	173.34
Stillwater County	$697,014,674	$28,705,444	$10,708,053	319.89
Sweet Grass County	$247,083,525	$9,532,599	$3,677,085	354.74
Treasure County	$86,217,475	$4,306,117	$1,646,795	329.73
Wheatland County	$162,260,802	$10,468,500	$3,263,418	297.22
Yellowstone County	$5,245,460,701	$204,127,734	$107,952,414	378.48
Study Area Total	**$14,530,626,131**	**$600,169,298**	**$253,402,991**	**--**
% of State Total	**no data**	**35.7%**	**31.9%**	**--**
Montana	**no data**	**$1,679,739,857**	**$794,598,177**	**--**

Source: Montana Department of Revenue.

TABLE SEA-3

MONTANA NATURAL GAS PRODUCTION TAX REVENUES (1999 AND 2000)

	1999	2000	% Change 1999-2000
Natural Gas Tax Revenues	$10,367,718	$11,205,901	8.1%

Source: Montana Department of Revenue