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THE BLACK BOOK

Bob Raney

When I first arrived in Helena in early January 1985 to begin my first term as State Representative from Livingston, I was confronted with that giant masterpiece painting by Charlie Russell of Lewis and Clark meeting the Flatheads in Ross' Hole. That grand historic mural graced the wall right in front of me. I was seated in the front row, seat number 7, next to Francis Bardanouve, the Dean of the House, who sat on the aisle. I had gone from a railroad caboose to the great chamber of the Montana House of Representatives.

I quickly learned what an honor had been bestowed upon me by Francis. Each session, he chose a freshman legislator as his seat mate for that session. I was that freshman in 1985, and he immediately began mentoring me. One of the earliest subjects he raised with me was the importance of the Coal Tax Trust Fund and what it would mean to future Montanans—if we protected it. He told me of his fear that the Republicans would see it as a pot of gold to spend on their wish list, and then brag about not raising taxes to do it. And, he warned me that there would be a handful of Democrats who would go along if they could drag some of the money to their districts. The state always needed money to fund programs and Republicans always had their eyes on the Trust.

Francis had a strategy to protect the Coal Trust and I soon learned I was to be a big part of it. He wanted me to become the Trust's defender in the House, and he described what I must learn and who I must see to learn it—namely, certain staff in the Legislative Council, Auditor and Fiscal Analyst offices. He told me to learn the history of the Trust and the other related pots of money that had been created and depleted to fill a partisan wish list, like the Education Trust Fund.

Among the first things I learned was that ten years previously, the Montana Legislature had referred the Coal Tax Trust Fund to the 1976 ballot as a constitutional amendment for the citizens to decide. The question before voters was whether 50 percent of coal severance tax collections should be placed in a permanent Coal Tax Trust Fund and held there forever unless each house of the Legislature approved a use of the Fund by at least a three-quarter vote. The intent was to protect against the historic “boom and bust” cycle associated with natural resource extraction. The proposal allowed the Coal Tax Trust Fund interest to be appropriated as a normal revenue stream. The amendment was approved by almost two-thirds of the voters.

I found reams of information to digest, including the 1976 voter information pamphlet that had the pros and cons written by Legislators. And, there to my surprise, I saw that Francis had been one of three Legislators who wrote in opposition to passage of the establishment of a permanent coal tax trust fund. When I questioned him, Francis explained, “That was then, and this is now.” He reasoned that the citizens chose to have a pot of gold, and the interest was being used to fund good programs and always would be—if we stopped any and all proposals to simply spend the permanent fund on ongoing state expenses.

“That will be your job, Bob,” he said. He told me to get a little book and carry it with me. Approach all the Democrats in the House (except a few he named) and get them to swear they would not vote to bust the Trust for any reason whatsoever. “Tell them what you are up to with the book, that you will write their names in the book if they commit to protect the Trust, and inform them how important it is that they do not change their minds once they have committed to you—and by extension, to the caucus. Only you, Bob,” he said, “will know who has committed to protect the Trust and how many names are in the book and you will not show those names to anyone. When you have at least 26 who swear they will protect the Trust—the minimum needed to stop any proposal to ‘bust-the-Trust’—then you tell the Speaker (who was then a Democrat) that the Trust is safe. The Speaker and the Democratic Leader can then proceed with the knowledge the Trust will be protected.”

In fact, nearly every Democrat added their name to the list in what became known as *The Black Book*. (In reality, *The Black Book* was my own pocket weekly reminder and the list was on a back page.) I did not need to approach the Republicans. But, curiously, there was one Republican who served the same 16 years as me who was often on the list.

For four more sessions before he retired, Francis would find me early in the session and ask about the list in *The Black Book*. Every session, as I admired that massive Russell painting, I pondered my approaches to fellow Democrats to ask them to protect the Trust. After Francis retired, I continued to carry a *Black Book* around; I did this every session through my own legislative retirement in 1999. Since then, a Democrat Legislator has made efforts to get the names for *The Black Book* and to keep the Trust safe from invasion. As a result, the Trust has grown substantially until it is now over a billion dollars, and the Trust income often provides more revenue than the coal tax itself. With the current downturn in coal production and its likely declining future due to climate change, cheaper natural gas, and increasing renewable energy, it appears that trend will likely continue—which is just what the Legislators who dreamed up this idea had in mind. We protected against the “bust.”