

MONTANA
Department of Commerce

EXHIBIT 8 10
DATE 2-7-05
HB 499

COMMUNITY DEVELOPMENT DIVISION
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TO: Members of House of Representatives Appropriation Committee

FROM: *DC* Dave Cole, Administrator
Community Development Division

DATE: February 8, 2005

RE: House Bill 499 Testimony

During yesterday's hearing on HB 499, Representative Glaser asked me whether the Coal Board funding for the FY 2006-2007 biennium was "earmarked". My response was that it was not. While technically correct, my answer may have created an incorrect impression regarding how the Coal Board reviews and approves applications for impact assistance.

During the FY 2004-2005 biennium, the Coal Board had \$1,500,000 available for impact grants. It received 35 applications and 19 were approved. Because of the demand for the funds, the Board often awards less than the full request. Only \$77,000 remains uncommitted of the \$1,500,000 appropriated for impact grants for the current biennium.

The following project applications will be considered at the next Coal Board meeting:

<u>Full Applications</u>	<u>Request</u>
Northern Cheyenne Tribe – Waterline Project	\$243,000
Lodge Grass Public Schools – Boiler System Upgrade	\$400,000
 <u>Pre-Applications</u>	
Town of Circle – Upgrade Sewer Lagoon - Lift Stations	\$100,000
Lame Deer Public Schools – High School Expansion, Heating System Upgrade, Teacher Housing Replacement	\$2,748,095
Musselshell County – Ambulance Barn	\$250,000
Musselshell County – Fattig Creek Road Reconstruction	\$481,927
Lambert Area - Richland County Water & Sewer District – Water Project	<u>\$100,000</u>
TOTAL REQUESTS	\$4,323,022

The projects that are approved by the Coal Board for Full Application status would receive first consideration for the funds appropriated for the 2006-2007 biennium.

Based on Coal Board records since 1976, it appears that the Board has tried to be responsive to coal impact needs for Big Horn County and the cities, towns, and unincorporated communities within the county.

<u>Applicant</u>	<u>Funded Projects</u>	<u>Total Amount</u>
Big Horn County	27	\$4,797,673
Crow Agency	3	\$ 159,000
Decker	3	\$ 204,727
Hardin	28	\$ 9,382,580
Lodge Grass	16	\$ 7,790,441
Wyola	<u>3</u>	<u>\$ 136,080</u>
TOTAL	80	\$ 22,470,501

Copy: Rep. Verónica Small-Eastman