

HB 540
Bonding for Higher Education
And Other State Projects

STATE COST SHARE – FORT BELKNAP WATER COMPACT

- In 2001 the Montana Legislature ratified the Fort Belknap Montana Water Compact. (85-20-1001 MCA)
- This agreement was reached after years of negotiations between the Montana Reserved Water Rights Compact Commission and the Gros Ventre and Assiniboine Tribes of the Fort Belknap Reservation with the participation of the United States and extensive public involvement in the Milk River Basin.
- The Compact allocates water from the Milk River for use by the Tribes while providing a framework for protecting upstream and downstream irrigators in the eight irrigation districts of the Milk River Project as well as water users on the Milk River tributaries.
- The Compact calls for the parties to seek State and Federal funding (“cost-share”) after a process of evaluating the most cost effective mitigation measures – infrastructure improvements with the greatest benefit to the water users. (Ft. Belknap Compact Article VI.B.)
- Authorization of the State’s contribution to settlement (\$11 million proposed) is a critical step in the process.
- The Federal contribution to settlement will be authorized by Congress.
- The proposed \$11 million State contribution (\$9.5 million which is included in HB 540) was developed by the State’s cost-share team which included members of the Compact Commission and staff, DNRC, the (former) Governor’s Budget Director and others.
- Authorization of the funding for Montana’s share of this settlement is critical for a number of reasons:
 - Settlement of litigation of the Tribes’ claims for reserved water rights:
 - Avoids costly and time-consuming litigation
 - Provides practical benefits for all basin water users
 - Major piece of the water adjudication in the Milk River Basin
 - Provides better basin water management as a necessary link to the ultimate repair of the St. Mary’s Canal. The Fort Belknap Compact depends (in turn) on the viability of the St. Mary’s facilities. (Ft. Belknap Compact Article VI.A.)