



AN ACT APPROPRIATING MONEY TO THE DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION FOR GRANTS FOR DESIGNATED PROJECTS UNDER THE RECLAMATION AND DEVELOPMENT GRANTS PROGRAM; PRIORITIZING GRANTS AND AMOUNTS; ESTABLISHING CONDITIONS FOR GRANTS; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

**Section 1. Appropriations for reclamation and development grants.** (1) There is appropriated to the department of natural resources and conservation from the natural resources projects state special revenue account, established in 15-38-302, up to \$800,000 to be used for planning reclamation and development grants to be awarded by the department over the course of the 2011 biennium.

(2) The amount of \$6,227,122 is appropriated to the department of natural resources and conservation from the natural resources projects state special revenue account from funds allocated for the purpose of making reclamation and development grants.

(3) The funds appropriated in subsection (2) must be awarded by the department to the entities listed in [section 2] for the prescribed purposes and in the prescribed grant amounts, subject to the conditions provided in [sections 2 through 4].

**Section 2. Approved grants and projects.** (1) The legislature approves the grants listed in subsection (2), to be made in the order of priority as indicated within the following list of projects and activities. If the conditions in [sections 3 and 4] are met, funds must be awarded up to the amounts approved in this section in order of priority. Funds not accepted by grantees or funds not used by higher-ranked projects and activities must be provided for projects and activities lower on the priority list that would not otherwise receive funding. Any remaining project funds may be used for reclamation and development planning grants authorized under [section 1] or renewable resource program projects authorized by the 61st legislature in House Bill No. 6. Descriptions of the various projects and activities and specific conditions established for each project and activity are contained

within the department of natural resources and conservation's reclamation and development grants program report to the 61st legislature for the 2011 biennium.

(2) The following are the grants program prioritized projects and activities:

Applicant/Project	Grant Amount
Montana Board of Oil and Gas Conservation	
(2009 Northern District Orphaned Well Plug and Abandonment and Site Restoration)	\$300,000
(2009 Southern District Orphaned Well Plug and Abandonment and Site Restoration)	\$300,000
Montana Department of Natural Resources and Conservation	
(Reliance Refinery)	\$300,000
Shelby, City of	
(Shelby Refinery)	\$300,000
Missoula County	
(St. Louis Creek Mine Reclamation)	\$300,000
Montana Department of Environmental Quality	
(Spring Meadow Lake Reclamation Project)	\$300,000
Cascade County Commission	
(County Shops Remediation of Wood Treatment Preservatives)	\$300,000
Montana Department of Environmental Quality	
(McLaren Tailings Reclamation Project)	\$300,000
Lewistown, City of	
(Reclamation of Berg Lumber Mill Site)	\$300,000
Ryegate, Town of	
(Former Ryegate Conoco)	\$259,200
Park County	
(Fleshman Creek Urban Restoration Project)	\$300,000
Butte-Silver Bow City-County Government	
(Butte Mining District Reclamation and Protection)	\$300,000
Missoula County	
(Ninemile Creek Mining District Reclamation)	\$200,800

Montana Department of Environmental Quality	
(Beal Mountain Mine, Waste Rock Dump Soil Cover)	\$300,000
Lewis and Clark Conservation District	
(York Gulch Old Amber Mine Reclamation)	\$83,207
Ruby Valley Conservation District	
(Big Hole Cooperative Ditch Improvement Project)	\$239,658
Montana Department of Natural Resources and Conservation	
(Monitoring Coal-Bed Methane Development Effects on Surface Water Quality of the Tongue and Powder Rivers)	\$195,000
Flathead Basin Commission	
(Flathead Lake Mapping Project)	\$294,977
Jefferson County	
(Ground Water Quality Assessment with Emphasis on Radionuclides)	\$300,000
Meagher County Conservation District	
(Hydrologic Framework and Water Budget of the Upper Smith River Watershed)	\$300,000
Custer County Conservation District	
(Yellowstone River Riparian Restoration)	\$177,881
Cascade County Commission	
(Sustainable Water Supplies from the Madison Aquifer, Central Montana)	\$286,792
Butte-Silver Bow City-County Government	
(Irrigation Demonstration Project for Butte Acidic Mine Waters -- On-Site Treatment and Resource Recovery)	\$289,607

(3) If the Reliance Refinery Cleanup is fully funded in House Bill No. 2, then the grant request for the Montana Department of Natural Resources and Conservation (Reliance Refinery) project in subsection (2) is withdrawn and \$70,000 is granted to the Clark Fork River Basin Task Force for the water management plan project.

(4) To the entities listed in this section, this appropriation constitutes a valid obligation of these funds for purposes of encumbering the funds within the 2011 biennium pursuant to 17-7-302.

**Section 3. Coordination of fund sources for grants program projects.** A sponsor of a grants program project who has applied for a grant for that project under both the reclamation and development grants program and the renewable resource grant and loan program may not receive duplicate funding.

**Section 4. Conditions of grants.** Disbursement of grant funds under [sections 1 through 5] is subject to the following conditions that must be met by the project sponsor:

(1) A scope of work and budget for the project must be approved by the department of natural resources and conservation. Reduction in a scope of work or budget may not affect priority activities or improvements.

(2) Other funds required for project completion must have been committed, and the commitment must be documented.

(3) The project sponsor shall show satisfactory completion of conditions described in the recommendation section of the project narrative of the reclamation and development grants program report to the legislature for the 2011 biennium.

(4) An agreement between the department and the project sponsor must be executed in a timely manner, taking into consideration any changed conditions or circumstances that govern the administration and disbursement of funds.

(5) Any other specific requirements considered necessary by the department must be met to accomplish the purpose of the grant as evidenced from the application to the department or as defined by the legislature.

**Section 5. Other appropriations.** There is appropriated to any entity of state government that receives a grant under [sections 1 through 4] the amount of the grant upon award of the grant by the department of natural resources and conservation. Grants to state entities from a prior biennium are reauthorized for completion of contract work.

**Section 6. Coordination instruction.** If the total transfers for the reclamation and development grants and loans reclamation projects in section 51-F, item 6, of House Bill No. 645 is reduced below a total of \$1,794,266, then the appropriation of \$6,227,122 from the natural resources projects state special revenue account for reclamation and development grants in [section 1 of this act] is reduced by a like amount.

**Section 7. Effective date.** [This act] is effective on passage and approval.

- END -

I hereby certify that the within bill,  
HB 0007, originated in the House.

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Chief Clerk of the House

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Speaker of the House

Signed this \_\_\_\_\_ day  
of \_\_\_\_\_, 2009.

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President of the Senate

Signed this \_\_\_\_\_ day  
of \_\_\_\_\_, 2009.

HOUSE BILL NO. 7

INTRODUCED BY W. MCNUTT

BY REQUEST OF THE DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION AND THE  
OFFICE OF BUDGET AND PROGRAM PLANNING

AN ACT APPROPRIATING MONEY TO THE DEPARTMENT OF NATURAL RESOURCES AND  
CONSERVATION FOR GRANTS FOR DESIGNATED PROJECTS UNDER THE RECLAMATION AND  
DEVELOPMENT GRANTS PROGRAM; PRIORITIZING GRANTS AND AMOUNTS; ESTABLISHING  
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