HOUSE BILL NO. 7

INTRODUCED BY T. BELCOURT

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

A BILL FOR AN ACT ENTITLED: "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 EFFECTIVE DATE."

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

NEW SECTION. **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 grant projects to be awarded by the department over the course of the 2013 biennium.

(2) The amount of $6,049,000 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 over the course of the 2013 biennium.

(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].

NEW SECTION. **Section 2. Approved grants and projects.** (1) The legislature approves the grants listed in subsection (2), in the order of priority as indicated within the following list of projects and activities. If the conditions in [sections 4 and 5] are met, funds must be awarded up to the amounts approved in this section. Funds not accepted by grantees or funds not used by higher-ranked projects and activities must be offered for projects and activities farther down the priority list that would not otherwise receive funding. If at any time a grant sponsor determines a project will not begin before June 30, 2013, the sponsor shall notify the department of natural resources and conservation. After receiving notification, the department may revert the grant amount to

the natural resources projects state special revenue account to make it immediately available for other projects. After all eligible projects are funded, any remaining project funds may be used for reclamation and development planning grants authorized under [section 1] or grant programs authorized by the 62nd 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 62nd legislature for the 2013 biennium.

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

Applicant/Project	Grant Amount
Montana Board of Oil and Gas Conservation	
(Eastern District Orphaned Well Plug and Abandonment and Site Restoration)	$300,000
(North/Eastern District Orphaned Well Plug and Abandonment and Site Restoration)	$300,000
Ruby Valley Conservation District	
(Alder Gulch - Phase I Improvements)	$300,000
Montana Department of Environmental Quality	
(Forest Rose Mine and Mill Site Reclamation)	$300,000
Montana Department of Environmental Quality	
(Lily/Orphan Boy Mine Reclamation)	$300,000
Sanders County	
(Managing Aquatic Invasive Plant Species to Protect Montana's Water Resources)	$300,000
Montana Department of Fish, Wildlife, and Parks	
(Big Spring Creek PCB Remediation)	$300,000
Montana Department of Natural Resources and Conservation	
(St. Mary and Milk River Basins Water Management)	$250,000
Montana Department of Environmental Quality	
(Sand Coulee Public Water Supply Restoration)	$300,000
Pondera County	
(Pondera County Oil & Gas Well Plug & Abandon)	$100,000
Teton County	
(Teton County Oil and Gas Well Plug and Abandon)	$60,000
Fort Peck Tribes	

(Reclamation of the Philip Red Eagle 2-25 Salt Water Disposal Well)	$254,782
Montana Board of Oil and Gas Conservation	
(Southern District Orphaned Lease Battery Site Restoration)	$200,000
Shelby, City of	
(Reclamation of Shelby Refinery)	$300,000
Missoula County	
(Ninemile Creek Mining District - Phase II)	$228,345
Montana Department of Environmental Quality	
(Zortman and Landusky Mines Source Control Prioritization Evaluation)	$300,000
Missoula, City of	
(Missoula Sawmill Site Wood Waste Reclamation)	$300,000
Butte-Silver Bow County	
(Butte Mining District: Reclamation and Protection Phase III)	$300,000
Fergus County	
(Pentachlorophenol Cleanup)	$300,000
Meagher County Conservation District	
(Thomas Creek Placer Surface Flow Enhancement and Stream Stabilization)	$162,797
Montana Department of Environmental Quality	
(Beal Mountain Mine Pit Run On Controls and Pond Removal)	$300,000
Crow Tribe	
(Little Bighorn River Restoration)	$300,000
Richland County Conservation District	
(Lower Yellowstone River Bank Stabilization)	$293,078
Montana Department of Environmental Quality	
(Landusky Mine Clarifier Construction)	$300,000
Montana Department of Fish, Wildlife, and Parks	
(Impacts of Energy Development on Mule Deer)	$300,000
Anaconda-Deer Lodge County	
(Anaconda Superfund Remediation Trails Program)	$300,000

(3) To the entities listed in this section, this appropriation constitutes a valid obligation of these funds for

purposes of encumbering the funds within the 2013 biennium pursuant to 17-7-302.

NEW SECTION. **Section 3. Coordination of reverted funds from specific projects.** The department of natural resources and conservation is authorized to expend all remaining funds up to $300,000, available by termination of the department of environmental quality Frohner mine reclamation project established in section 2, Chapter 308, Laws of 2005, to implement measures to control invasive aquatic species in state waters.

NEW SECTION. **Section 4. Coordination of fund sources for grants program projects.** With the exception of planning grants, a sponsor of a grants program project who has applied for a grant for the same project under both the reclamation and development grants program and the renewable resource grant and loan program may not receive duplicate funding.

NEW SECTION. **Section 5. Conditions of grants.** Disbursement of grant funds under [sections 1 through 3] 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) 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 2013 biennium.

(3) 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.

(4) 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.

NEW SECTION. **Section 6. Other appropriations.** For any entity that receives a grant under [sections 1 through 3], an appropriation is established upon award of the grant by the department of natural resources and conservation. Grants to entities from prior biennia are reauthorized for completion of contract work.

NEW SECTION. **Section 7. Notification to tribal governments.** The secretary of state shall send a

copy of [this act] to each tribal government located on the seven Montana reservations and to the Little Shell Chippewa tribe.

NEW SECTION. **Section 8. Effective date.** [This act] is effective July 1, 2011.

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