

# Renewable Resource Grant and Loan Program



## Purpose

The Montana Legislature established the Renewable Resource Grant and Loan Program (RRGL) to fund the conservation, management, development and preservation of Montana's renewable resources. The program provides both grant and loan funding for public facility and other renewable resource projects. Grant funds are available for public facility projects (drinking water/wastewater/solid waste development and improvement projects), irrigation rehabilitation, dam repair, soil and water conservation, and forest enhancement projects. The loan program provides funds for irrigation projects, including the repair of aging ditches, diversions, and other irrigation infrastructure. The loan program also provides a safety net for municipal projects, such as water and sewer projects that conserve or protect renewable resources that may not qualify for state revolving funds funding and is a backup source of funding for unfunded grant applicants. Any project that is eligible for an RRGL grant to public entities is also eligible for an RRGL loan.

## Administering Agency:

Department of Natural Resources and Conservation,  
Conservation and Resource Development Division

## Approving Authority:

Final approval is provided by the Legislature

## Statutory Reference:

Title 85, Chapter 1, Part 6, MCA



## Eligible Applicants:

- o Political subdivisions of state
- o Local government including state agencies and universities
- o Counties, incorporated cities and towns
- o Conservation districts
- o Irrigation districts
- o Water/sewer/solid waste districts

## Statutory Evaluation Criteria Include:

- o Financial feasibility
- o Adverse environmental impact
- o Technical merit
- o Public benefit
- o Renewable Resource Benefits

## Types of Projects:

The proposed project must have benefits to a sustainable natural resource such as water, wind, renewable energy, soil, wetlands, fish and aquatic habitat, range land, crop land, or forest. The renewable resource benefits will be the most heavily weighted.

## 2013 Interim Projects

- o Dams
- o Drinking water
- o Irrigation
- o Wastewater
- o Water
- o Solid Water
- o Storm Sewer
- o Stream restoration
- o Natural Resource planning
- o Floodplain management
- o Research
- o Renewable energy
- o Research and development



## Source of Funding:

### Resource Indemnity Trust

Appropriations for the RRGL grant program are funded in the natural resource projects account. The account primarily receives the income from the interest income of the resource indemnity trust fund, the resource indemnity and ground water assessment tax, and the oil and gas production tax. In the 2013 biennium, the natural resource projects fund was projected to receive total income of \$13.5 million. The income from the fund is appropriated to several natural resource grant programs, including RRGL.

### Natural Resource Project Account Fund Balance

The RRGL loan program is funded with bonded state debt. The repayment of loans pays the cost of the debt. The bonds issued for the loan program are backed by the Montana Coal Severance Tax Fund and authority is provided in 85-1-624, MCA.

## Legislative Appropriations:

RRGL grant program appropriations include emergency grants, preliminary engineering grants, and local conservation grants (RRGL grants). In the 2013 biennium, approximately \$6.3 million was appropriated for RRGL project grants. The total amount of appropriations in the loan program, and the amount of state bonded debt authorized, in the 2013 biennium was \$13.7 million.

## Grant Limits:

Project grants are limited to \$100,000 per project. Loans are limited by the applicant's debt capacity.

## Matching Fund Requirements:

N/A (No matching funds requirement)

## Application Deadline:

For consideration by the 2013 Legislature, paper applications must be postmarked on or before May 15th 2012. Applicants will be required to enter their application into the [fundingmt.org](http://fundingmt.org) database on or before May 31st, 2012.

## General Application Requirements:

Applicants for public facility projects must submit the Uniform Application for Montana Public Facility Projects and the DNRC Supplement. All other applicants must fill out the regular application. There is a \$250 application fee.

## For Further Information Contact:

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For more information: <http://dnrc.mt.gov/cardd/ResourceDevelopment/rrgp/RenewableGrantProgram.asp>



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