

HOUSE BILL NO. 7

INTRODUCED BY J. WITT

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) The amount of \$2,400,000 is appropriated to the department of natural resources and conservation from the reclamation and development grants special revenue account from funds allocated for appropriation from the interest income of the resource indemnity trust fund as set forth in Title 15, chapter 38.

(2) The funds appropriated in this section 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 grant 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 until available funds are expended. 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 otherwise not receive funding. 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 58th legislature for the 2005 biennium.

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

Applicant/Project	Grant Amount
Board of Oil and Gas Conservation	

(2003 Northern District Plug and Abandonment)	\$300,000
Board of Oil and Gas Conservation	
(2003 Southern District Plug and Abandonment)	300,000
Department of Natural Resources and Conservation	
(Planning Grants)	150,000
Department of Environmental Quality	
(Washington Mine and Millsite Reclamation)	300,000
Big Horn Conservation District	
(State-Line Ground Water Monitoring Network for Tongue and Powder River Watersheds)	300,000
Sunburst, Town of	
(Sunburst Water Supply Renovation)	185,249
Board of Oil and Gas Conservation	
(Fate and Transport of Impounded Coal Bed Methane Water)	200,000
Department of Environmental Quality	
(Drumlummon Tailings, Goldsil - Argo Millsite and Mine Waste Reclamation)	300,000
Toole County	
(2003 Plugging and Abandonment Aid to Small Independent Operators)	240,000
Department of Environmental Quality	
(Blue Bird Mine Reclamation)	200,000
Sheridan County Conservation District	
(Protecting Natural Resources by Reclaiming Oilfield Brine Contaminated Soils)	150,000
Governor's Office	
(Growing Carbon "Applying Market-Based Conservation Through Carbon Sequestration")	150,000
Fergus County Conservation District	
(Central Montana Aquifer Project)	150,000
Judith Basin Conservation District	
(Judith Basin Aquifer Restoration and Conservation)	70,000
(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 2005 biennium pursuant to 17-7-302.	

NEW SECTION. **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.

NEW SECTION. Section 4. Condition 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 2005 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.

NEW SECTION. 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.

NEW SECTION. Section 6. Severability. If a part of [this act] is invalid, all valid parts that are severable from the invalid part remain in effect. If a part of [this act] is invalid in one or more of its applications, the part remains in effect in all valid applications that are severable from the invalid applications.

NEW SECTION. Section 7. Effective date. [This act] is effective July 1, 2003.

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