AN ACT IMPLEMENTING THE RENEWABLE RESOURCE GRANT AND LOAN PROGRAM; APPROPRIATING MONEY TO THE DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION FOR GRANTS UNDER THE RENEWABLE RESOURCE GRANT AND LOAN PROGRAM; PRIORITIZING PROJECT GRANTS AND AMOUNTS; ESTABLISHING CONDITIONS FOR GRANTS; AND PROVIDING AN EFFECTIVE DATE.

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

Section 1. Appropriations for renewable resource grants. (1) For the biennium beginning July 1, 2019, 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:

(a) $100,000 for emergency projects grants to be awarded by the department over the course of the biennium;

(b) $800,000 for planning grants to be awarded by the department over the course of the biennium;

(c) $300,000 for irrigation development grants to be awarded by the department over the course of the biennium;

(d) $300,000 for watershed grants to be awarded by the department over the course of the biennium;

(e) $75,000 for private grants to be awarded by the department over the course of the biennium;

and

(f) $500,000 for grants to the following four entities for the described purposes, amounts, and contingencies described in the renewable resource grant and loan program report to the 66th legislature entitled "Governor's Executive Budget Fiscal Years 2019-2021 Volume 6":

<table>
<thead>
<tr>
<th>Applicant/Project</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Broadwater Conservation District</td>
<td></td>
</tr>
<tr>
<td>Big Springs Ditch Water Conservation, Phase 2</td>
<td>$125,000</td>
</tr>
<tr>
<td>Malta Irrigation District</td>
<td></td>
</tr>
<tr>
<td>(Exeter Siphon Replacement)</td>
<td>$125,000</td>
</tr>
</tbody>
</table>
(2) The amount of $3,990,000 is appropriated to the department of natural resources and conservation from the natural resources projects state special revenue account established in 15-38-302 for grants to political subdivisions and local governments for the biennium beginning July 1, 2019. The funds referred to in this subsection must be awarded by the department to the named entities for the described purposes and in the grant amounts listed in subsection (4), subject to the conditions set forth in [sections 2 and 3] and the contingencies described in the renewable resource grant and loan program January 2019 report to the 66th legislature.

(3) Funds must be awarded up to the amounts approved in subsection (4) in the following listed order of priority until available funds are expended. Funds not accepted or used by higher-ranked projects must be provided for projects farther down the priority list that would not otherwise receive funding. If at any time a grant sponsor determines that a project will not begin before June 30, 2021, the sponsor shall notify the department of natural resources and conservation. After all eligible projects are funded, remaining funds may be used for any renewable resource project authorized under this section.

(4) The following are the prioritized grant projects:

<table>
<thead>
<tr>
<th>Applicant/Project</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Seeley Lake - Missoula County Sewer District</td>
<td></td>
</tr>
<tr>
<td>(Wastewater Improvements, Phase 2)</td>
<td>$125,000</td>
</tr>
<tr>
<td>Granite County</td>
<td></td>
</tr>
<tr>
<td>(Flint Creek Dam Rehabilitation)</td>
<td>$125,000</td>
</tr>
<tr>
<td>Whitefish, City of</td>
<td></td>
</tr>
<tr>
<td>(Wastewater Treatment System Improvements)</td>
<td>$125,000</td>
</tr>
<tr>
<td>Missoula, City of</td>
<td></td>
</tr>
<tr>
<td>(Rattlesnake Creek Dam Removal)</td>
<td>$125,000</td>
</tr>
<tr>
<td>Montana Department of Natural Resources and Conservation</td>
<td></td>
</tr>
<tr>
<td>Water Resources Division</td>
<td></td>
</tr>
</tbody>
</table>
Flathead Conservation District
   (Douglas Canal Rehabilitation) $125,000
   (Trumbull Creek Restoration and Aquifer Protection) $125,000
Canyon Creek Irrigation District
   (Canyon Lake Dam Rehabilitation) $125,000
Harlowton, City of
   (Roundhouse Wetland Restoration) $125,000
Thompson Falls, City of
   (Wastewater System Improvements, Phase 1) $125,000
Montana Department of Natural Resources and Conservation
   Water Resources Division
       (Broadwater Missouri Canal System Master Plan) $125,000
Winnett, Town of
   (Wastewater System Retrofit) $125,000
Bitter Root Irrigation District
   (Como Dam Water Resource Enhancement) $125,000
Harlowton, City of
   (Wastewater Improvements) $125,000
Milk River Joint Board of Control
   (St. Mary Canal Drop 2 Replacement) $125,000
Whitehall, Town of
   (Water Treatment Plant Improvements) $125,000
Lewis and Clark Conservation District
   (Willow Creek Feeder Canal Rehabilitation) $125,000
Fort Belknap Indian Community
   (Three Mile Creek Pump Station Rehabilitation) $125,000
Roundup, City of
   (Water System Improvements) $125,000
Glasgow Irrigation District
HB0006

(V-63 Lateral Conversion) $125,000
Pondera County Conservation District

(Swift Dam Rehabilitation) $125,000
Simms County Sewer District

(Wastewater System Improvements, Phase 2) $125,000
Malta Irrigation District

(Costin Lateral Pipeline Conversion) $125,000
Power-Teton County Water and Sewer District

(Water System Improvements, Phase 1) $125,000
Scobey, City of

(Water System Improvements, Phase 2) $125,000
Bigfork County Water and Sewer District

(Wastewater System Improvements) $125,000
Buffalo Rapids Irrigation Project District 2

(Lateral 1.6 Pipeline Conversion) $125,000
Hill County

(Beaver Creek Dam Spillway Improvements) $125,000
Sidney Water Users Irrigation, District 3

(Main Canal Pipeline Conversion, Phase 2) $125,000
Flathead Conservation District

(Krause Creek Restoration) $125,000
Alfalfa Valley Irrigation District

(East Flynn Canal Rehabilitation) $125,000
Lower Musselshell Conservation District

(Delphia Melstone WUA Irrigation Efficiency and Pump Station Rehabilitation) $117,050
Columbia Falls, City of

(Water System Improvements) $122,950
Buffalo Rapids Irrigation Project District 1
(Irrigation Project 1 - Lateral 1.7 Pipeline Conversion) $125,000

Hardin, City of

(Wastewater Treatment Plant Improvements) $125,000

Dillon, City of

(Water Transmission and Distribution Main Replacement) $125,000

Helena Valley Irrigation District

(Lateral 14.8 Headgate Rehabilitation, Phase 2) $125,000

Polson, City of

(Wastewater System Improvement, Phase 2) $125,000

Carbon County Conservation District

(Golden Ditch Company Clark Fork Diversion Rehabilitation) $125,000

Savage Irrigation District

(Infrastructure Rehabilitation) $125,000

Petroleum County Conservation District

(Horse Creek Coulee Water Storage) $125,000

Wibaux, Town of

(Wastewater Treatment System Improvements) $125,000

Alberton, Town of

(Water System Improvements) $125,000

Geraldine, Town Of

(Wastewater System Improvements) $125,000

Missoula, City of

(Caras Park Outfall Storm Water Treatment Retrofit, Phase 2) $125,000

Black Eagle-Cascade County Water/Sewer District

(Water & Sewer System Improvements) $125,000

East Helena, City of

(Water System Improvements) $125,000

Plentywood, City of

(Wastewater Collection Improvement, Phase 2) $125,000
Missoula County
  (Lewis & Clark Subdivision Wastewater Improvements) $125,000
Wilsall Water District
  (Water District Water System Improvements) $125,000
Lower Yellowstone Irrigation Project
  (Crane Wasteway & Pump Station Rehabilitation) $125,000
Missoula County Conservation District
  (Grass Valley French Ditch Clark Fork Diversion Rehabilitation) $125,000
Montana Bureau of Mines and Geology
  (Reducing Mobilization of Oil-Brine Salt to Streams) $125,000
Winifred, Town of
  (Water System Improvements) $125,000
Hysham, Town of
  (Wastewater System Rehabilitation, Phase 1) $125,000
Vaughn Cascade County Water/Sewer District
  (Water Improvements) $125,000
Stillwater Conservation District
  (Yanzick/Brey, Riddle Ditches Irrigation System Improvements, Phase 2) $125,000
Lockwood Water/Sewer District
  (Drinking Water System Improvements) $125,000
Circle, Town of
  (Water System Improvements) $125,000
Yellowstone County DES
  (Billings Bench Water Users Association Main Canal Rehabilitation, Phase 1) $125,000
Hysham Irrigation District
  (Re-Lift Canal Improvement) $125,000
Clyde Park, Town of
  (Water System Improvements)  $125,000
Libby, City of
  (Water System Improvements)  $125,000
Chinook, City of
  (Water System Improvements)  $125,000
Cut Bank, City of
  (Water System Improvements)  $125,000
North Havre County Water District
  (Water District Water System Improvements)  $125,000
Plains, Town of
  (Wastewater System Protection)  $125,000
Montana Bureau of Mines and Geology
  (Measuring Groundwater Recharge in Flood
to Pivot Irrigation Conversions)  $125,000
Cascade, Town of
  (Water System Improvements)  $125,000
Fallon County
  (Baker Lake Restoration)  $100,000
Pondera County Conservation District
  (Kingsbury Turnout Automation)  $125,000
Tin Cup County Water/Sewer District
  (Water Conservation)  $125,000
Clancy Water/Sewer District
  (Water Improvements)  $125,000

Section 2. Coordination of fund sources for grants to political subdivisions and local governments. A project sponsor listed under [section 1(4)] may not receive funds from both the reclamation and development grants program and the renewable resource grant and loan program for the same project during
the same biennium.

**Section 3. Condition of grants.** Disbursement of funds under [section 1] 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. Any changes in scope of work or budget subsequent to legislative approval may not change project goals and objectives. Changes in activities that would reduce the public or natural resource benefits as presented in department of natural resources and conservation reports and applicant testimony to the 66th legislature may result in a proportional reduction in the grant amount.

2. The project sponsor shall show satisfactory completion of conditions described in the recommendation section of the project narrative of the program report to the legislature for the biennium ending June 30, 2021, or, in the case of planning grants issued under [section 1(1)], completion of conditions specified at the time of written notification of approved grant authority.

3. The project sponsor must have a fully executed grant agreement with the department.

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 from the proposal as presented to the legislature.

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

**Section 5. Approval of grants -- completion of biennial appropriation.** The legislature, pursuant to 85-1-605, approves the renewable resource programs grants listed in [section 1]. The authorization of these grants constitutes a biennial appropriation from the natural resources projects state special revenue account established in 15-38-302.

**Section 6. 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.

Section 7. Coordination instruction. (1) If [this act], House Bill 7, and an act that provides funding from a source other than natural resources projects state special revenue account established in 15-38-302 of at least $400,000 for aquatic invasive species grants to be administered by the department of natural resources and conservation are passed and approved, then [section 1(1) of this act] is amended to include:

"(g) $300,000 for any grant programs listed under [section 1(1)(b) through (1)(f)]".

(2) If both [this act] and an act that provides additional funding for renewable resource grant and loan program grants from bond proceeds are passed and approved, the projects listed in [section 1(4) of this act] that do not receive funding from the appropriations in [section 1(2) of this act] may receive funding from the appropriation in the other act designated for renewable resource grant and loan program grants in the order of completion of the conditions of [section 3 of this act] and to the extent that there is appropriation authority available.

Section 8. 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.

Section 9. Effective date. [This act] is effective July 1, 2019.

- END -
I hereby certify that the within bill, HB 0006, originated in the House.

__________________________________________
Speaker of the House

Signed this ___________________________ day
of ________________________________, 2019.

__________________________________________
Chief Clerk of the House

Signed this ___________________________ day
of ________________________________, 2019.
HOUSE BILL NO. 6
INTRODUCED BY J. KEANE

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

AN ACT IMPLEMENTING THE RENEWABLE RESOURCE GRANT AND LOAN PROGRAM; APPROPRIATING MONEY TO THE DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION FOR GRANTS UNDER THE RENEWABLE RESOURCE GRANT AND LOAN PROGRAM; PRIORITIZING PROJECT GRANTS AND AMOUNTS; ESTABLISHING CONDITIONS FOR GRANTS; AND PROVIDING AN EFFECTIVE DATE.