

RECLAMATION AND DEVELOPMENT GRANTS PROGRAM

Program Description

The Reclamation and Development Grants Program (RDGP) is designed to fund projects that, “...indemnify the people of the state for the effects of mineral development on public resources and that meet other crucial state needs serving the public interest and the total environment of the citizens of Montana” (90-2-1102, MCA).

As provided in statute, projects approved in the RDGP are intended to:

- Repair, reclaim, and mitigate environmental damage to public resources from non-renewable resource extraction
- Develop and ensure the quality of public resources for the benefit of all Montana citizens

The RDGP is administered by DNRC, which solicits, evaluates, and ranks applications on a biennial basis. The program is required to prioritize \$800,000 of funding to any government entity for abandoned mine reclamation projects. RDGP grants are limited to \$500,000. Public entities eligible to apply for grants include state and local governments, political subdivisions, and tribal governments. Applications are evaluated according to specific criteria related to:

- Public benefit
- Need and urgency
- Appropriateness of technical design
- Financial feasibility
- Project management/organization
- Program Budget Comparison

Program Budget Comparison

The following table compares the 2021 biennium appropriated budget and the 2023 biennium budget request by type of expenditure and source of funding.

Figure 15

Program Comparison - Reclamation and Development Grant Program				
Budget Item	Budget 2021 Biennium	Budget 2023 Biennium	Biennium Change	Biennium % Change
Number of Grants	11	16	5	45.5%
	<u>Appropriated</u>	<u>Proposed</u>		
Grants Cost	\$3,969,000	\$5,802,155	\$1,833,155	46.2%
Other Grants Cost	1,844,778	800,000	(1,044,778)	-56.6%
Total Costs	\$5,813,778	\$6,602,155	\$788,377	13.6%
State Special	4,566,778	4,502,833	(63,945)	-1.4%
GO Bond Proceeds	1,247,000	2,099,322	852,322	68.3%
Total Funds	\$5,813,778	\$6,602,155	\$788,377	13.6%

Program Discussion

Figure 15 shows the executive proposal for appropriations of \$6.6 million for the RDGP program in the 2023 biennium. The executive proposal is 13.6% higher than the appropriations provided for the 2021 biennium. The proposal is requested in HB 7 and HB 14. Each of those bills contains a piece of the 2023 biennium RDGP program:

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- RDGP project planning grants appropriation of \$0.8 million – HB 7, NR projects funds
- RDGP specific project grants appropriation of \$3.7 million – HB 7, NR projects funds
- RRGL specific project grant appropriation of \$2.1 million – HB 14, GO bond proceeds

The RDGP grant program received 17 applications requesting \$6.4 million, from which 16 applications requesting \$5.8 million in grants were recommended by the program. The executive recommends funding all the individual projects with a combination of cash and bond proceeds.

A complete listing of the RDGP grants may be seen in appendix item A-7 of this report. The details behind the grants requested for the 2023 biennium RDGP program, along with a status of grants awarded in the 2021 biennium, are presented in [Vol. 5 of the Governor's Executive Budget](#).