

1 HOUSE BILL NO. 6  
 2 INTRODUCED BY M. HOPKINS  
 3 BY REQUEST OF THE DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION, OFFICE OF  
 4 BUDGET AND PROGRAM PLANNING

5  
 6 A BILL FOR AN ACT ENTITLED: "AN ACT IMPLEMENTING THE RENEWABLE RESOURCE GRANT AND  
 7 LOAN PROGRAM; APPROPRIATING MONEY TO THE DEPARTMENT OF NATURAL RESOURCES AND  
 8 CONSERVATION FOR GRANTS UNDER THE RENEWABLE RESOURCE GRANT AND LOAN PROGRAM;  
 9 PRIORITIZING PROJECT GRANTS AND AMOUNTS; ESTABLISHING CONDITIONS FOR GRANTS;  
 10 PROVIDING FOR A TRANSFER OF FUNDS FROM THE STATE GENERAL FUND TO THE NATURAL  
 11 RESOURCES PROJECTS STATE SPECIAL REVENUE ACCOUNT; APPROPRIATING MONEY FOR A  
 12 GRANT FOR THE SAINT MARY'S SIPHON REPLACEMENT PROJECTS; PROVIDING FOR  
 13 COORDINATION OF FUNDING; AND PROVIDING AN EFFECTIVE DATE."

14  
 15 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

16  
 17 NEW SECTION. Section 1. Appropriations for renewable resource grants. (1) For the biennium  
 18 beginning July 1, 2023, there is appropriated to the department of natural resources and conservation from the  
 19 natural resources projects state special revenue account established in 15-38-302 up to:

- 20 (a) \$300,000 for emergency projects grants to be awarded by the department over the biennium;
- 21 (b) \$3,500,000 for planning grants to be awarded by the department over the biennium;
- 22 (c) \$500,000 for irrigation development grants to be awarded by the department over the  
 23 biennium;
- 24 (d) \$500,000 for watershed grants to be awarded by the department over the biennium;
- 25 (e) \$100,000 for private grants to be awarded by the department over the biennium; and
- 26 (f) \$2,500,000 for nonpoint source pollution reduction grants to be awarded by the department  
 27 over the biennium.

28 (2) The amount of ~~\$6,250,000~~\$6,410,000 is appropriated to the department of natural resources

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Drafter: Katy Callon, 406-444-4421

HB0006.001.004

1 and conservation from the natural resources projects state special revenue account established in 15-38-302  
2 for the biennium beginning July 1, 2023. The funds referred to in this subsection must be awarded by the  
3 department to the named entities for the described purposes and in the grant amounts listed in subsection (4),  
4 subject to the conditions set forth in [sections 2 and 3] and the contingencies described in the renewable  
5 resource grant and loan program January 2023 report to the 68th legislature titled: "Governor's Executive  
6 Budget Fiscal Years 2023-2025 Volume 6".

7 (3) Funds must be awarded up to the amounts approved in subsection (4) in the following listed  
8 order of priority until available funds are expended. Funds not accepted or used by higher-ranked projects must  
9 be provided for projects farther down the priority list that would not otherwise receive funding. If at any time a  
10 grant sponsor determines that a project will not begin before June 30, 2025, the sponsor shall notify the  
11 department of natural resources and conservation. After all eligible projects are funded, remaining funds may  
12 be used for any renewable resource project authorized under this section.

13 (4) The following are the prioritized infrastructure grant projects:

14 RENEWABLE RESOURCE INFRASTRUCTURE GRANT PROJECTS

15 Applicant/Project	Amount
16 Cooke City	
17 Cooke City Wastewater Treatment and Collection System	\$125,000
18 West Yellowstone, Town of	
19 West Yellowstone Wastewater Treatment Plant Project	\$125,000
20 Red Lodge, City of	
21 Red Lodge Wastewater System Improvements	\$125,000
22 Superior, Town of	
23 Superior Wastewater System Improvements Project	\$125,000
24 Choteau, City of	
25 Choteau Water System Improvements	\$125,000
26 Cascade, Town of	
27 Cascade Wastewater System Improvements	\$125,000
28 Sand Coulee, Town of	

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1	Sand Coulee Wastewater Improvements	\$125,000
2	Kalispell, City of	
3	Kalispell Morning Star Court Water and Wastewater Improvement Project	\$125,000
4	Saco, Town of	
5	Saco Wastewater System Improvements	\$125,000
6	Drummond, Town of	
7	Drummond Wastewater Treatment Facility Upgrade	\$125,000
8	Craig County WSD	
9	Craig Wastewater System Improvements	\$125,000
10	Gallatin Canyon County Water Sewer District	
11	Gallatin Canyon County Water Sewer District Gallatin Canyon Sewer Project Phase 1.2	
12		\$125,000
13	Thompson Falls, City of	
14	Thompson Falls Water System Improvements Project	\$125,000
15	Corvallis County Sewer District	
16	Corvallis Wastewater Collection System Improvements	\$125,000
17	Helena, City of	
18	Helena Red Mountain Flume Repairs Project #22-05	\$125,000
19	Havre, City of	
20	Havre Water System Improvements Project	\$125,000
21	Bigfork County Water and Sewer District	
22	Bigfork County Water and Sewer District West Trunk Sewer Replacement and Collection Basin	
23	Rehabilitation Project	\$125,000
24	Belt, Town of	
25	Belt Water System Improvements	\$125,000
26	Lincoln County	
27	Lincoln County Libby Creek Community Water and Wastewater Improvements	\$125,000
28	Richey, Town of	

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1	Richey Water Main Replacement Phase 2	\$125,000
2	Geraldine, Town of	
3	Geraldine Water System Improvements	\$125,000
4	Victor Water and Sewer District	
5	Victor Wastewater Collection and Treatment Improvements Project	\$125,000
6	Forsyth, City of	
7	Forsyth Water System Improvements	\$125,000
8	Townsend, Town of	
9	Townsend Water System Improvements Project	\$125,000
10	Martinsdale Water and Sewer District	
11	Martinsdale Water and Sewer District Water System Improvements	\$125,000
12	Twin Bridges, Town of	
13	Twin Bridges Water System Improvements	\$125,000
14	Dodson, Town of	
15	Dodson Water System Improvements	\$125,000
16	Sunburst, Town of	
17	Sunburst Wastewater Distribution and Treatment Project	\$125,000
18	Philipsburg, Town of	
19	Water Main Replacement Alley between Broadway and Stockton (Duffy-Sansome)	\$125,000
20	Missoula, City of	
21	Missoula Comprehensive Stormwater Plan	\$125,000
22	Denton, Town of	
23	Denton Wastewater System Upgrades Phase 1	\$125,000
24	Dutton, Town of	
25	Dutton Water System Improvements	\$125,000
26	Circle, Town of	
27	Circle Waterline Replacement Project Phase 4	\$125,000
28	Clancy Water and Sewer District	

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1	Clancy Water and Sewer District Water System Improvements	\$125,000
2	Basin County Water and/or Sewer District	
3	Basin Water System Improvements Project	\$125,000
4	Wolf Point, City of	
5	Wolf Point Wastewater Project Phase 1	\$125,000
6	Hideaway Community County Water & Sewer District	
7	Hideaway Court Community Sewer Project (HCCWSD)	\$125,000
8	Chester, Town of	
9	Chester Wastewater Improvements Project	\$125,000
10	Troy, City of	
11	Troy Water System Improvements Project	\$125,000
12	Lockwood Water and Sewer District	
13	Lockwood Water and Sewer District Mid Zone Reservoir	\$125,000
14	Hot Springs, Town of	
15	Hot Springs Sewer Lagoon Rehabilitation Project	\$125,000
16	Hingham, Town of	
17	Hingham Wastewater System Improvements Project	\$125,000
18	Chester, Town of	
19	Chester Water System Improvements Project	\$125,000
20	Shelby, City of	
21	Shelby Wastewater Improvements Project	\$125,000
22	Conrad, City of	
23	Conrad Storm Water Project	\$125,000
24	Absarokee Water and Sewer District	
25	Absarokee Water and Sewer District Water System Improvements	\$125,000
26	North Cut Bank Glacier County Water and Sewer District	
27	North Cut Bank Glacier County Wastewater Lift Station Improvements	\$125,000
28	Yellowstone Boys and Girls Ranch County Water and Sewer District	

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1	Yellowstone Boys and Girls Ranch County WSD Wastewater System Improvements	
2		\$125,000
3	Judith Gap, Town of	
4	Judith Gap Wastewater Water Line and Meter Upgrade Project	\$125,000
5	Boulder, City of	
6	Boulder Drinking Water System Improvements	\$125,000
7	<u>Anaconda - Deer Lodge County</u>	
8	<u>Water &amp; Sewer Planning Project</u>	<u>\$100,000</u>
9	<u>Clinton Irrigation District</u>	
10	<u>Schoolhouse Lateral Pipeline Conversion</u>	<u>\$60,000</u>

11 (5) The amount of \$2,500,000 is appropriated to the department of natural resources and  
 12 conservation from the natural resources projects state special revenue account established in 15-38-302 for the  
 13 biennium beginning July 1, 2023. The funds referred to in this subsection must be awarded by the department  
 14 to the named entities for the described purposes and in the grant amounts listed in subsection (7), subject to  
 15 the conditions set forth in [sections 2 and 3] and the contingencies described in the renewable resource grant  
 16 and loan program January 2023 report to the 68th legislature titled: "Governor's Executive Budget Fiscal Years  
 17 2023-2025 Volume 6".

18 (6) Funds must be awarded up to the amounts approved in subsection (7) in the following listed  
 19 order of priority until available funds are expended. Funds not accepted or used by higher-ranked projects must  
 20 be provided for projects farther down the priority list that would not otherwise receive funding. If at any time a  
 21 grant sponsor determines that a project will not begin before June 30, 2025, the sponsor shall notify the  
 22 department of natural resources and conservation. After all eligible projects are funded, remaining funds may  
 23 be used for any renewable resource project authorized under this section.

24 (7) The following are the prioritized irrigation grant projects:

25 RENEWABLE RESOURCE IRRIGATION GRANT PROJECTS

26	Applicant/Project	Amount
27	Greenfields Irrigation District	
28	Greenfields Irrigation District Pishkun Inlet Hydroelectric Project	\$125,000

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1	Lower Yellowstone Irrigation District #1	
2	Lower Yellowstone Irrigation District #1 Thomas Point Pumping Plant Rehabilitation	\$125,000
3	Lower Yellowstone Irrigation Project	
4	Lower Yellowstone Irrigation Project Critical Structures Rehabilitation Project	\$125,000
5	Helena Valley Irrigation District	
6	Helena Valley Irrigation District Regulating Reservoir Preservation & Bypass Project	\$125,000
7	Buffalo Rapids Irrigation Project 2	
8	Shirley Main Canal Rehabilitation Phase 2	\$125,000
9	Pondera County Conservation District	
10	Pondera County Conservation District Birch Creek Diversion Automation Project	\$125,000
11	Madison County	
12	Madison County Big Hole River Restoration Design and Permitting	\$125,000
13	Ruby Valley Conservation District	
14	Ruby Valley CD Upper Jefferson Channel Restoration Project	\$125,000
15	Newlan Creek Water District	
16	Newlan Creek Water District Newlan Creek Dam Safety Improvements	\$125,000
17	Savage Irrigation District	
18	Savage Irrigation District Pump Station Rehabilitation	\$125,000
19	Pondera County Conservation District	
20	Pondera County Conservation District PCCRC C-Canal Headworks Automation	\$125,000
21	East Bench Irrigation District	
22	East Bench Irrigation District Carter Creek Lining & Headgate Automation	\$125,000
23	Buffalo Rapids Irrigation Project 1	
24	Eiker Reach Canal Rehabilitation Project	\$125,000
25	Hill County	
26	Hill County Beaver Creek Dam Tailwater Channel Restoration	\$125,000
27	Granite Conservation District	
28	Granite Conservation District - Allendale Ditch Rehabilitation	\$125,000

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1	Blaine County	
2	Blaine County NCIA North Chinook Reservoir Dam Outlet Rehabilitation Project	\$125,000
3	Paradise Valley Irrigation District	
4	Paradise Valley Irrigation District Hillside Ditch Pipeline Conversion Phase 2	\$125,000
5	Huntley Project Irrigation District	
6	Highline Discharge Pipeline Rehabilitation	\$125,000
7	Tin Cup Water and Sewer District	
8	Tin Cup and Mill Ditch Improvements	\$125,000
9	Billings, City of	
10	Rim Tunnel Rehabilitation Project	\$125,000

11  
12 **NEW SECTION. Section 2. Coordination of fund sources for grants to political subdivisions**  
13 **and local governments.** A project sponsor listed under [section 1(4) or section 1(7)] may not receive funds  
14 from both the reclamation and development grants program and the renewable resource grant and loan  
15 program for the same project during the same biennium.

16  
17 **NEW SECTION. Section 3. Condition of grants.** Disbursement of funds under [section 1] is subject  
18 to the following conditions that must be met by the project sponsor:

19 (1) A scope of work, schedule, and budget for the project must be approved by the department of  
20 natural resources and conservation. Any changes in scope of work or budget after legislative approval may not  
21 change project goals and objectives. Changes in activities that would reduce the public or natural resource  
22 benefits as presented in department of natural resources and conservation reports and applicant testimony to  
23 the 68th legislature may result in a proportional reduction in the grant amount.

24 (2) The project sponsor shall show satisfactory completion of conditions described in the  
25 recommendation section of the project narrative of the program report to the legislature for the biennium ending  
26 June 30, 2025, or, in the case of planning grants issued under [section 1(1)(b)], completion of conditions  
27 specified at the time of written notification of approved grant authority.

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

1           (4)     Any other specific requirements considered necessary by the department must be met to  
2 accomplish the purpose of the grant as evidenced from the application to the department or from the proposal  
3 as presented to the legislature.  
4

5           NEW SECTION. **Section 4. Appropriations established.** There is appropriated to any entity of state  
6 government that receives a grant under [section 1] the amount of the grant upon award of the grant by the  
7 department of natural resources and conservation. Grants to entities from prior bienniums are reauthorized for  
8 completion of contract work.  
9

10          NEW SECTION. **Section 5. Approval of grants -- completion of biennial appropriation.** The  
11 legislature, pursuant to 85-1-605, approves the renewable resource programs grants listed in [section 1]. The  
12 authorization of these grants constitutes a biennial appropriation from the natural resources projects state  
13 special revenue account established in 15-38-302.  
14

15          NEW SECTION. **Section 6. Notification to tribal governments.** The secretary of state shall send a  
16 copy of [this act] to each federally recognized tribal government in Montana.  
17

18          NEW SECTION. **Section 7. Transfer of funds.** By July 1, 2023, the state treasurer shall transfer \$53  
19 million from the general fund to the natural resources projects state special revenue account established in 15-  
20 38-302.  
21

22          NEW SECTION. **Section 8. Appropriation.** There is appropriated \$53 million from the natural  
23 resources projects state special revenue account established in 15-38-302 to the department of natural  
24 resources and conservation for the biennium beginning July 1, 2023, for a grant to the Milk River joint board of  
25 control for the project stakeholder cost share for the Saint Mary's unit siphon replacement projects.  
26

27          COORDINATION SECTION. **Section 9. Coordination instruction.** (1) If both [this act] and an act  
28 that provides additional funding for renewable resource grant and loan program grants from a source other than

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1 the natural resources projects state special revenue account established in 15-38-302 are passed and  
2 approved, the projects listed in [section 1(4) and section 1(7) of this act] that do not receive funding from the  
3 appropriations in [section 1(2) and section 1(5) of this act] may receive funding from the appropriation in the  
4 other act designated for renewable resource grant and loan program grants in the order of completion of the  
5 conditions of [section 3 of this act] and to the extent that there is appropriation authority available.

6 (2) Appropriations made in [section 1(1)(a) through (1)(f)] may be adjusted within [section 1(1)(a)  
7 through (1)(f)] within the biennium based on demand or emergencies.

8  
9 **NEW SECTION. Section 10. Severability.** If a part of [this act] is invalid, all valid parts that are  
10 severable from the invalid part remain in effect. If a part of [this act] is invalid in one or more of its applications,  
11 the part remains in effect in all valid applications that are severable from the invalid applications.

12  
13 **NEW SECTION. Section 11. Effective date.** [This act] is effective July 1, 2023.

14 - END -