

HOUSE BILL NO. 7

INTRODUCED BY J. FITZPATRICK

BY REQUEST OF THE OFFICE OF BUDGET AND PROGRAM PLANNING

A BILL FOR AN ACT ENTITLED: "AN ACT IMPLEMENTING THE RECLAMATION AND DEVELOPMENT GRANTS PROGRAM; APPROPRIATING MONEY TO THE DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION FOR GRANTS UNDER THE RECLAMATION AND DEVELOPMENT GRANTS 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:

NEW SECTION. Section 1. Appropriations for reclamation and development grants. (1) There is appropriated up ~~to \$1.5 million to \$750,000~~ from the natural resources projects state special revenue account established in 15-38-302 to the department of natural resources and conservation for grants for planning reclamation and development projects to be awarded by the department over the course of the biennium beginning July 1, 2025.

~~(2) — There is appropriated up to \$5.3 million from the natural resources projects state special revenue account established in 15-38-302 to the department of natural resources and conservation for grants for pilot water storage planning and projects to be awarded by the department over the course of the biennium beginning July 1, 2025.~~

~~(3)(2)~~ There is appropriated ~~\$7,110,975~~ \$3,774,208 from the natural resources projects state special revenue account established in 15-38-302 to the department of natural resources and conservation for grants to political subdivisions and local governments during the biennium beginning July 1, 2025. The funds in this subsection ~~(3)(2)~~ must be awarded by the department to the named entities for the described purposes and in the grant amounts set out in subsection ~~(5)(4)~~ subject to the conditions set forth in [sections 2 and 3] and the contingencies described in the reclamation and development grants program report to the 69th legislature titled: "Governor's Executive Budget Fiscal Years 2026–2027 Volume 5".

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(4)(3) Funds must be awarded up to the amounts approved in this section in the order of priority listed in subsection (5)-(4) until the 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. After all eligible projects are funded, any remaining funds may be used for any reclamation and development project authorized under this section.

(5)(4) The prioritized grant applicants and projects are as follows:

Rank	Applicant/Project	Amount
1	Powell County	
	Upper Little Blackfoot Watershed Mine Reclamation Project	\$495,123
2	Lewis and Clark County	
	Upper Blackfoot Mining Complex Water Treatment Plant Upgrades	\$479,085
3	Montana Department of Environmental Quality	
	DEQ Landusky Biological Treatment Plant Improvement	\$500,000
4	Powell County	
	Milwaukee Roundhouse Soil Remediation Phase 2	\$500,000
5	Cooke Pass, Cooke City, Silver Gate Sewer District	
	Cooke City Wastewater System	\$500,000
6	Beaverhead Conservation District	
	Elkhorn Mine and Mill Remedy and Restoration	\$300,000
7	DNRC Water Resources Division	
	DNRC Painted Rocks Dam Rehabilitation Phase 1	
	<u>DNRC Willow Creek Dam Rehabilitation</u>	\$500,000
8	DNRC Water Resources Division	
	DNRC East Fork of Rock Creek Dam Rehabilitation	\$500,000
9	Montana Department of Environmental Quality	
	DEQ CR Kendall Mine Long-Term Seep Water Management	\$290,352
10	Ruby Valley Conservation District	
	Upper Ruby River Habitat Rehabilitation Demonstration	\$458,700

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1 11 DNRC Water Resources Division

2 ~~DNRC Willow Creek Dam Rehabilitation~~

3 Painted Rocks Dam Rehabilitation Phase I \$500,000

4 ~~12 Granite County~~

5 ~~Flint Creek Watershed Resiliency and Drought Mitigation~~ ~~\$300,000~~

6 ~~13~~12 Milk River Joint Board of Control

7 Milk River Joint Board of Control Fresno Dam and Spillway Rehabilitation Project \$500,000

8 ~~44~~13 Glasgow, City of

9 Glasgow Levee Improvements \$243,445

10 ~~45~~14 Forsyth, City of

11 Forsyth Slaughterhouse Creek Flood Mitigation \$500,000

12 ~~46~~15 DNRC Water Resources Division

13 DNRC Front Range Flood Preparedness \$310,000

14 ~~47~~16 Montana Technological University

15 Phytomining Remediation and Minerals Recovery Demonstration \$234,270

16

17 NEW SECTION. **Section 2. Coordination of fund sources for grants to political subdivisions**

18 **and local governments.** A grant recipient listed under ~~[section 1(5)]~~ [section 1(4)] may not receive funds from
19 both the reclamation and development grants program and the renewable resource grant and loan program for
20 the same project during the same biennium.

21

22 NEW SECTION. **Section 3. Condition of grants.** The disbursement of funds under [section 1] is

23 subject to the following conditions that must be met by the grant recipient:

24 (1) The grant recipient must have a scope of work, schedule, and budget for the project that is
25 approved by the department of natural resources and conservation. Any changes in scope of work or budget
26 subsequent to legislative approval may not alter project goals and objectives. Changes in activities that would
27 reduce the public or natural resource benefits as presented in department of natural resources and
28 conservation reports and applicant testimony to the 69th legislature may result in a proportional reduction in the

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1 special revenue account established in 15-38-302.

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

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6 NEW SECTION. Section 7. Coordination instruction. (1) If both [this act] and an act that provides
7 additional funding for reclamation and development grants from a source other than the natural resources
8 projects state special revenue account established in 15-38-302 are passed and approved, the projects listed in
9 ~~[section 1(5) of this act]~~ ~~[section 1(4) of this act]~~ that do not receive funding from the appropriations in ~~[section~~
10 ~~1(3) of this act]~~ in ~~[section 1(2) of this act]~~ may receive funding from the appropriation in the other act
11 designated for reclamation and development grants as follows:

12 (a) in the order of completion of the conditions of [section 3 of this act]; and

13 (b) to the extent that there is appropriation authority available.

14 (2) If both [section 1(1)(b) of House Bill No. 6] and [section 1(1) of this act] are passed and
15 approved and if all of the ~~\$1.5 million~~ ~~\$750,000~~ in grant funds authorized in [section 1(1) of this act] are not
16 expended for planning reclamation and development projects by the end of the biennium, then projects eligible
17 for funding under [section 1(1)(b) of House Bill No. 6] are eligible to apply for funding under [section 1(1) of this
18 act] for renewable resource project planning grants.

19

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

23

24 NEW SECTION. Section 9. Effective date. [This act] is effective July 1, 2025.

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