

Long-Range Planning Presentation – Senate

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HB 7 – Reclamation & Development Grant Program

Program Staff:

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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

Funding: see HB 6 summary

General Notes:

- 17 projects were proposed in HB 7 for addressing hazardous waste remediation, steam bank stabilization, wastewater, and other projects to meet crucial state needs; project grants total \$7.1 million in the executive proposal. This funding was reduced to \$5,523,260 by an amendment in Senate Finance and Claims Committee to balance the fund, which will fund the top 11 projects.
- Reclamation Development Planning Grants was reduced from the executive proposal of \$1.5 million to \$750,000 and Pilot Water Storage Planning & Projects were eliminated.

Natural Resource Project Account Fund Balance Analysis - 2027 Biennium					
Fund 02577					
	FY 2024	FY 2025	FY 2026	FY 2027	2027 Biennium
	Actuals	Projected	Projected	Projected	Projected
Available Balance	\$18,956,192	\$48,157,549	\$600,756	(\$2,206,244)	\$600,756
Revenue Projections¹					
RIT Interest Earnings	\$ 2,529,536	\$ 3,048,922	\$ 2,410,292	\$ 3,200,000	\$ 5,610,292
Resource Indemnity & Groundwater	\$ 2,268,369	\$ 1,894,738	\$ 1,388,128	\$ 1,248,114	\$ 2,636,242
Oil and Gas Tax	\$ 1,541,945	\$ 1,514,112	\$ 1,603,460	\$ 1,645,057	\$ 3,248,517
Other Revenues	\$ 22,250	\$ 1,000	\$ -	\$ -	\$ -
HB 6 General Fund Transfer	\$ 26,000,000	\$ -	\$ -	\$ -	\$ -
Total Revenues	\$ 32,362,100	\$ 6,458,772	\$ 5,401,880	\$ 6,093,171	\$ 11,495,051
RRGL Appropriations - HB 6					
Emergency Grants	\$ 108,725	\$ 191,275	\$ 250,000	\$ 250,000	\$ 500,000
Project Planning Grants	\$ 247,843	\$ 3,252,158	\$ 500,000	\$ 500,000	\$ 1,000,000
Irrigation Development Grants	\$ 30,000	\$ 470,000	\$ 250,000	\$ 250,000	\$ 500,000
Watershed Grants	\$ -	\$ 500,000	\$ -	\$ -	\$ -
Private Grants	\$ 37,952	\$ 62,048	\$ 75,000	\$ 75,000	\$ 150,000
Nonpoint source pollution reduction grants	\$ -	\$ 2,500,000	\$ 250,000	\$ 250,000	\$ 500,000
Project Grants Infrastructure	\$ 572,065	\$ 5,777,935	\$ 2,375,000	\$ 2,375,000	\$ 4,750,000
Project Grants Irrigation	\$ 21,070	\$ 2,538,930	\$ 1,372,250	\$ 1,372,250	\$ 2,744,500
Other Grants	\$ -	\$ -	\$ -	\$ -	\$ -
Prior Biennia	\$ 996,936	\$ 6,036,803	\$ -	\$ -	\$ -
Total RRGL Expenditures/Appropriations	\$ 2,014,591	\$ 21,329,149	\$ 5,072,250	\$ 5,072,250	\$ 10,144,500
RRGL Appropriations - HB 6					
Milk River Project Loan Funding	\$ -	\$ 26,000,000	\$ -	\$ -	\$ -
Total Milk River Project Loan Funding	\$ -	\$ 26,000,000	\$ -	\$ -	\$ -
RDGP Appropriations - HB 7					
Planning Grants	\$ 41,834	\$ 1,958,166	\$ 375,000	\$ 375,000	\$ 750,000
Water Storage Pilot Project Planning			\$ -	\$ -	\$ -
Prior Biennia	\$ 1,131,339	\$ 1,088,437		\$ -	\$ -
Current Biennium Grants	\$ 347,790	\$ 3,639,812	\$ 2,761,630	\$ 2,761,630	\$ 5,523,260
Total RDGP Expenditures/Appropriations	\$ 1,520,963	\$ 6,686,415	\$ 3,136,630	\$ 3,136,630	\$ 6,273,260
Total Expenditures/Appropriations	\$ 3,535,554	\$ 54,015,564	\$ 8,208,880	\$ 8,208,880	\$ 16,417,760
Estimated Ending Fund Balance	\$48,157,549	\$ 600,756	\$ (2,206,244)	\$ (4,321,953)	\$ (4,321,953)