

*Joint Meeting with Natural Resources Subcommittee*

**MINUTES**

**MONTANA HOUSE OF REPRESENTATIVES  
52nd LEGISLATURE - REGULAR SESSION**

**JOINT MEETING  
SUBCOMMITTEE ON LONG-RANGE PLANNING  
SUBCOMMITTEE ON NATURAL RESOURCES**

**Call to Order:** By CHAIR MARY ELLEN CONNELLY, on February 1,  
1991, at 11:10 a.m.

**ROLL CALL**

**Members Present:**

Rep. Mary Ellen Connelly, Chair (D)  
Rep. Francis Bardanoue (D)  
Sen. Ethel Harding (R)  
Rep. Bob Thoft (D)

**Members Excused:**

Sen. Bob Hockett, Vice Chairman (D)  
Sen. J.D. Lynch (D)

**Staff Present:** Jim Haubein, Principal Fiscal Analyst (LFA)  
Jane Hamman, Senior Budget Analyst (OBPP)  
Claudia Montagne, Secretary

**Subcommittee on Natural Resources**

**Members Present:**

Rep. Berv Kimberley, Chair (D)  
Rep. Esther Bengtson, Vice-Chair (D)  
Rep. Jerry Nisbet (D)  
Sen. Cecil Weeding (D)

**Members Excused:**

Sen. Gerry Devlin (R)  
Rep. Ed Grady (R)

**Staff Present:** Roger Lloyd, Fiscal Analyst (LFA)  
Carl Schweitzer, Budget Analyst (OBPP)

**Please Note:** These are summary minutes. Testimony and  
discussion are paraphrased and condensed.

**OVERVIEW OF RIT**

**Tape 1:A:000**

**Mr. Haubein** explained the purpose of the meeting. Currently the Appropriations Subcommittee for Natural Resources is hearing the DNRC budget, and have just completed the DSL budget. The Local Government Subcommittee has heard and taken Executive Action on the Water Courts budget. Beginning February 8, Long Range

JL020191.HM2

Planning Subcommittee will start hearing grant proposals for the grants funded by the Resource Indemnity Trust Fund monies (RIT). Since all of these programs and grants share common sources of funding, it was hoped that by meeting together, an agreement could be reached as to the amount of money that could be available for grants.

**Mr. Haubein** said background would be provided on the sources of funds and availabilities. **Karen Barclay, Director, DNRC**, would go through the allocation of the RIT Trust Fund and Interest Account and the other funds that go into the three accounts, the Renewable Resource Development (RRD), Water Development (WDP) and Reclamation and Development accounts (RDG).

**Ms. Barclay** distributed three documents that trace the history of the RIT Account. **EXHIBIT 1, 2 & 3** The Resource Indemnity Trust tax (RIT) was established in 1973 at the level of .5%, a tax on extractive industries (coal, oil, natural gas, metals, other). The exhibit traces the funding history of the RIT, which was established so that until the Trust Fund reached \$10,000,000, both the proceeds and the interest would be deposited into the account. In FY78, when the fund reached that point, the interest monies could be spent elsewhere. At this time, there is approximately \$78,000,000 in the Trust, with \$7,612,666 available in interest monies. **EXHIBIT 3** records the deposits to the account since its origination. She noted that the oil and gas industry had deposited over 60% of the total.

**Ms. Barclay** then referred to and reviewed a chart which depicts what happens to the money once it is accumulated. **EXHIBIT 4** She noted that once the trust reaches \$100,000,000, anticipated in four years, the proceeds as well as the interest can be expended. She described the Environmental Contingency Account and the Oil & Gas Damage Mitigation Account. In one of the Governor's proposals, a third account would be established, taking money off the top of the interest - a Hard Rock Environmental Emergency Account. However, in reviewing the proposal, it will not be necessary since it has been determined that the existing emergency account can be used.

After the two accounts receive their full revenue, the remaining interest is divided into five separate accounts. **EXHIBIT 4 Ms. Barclay** then focused on the three grant accounts, WDP, RRD and RDG, and how they may be impacted. She distributed the Executive Budget referring to the accumulation of the revenues and the recommended expenditures. **EXHIBIT 5**

**Ms. Barclay** reviewed the revenues each of the three accounts receives as set forth in **EXHIBIT 5**. **REP. BARDANOUE** asked for clarification on the Middle Creek Dam Savings. **Ms. Barclay** said bids for the project had come in lower than expected, resulting in this savings (\$400,00) in state funds. The project would be paid for by a federal grant in the amount of \$700,000 and a federal loan in the amount of \$3,200,000, The city of Bozeman

and local water users would pay off the loan. The loan is backed by Coal Severance Tax Bonds. The majority of "other sources" comes from Water Users Associations fees.

**Ms. Barclay** reviewed the appropriations out of the accounts, using the Executive recommendations. Funding for DNRC covers a variety of programs including Water Reservation, administration of grants and loans, State Water Plan and Water Courts. She noted the addition of the State Library to this list of appropriations, a program that was formerly funded out of the grant programs. Potential reorganization costs for the consolidation of natural resource agencies would include costs of moving equipment, telephones, and purchase of new equipment for DSL. Each of the areas on the list utilize a combination of funds, with varying percentages of General Fund/RIT dollars. This list represents the RIT portions.

**Ms. Barclay** noted that the Water Storage Account is a result of the State Water Planning process, a recommendation approved by the Governor and to be introduced into the Senate this session. 25% of the two accounts will be earmarked for water storage and used to rehabilitate high hazard, unsafe dams, to rehabilitate other unsafe dams and to create new storage.

Calculating quickly, adding in the additional \$100,000 for the grants and water storage accounts recently approved by the Natural Resources subcommittee, **Ms. Barclay** said the totals would be roughly \$950,000 for the Water Development Grants, \$324,000 for Water Storage, \$577,496 in Renewable Resources, and \$193,000 for the storage account, and finally the \$2,676,000 in the Reclamation and Development account. These totals do not reflect other proposals brought before the Legislature.

**Mr. Haubein** addressed some concerns from the LFA point of view, outlined in **EXHIBIT 6**. He pointed out the LFA projected revenues and the LFA funding for the programs, similar to the Executive proposal on the first page. Next he reviewed a comparison of the LFA and Executive projections for the Reclamation and Development Account, with the LFA amount available for grants, not including the pay plan, exceeding the Executive by \$1,140,000. The third page contains a listing of grants recommended in the Executive Budget, with grants through ranking 14 able to be funded using Executive estimates, or through ranking 19 using LFA estimates.

**REP. BARDANOUE** asked if the Pay Plan would be appropriated from reversions, where would these reversions come from. **Ms. Hamman** said at this point in time, the Executive budget has concurred that use of reversions would facilitate discussion of the pay plan. That means that in order to fully fund it, each accounting entity supporting FTE's would fund their portion of the pay plan. Reversions would be looked for at the end, particularly with the General Fund. The reversions (from vacancy savings) would come in next session and would be reflected in the beginning balance.

She did not recommend budgeting any amount this session.

**Mr. Haubein** returned to the exhibit, Table B, which provides the same Executive/LFA comparison figures for the Water Development account, and again the differences in the funds available for grants. On the following page, with Executive figures, funding could be provided through grant ranked 13; with LFA figures, funding would cover all Water Development Grants recommended by the Executive budget. Table C, **EXHIBIT 6**, gives the same information for the Renewable Resource Account, with Executive estimates funding through ranking 9, and LFA, through grant ranked 16.

**Mr. Haubein** suggested the two committees discuss the amount available for grants. The Long Range Building Committee should have some input in the determination of the amounts they would like to see available for grants, information they would convey to the Natural Resources Subcommittee. The result would be a coordinated effort in program funding and grants funding.

**REP. BARDANOUE** asked about the Tongue River Dam, with the amount of \$400,000 to be spent out of the Water Development Account.

**Ms. Barclay** said originally Coal Severance Tax Bonds were considered to pay that \$400,000. The current proposal is to use the savings on the Middle Creek Project, rather than bond money, for that \$400,000. The amount is the same; the funding source is different.

**Ms. Barclay** addressed a concern of the Department regarding the potential impact of various Legislative proposals on the funds available for the grants programs. **EXHIBIT 7** The first is the increase in the Water Court funding in the amount of \$39,000, which would come from the RIT and would impact the Water Development Account, to be shared by the grants and water storage accounts on a 75%/25% basis. DSL also received approval for their pay exceptions in the amount of \$50,000 to come out of the Reclamation and Development Grant programs. Two other bills, HB 199 and HB 215, allow for part of the proceeds going into the Trust Fund to be diverted and spent to fund this legislation. The result would be a loss of interest.

1:B:000

**SEN. BENGTON** asked about the potential for reaching the \$100,000,000 mark, when the principal of the trust can be tapped. **Ms. Barclay** the estimate is four years, with growth at \$5,000,000 per year and the present balance at \$79,000,000. With proposals such as HB 199 and 215 to tap the proceeds, that time line would be extended by two years. There are other proposals to use the RIT proceeds and interest, with the result that this picture too could change.

**Ms. Barclay** spoke about the grant and loan applicants and the need to protect the amounts of money in those accounts. They had 115 applicants who spend a lot of local dollars and their time

preparing their applications; they expect there to be a grant program. The Executive recommendation is at an adequate level to protect the integrity of the grant programs; however, any reduction below that would threaten their existence.

**Carl Schweitzer, OBPP**, said the Executive Office was no longer supporting the DSL pay exceptions since they are now fully funding the Pay Plan. **Ms. Hamman** clarified that the decision to increase the funding for the Water Court was made by the General Government Subcommittee. **SEN. BENGTON** said the decision was made on the DSL pay exceptions before the subcommittee knew the Executive Branch was going to fully fund the Pay Plan. **Ms. Barclay** noted that the amount for the Pay Plan on **EXHIBIT 5** covers the Governor's Pay Plan, an additional 4.5%, for those people funded out of RIT.

ADJOURNMENT

Adjournment: 12:00 noon

*M. E. Connelly*

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MARY ELLEN CONNELLY, Chair

*Montagne*

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CLAUDIA MONTAGNE, Secretary

MEC/cm

**HOUSE OF REPRESENTATIVES**  
**LONG-RANGE PLANNING SUBCOMMITTEE**

ROLL CALL

DATE 2-1-91

NAME	PRESENT	ABSENT	EXCUSED
REP. FRANCIS BARDANOUE	✓		
SEN. ETHEL HARDING	✓		
SEN. BOB HOCKETT, VICE-CHAIRMAN			✓
SEN. J.D. LYNCH			✓
REP. BOB THOFT	✓		
REP. MARY ELLEN CONNELLY, CHAIR	✓		

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**HOUSE OF REPRESENTATIVES**  
**NATURAL RESOURCES SUBCOMMITTEE**

ROLL CALL

DATE 2-1-91

NAME	PRESENT	ABSENT	EXCUSED
SEN. ESTHER BENGTON, VICE-CHAIR	✓		
REP. ED GRADY			
REP. JERRY NISBET			
SEN. GERRY DEVLIN			
SEN. CECIL WEEDING	✓		
REP. "BERV" KIMBERLY, CHAIRMAN	✓		



Resource Indemnity Trust Fund  
Tax Collection  
Interest Earnings

EXHIBIT 1  
DATE 2-1-91  
HB RIT  
*Long Range Planning*

Fiscal Year	Trust Balance per year	Interest Earnings per year
<b>Actual</b>		
1980	\$16,204,531	\$1,175,530
1981	21,165,464	1,607,667
1982	28,328,946	2,294,265
1983	36,181,889	3,789,855
1984	42,986,128	4,225,130
1985	47,396,179	5,526,373
1986	53,039,675	6,487,967
1987	56,861,627	7,208,545
1988	61,750,961	6,149,783
1989	66,665,000	6,858,164
1990	72,811,618	7,472,755
<b>Projected</b>		
*1991	77,783,315	7,612,666
*1992	83,160,488	7,952,931**
*1993	88,054,078	8,604,746**

\* Projected balance figures using the Office of Budget and Program Planning revenue projections.

\*\* Revenue of RIT Interest for the 1993 Biennium to be distributed.

\$7,952,931  
8,604,746  
\$16,557,677

The trust is projected under current law to reach its cap of \$100 million in fiscal year 1995

This information taken from the Office of Budget and Program Planning revenue projections.

Summary Section (Gray Pages) p. 29

RESOURCE INDEMNITY TRUST FUND

The Resource Indemnity Trust Fund (RIT) was established in 1973. Earnings from the RIT are to be used to "improve the total environment and rectify damage thereto" pursuant to 15-38-203, MCA. Funding to implement this policy is derived from a tax on mineral production and interest earnings to the established trust fund.

When the trust fund reached \$10 million in 1978, all earnings on the trust began to be appropriated in accord with 15-38-202, MCA. Once the trust reaches \$100 million, both the interest and tax proceeds can be appropriated.

Trust fund earnings are earmarked for a number of different programs. Statutorily \$175,000 per biennium is allocated to the Governor's environmental contingency fund which must be used to meet unanticipated public needs when the public welfare and/or natural environment is threatened, in accord with 75-1-1101, MCA. Second, up to \$50,000 per biennium is appropriated to the oil and gas production damage mitigation account pursuant to 82-11-161, MCA. The remaining trust fund earnings have been allocated to five programs in accord with current law since FY90 as follows: Water Development 30%; Renewable Resources 8%; Reclamation and Development 46%; Hazardous Waste/CERCLA 12%; and Environmental Quality Protection (Non-Super Fund) 4%. Table 1 shows the history of the trust fund since its inception. The table provides historical data on tax collections, interest earnings, and trust fund balances. Estimates for fiscal years 1991, 1992, and 1993 are provided.

Table 1  
 Resource Indemnity Trust Fund  
 Collections and Trust Fund Balance  
 Fiscal Years 1974-1991

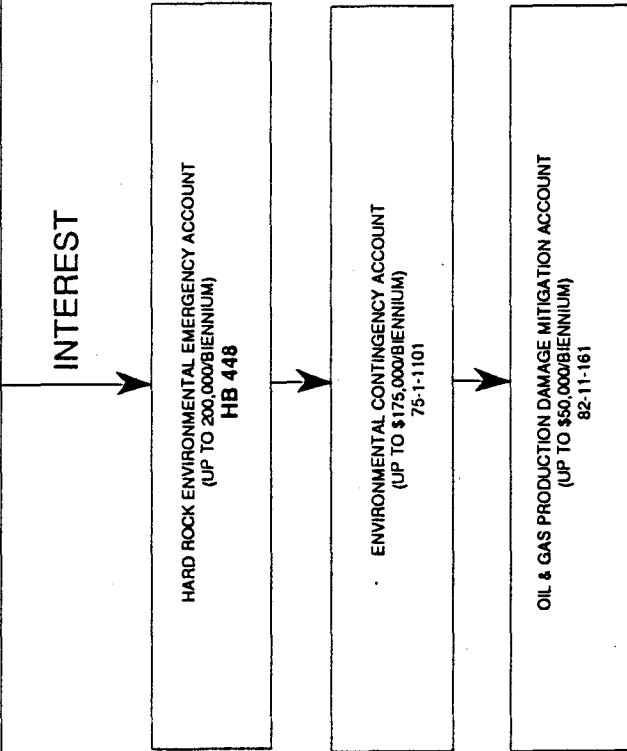
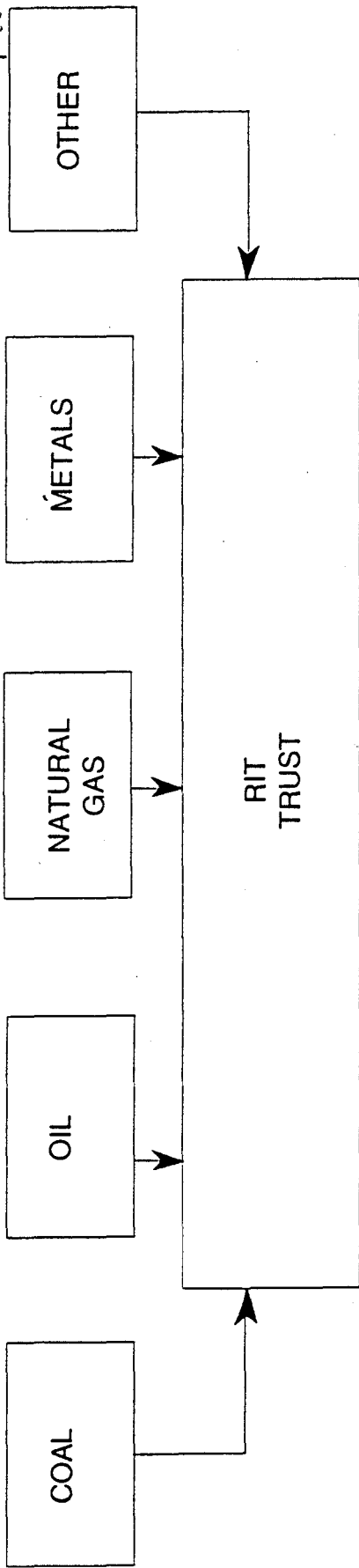
Fiscal Year	Tax Collections	Interest Earnings	Total Revenue	Trust Fund Balance
FY74	\$1,137,902	\$3,433	\$1,141,335	\$1,141,385
FY75	2,050,037	96,031	2,146,068	3,287,456
FY76	1,981,363	283,377	2,264,740	5,552,291
FY77	2,209,719	475,082	2,684,801	8,232,247
FY78	2,246,415	696,050	2,942,465	10,646,851
FY79	2,107,353	908,982	3,016,340	12,574,209
FY80	3,630,322	1,175,530	4,805,852	16,204,531
FY81	4,956,025	1,607,667	6,563,692	21,165,464
FY82	7,159,153	2,294,265	9,453,418	28,328,946
FY83	7,822,036	3,789,355	11,611,391	36,181,839
FY84	6,716,089	4,225,130	10,941,219	42,986,123
FY85	6,273,740	5,526,373	11,805,113	47,396,179
FY86	5,992,270	6,487,967	12,480,237	53,039,675
FY87	3,821,952	7,208,545	11,030,497	56,861,627
FY88	4,979,333	6,149,783	11,129,116	61,750,961
FY89	4,782,041	6,853,164	11,772,203	66,665,000
FY90	6,037,436	7,472,755	13,510,194	72,811,618
FY91 est	4,971,697	7,612,666	12,584,363	77,783,315
FY92 est	5,377,173	7,952,931	13,330,104	83,160,488
FY93 est	4,893,590	8,604,746	13,498,336	88,054,073

The last four legislative sessions also have appropriated some of the RIT monies to fund programs in DNRE, DSL, and other departments that are consistent with the purpose for which the funds may be spent. The executive budget proposes to continue the funding of comparable programs for which RIT monies were appropriated during the 1991 biennium. The amount remaining for grants increases by \$248,292 over the 1991 biennium appropriated level to \$4,986,516 for the 1993 biennium. In addition, there is \$599,649, which is equal to 25% of the recommended water development and renewable resource development grant levels, included for water storage projects based on the recommendation of the State Water Plan Advisory Committee. The committee will recommend legislation during the 1991 Legislative Session to earmark 25% of these funds for water storage purposes. Table 2 presents the 1993 RIT

RESOURCE INDEMNITY TAX RECEIPTS  
Source: Department of Revenue

FY	COAL	OIL	NATURAL		METALS	OTHER	TOTAL
			GAS				
74	\$ 61,687	\$ 640,771	\$ 44,475	\$ 352,960	\$ 38,009	\$ 1,137,902	
75	239,391	1,201,125	49,861	513,940	45,722	2,050,039	
76	409,810	1,294,364	82,754	130,632	63,804	1,981,364	
77	496,340	1,399,698	74,268	160,104	79,309	2,209,719	
78	522,333	1,316,917	165,348	145,173	96,644	2,246,415	
79	225,681	1,434,472	231,530	93,872	121,803	2,107,358	
80	928,798	1,828,947	355,054	353,130	164,393	3,630,322	
81	825,496	3,328,426	419,647	238,595	146,861	4,959,025	
82	1,000,195	5,308,525	491,832	215,776	142,825	7,159,153	
83	1,892,248	4,768,072	552,396	442,858	212,162	7,837,736	
84	1,300,665	4,279,714	589,348	399,704	146,659	6,716,090	
85	1,095,522	4,204,763	627,504	229,464	121,487	6,278,740	
86	1,171,480	3,913,955	583,961	152,833	170,041	5,992,270	
87	1,090,324	1,859,932	538,251	170,345	163,101	3,821,953	
88	1,224,129	2,033,646	484,537	745,412	214,263	4,701,987	
89	1,356,240	1,627,445	539,442	909,244	349,671	4,782,042	
90	2,540,363	1,795,586	453,052	1,091,128	157,307	6,037,436	
Total	\$16,380,702	\$42,236,352	\$6,253,260	\$6,345,170	\$2,434,061	\$73,649,551	
% of Total	22.2	57.4	8.5	8.6	3.3	100.0	

RESOURCE INDEMNITY TRUST



<p>4%</p> <p>ENVIRONMENTAL QUALITY PROTECTION FUND 75-10-704</p>	<p>46%</p> <p>RECLAMATION AND DEVELOPMENT GRANTS PROGRAM (RDG) 90-2-1104</p>	<p>8%</p> <p>RENEWABLE RESOURCE DEVELOPMENT PROGRAM (RRD) Title 90, Chapter 2</p>	<p>12%</p> <p>DHES - HAZARDOUS WASTE/ CERCLA ACCOUNT 75-10-621</p>	<p>30%</p> <p>WATER DEVELOPMENT PROGRAM (WDP) SPECIAL REVENUE ACCOUNT 85-1-604</p>
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*Long Range Planning*

 Resource Indemnity Trust Interest Accounts  
 1993 Biennium

	Water Development 30%	Renewable Resources 8%	Reclamation Development 46%
Beginning Balance	810,949	0	604,812
Projected Revenues			
RIT Interest *	4,967,303	1,324,614	7,616,531
Coal Tax	359,597	359,597	0
Broadwater Income	200,000		
Middle Creek Dam Savings	400,000		
Loan Repayments	950,670	129,869	0
Other Sources	453,400	0	0
	-----		
Total Funds Available	8,141,919	1,814,080	8,221,343
Appropriation			
Debt Service	1,229,964	380,231	0
DNRC	3,110,830	441,997	2,706,154
State Water Projects	1,000,000	0	0
Tongue River Dam	400,000	0	0
Reserved Water Rights	0	0	584,261
State Lands	0	0	1,607,235
DHES	0	0	0
Water Courts	948,125	0	0
State Library	0	200,000	177,000
EQC	0	0	26,451
Reorg. Costs	31,976	0	109,674
Pay Plan	196,449	21,858	334,771
	-----		
Total Disbursements	6,917,344	1,044,086	5,545,546
Available Grant Funds	918,431	577,496	2,675,797
Water Storage	306,144	192,499	
Fund Balance	0	0	0

RESOURCE INDEMNITY TRUST INTEREST ACCOUNTS

Three accounts which receive a portion of the Resource Indemnity Trust interest are used to make grants and loans for natural resource projects: 1) the water development account; 2) the renewable resource development account; and 3) the reclamation and development account. All grants from these accounts require legislative approval.

The following table shows anticipated revenues to and LFA current level allocations from the three accounts in the 1993 biennium. The balance remaining in each account is available to fund projects.

Table 1  
 Resource Indemnity Trust Interest Accounts  
 1993 Biennium

	<u>Water Development</u>	<u>Renewable Resources</u>	<u>Reclamation &amp; Development</u>
Beginning Fund Balance	\$ 673,435	\$ (26,252)	\$ 575,061
Projected Revenues			
RIT Interest	\$5,036,919	\$1,343,179	\$7,723,277
Coal Tax	365,778	365,778	
Loan Repayments	950,670	129,870	
Project Revenues	335,400		
Administrative Fees	50,000		
Interest			
Total Revenues	<u>\$6,738,767</u>	<u>\$1,908,827</u>	<u>\$7,723,277</u>
Total Available	<u>\$7,412,202</u>	<u>\$1,882,575</u>	<u>\$8,298,338</u>
Disbursements (LFA Current Level)			
Debt Service	\$1,229,694	\$380,231	
Water Courts	916,964		
DNRC	2,894,518	397,251	2,931,305
Reserved Water Rights	0	0	446,330
State Lands	0	0	1,169,927
EQC	0	0	26,451
Total Disbursements	<u>\$5,041,176</u>	<u>\$ 777,482</u>	<u>\$4,574,013</u>
Available for Grants	\$2,371,026	\$1,105,093	\$3,724,325

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**TABLE A**  
**Resource Indemnity Trust Interest Allocations**  
**Reclamation and Development Account**  
**1993 Biennium**

<u>Revenues/Disbursements</u>	<u>Executive 1993 Biennium</u>	<u>LFA 1993 Biennium</u>	<u>Subcommittee 1993 Biennium</u>
Beginning Fund Balance	\$ 604,812	\$ 575,061	
Total Anticipated Revenue	<u>7,524,531</u>	<u>7,723,277</u>	
Total Revenue Available	\$8,129,343	\$8,298,338	
<u>Disbursements</u>			
DNRC (DNRE)			
Bd of Ntrl Rsc		3,836	
Central Services	85,611	334,722	
Conservation & Resource	944,014	961,600	
Rural Econ Development		61,860	
Water Resources	1,510,617	2,015,617	
Reserved Water Rights	584,261		
State Lands			
Central Management	308,830		
Reclamation Division	1,573,991	1,169,927	1,297,892
State Library	177,000		
Environmental Quality Council	26,451	26,451	
Pay Plan - All Programs	<u>334,771</u>		
Total Disbursements	\$5,545,546	\$4,574,013	\$1,297,892
Available for Grants	<u>\$2,583,797</u>	<u>\$3,724,325</u>	
Grants Prioritized in Executive Budget	\$4,233,173	<i>Not including pay plan</i>	

Table 3  
 Reclamation and Development Grants  
 Project Recommendations  
 Fiscal Years 1992-93

2-2-91  
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Applicant	Project Name	Recommended Funding	Accumulative Total
1 Butte-Silver Bow Government	WASTEC	\$296,113	\$296,113
2 Chinook Division Irrigation Assoc	REHAB & BETTERMENT ELEMENT OF MILK RIVER	300,000	596,113
3 Judith Basin Conservation Dist	COMMUNITY-LED RURAL DEVELOPMENT IN MONTANA	170,000	766,113
4 DNRE/Central MT Health District	ARRO REFINERY SLUDGE CLEANUP	300,000	1,066,113
5 MT Board of Oil and Gas	ABANDONED WELL PLUGGING PROJECT "A"	300,000	1,366,113
6 MT Board of Oil and Gas	ABANDONED WELL PLUGGING PROJECT "B"	295,000	1,661,113
7 MT State Library	NRIS, EMPHASIS ON THE NAT HERIT PROG	0	1,661,113
8 MT Salinity Control Assoc	SOIL & WATER NONPOINT SRC POLL CONTROL & MGMT	137,500	1,798,613
9 MSU/Reclamation Research Unit	EFFECT OF SODIUM, CHLORINE & TOTAL SALTS ...	82,885	1,881,498
10 Carbon County, et al	INTEGRATED WASTE MANAGEMENT IN SE MT	45,437	1,926,935
11 DNRE/Water Quality Bureau	NONPOINT POLLUTION CONTROL PROJECT	146,620	2,073,555
12 MT Mines & Geology, Bureau of	DOWN HOLE GEO LOGGING TECH/WELL	39,749	2,113,304
13 MT Board of Oil and Gas	ABANDONED WELL PLUGGING PROJECT "C"	144,000	2,257,304
14 Toole County	N. TOOLE COUNTY RECLAMATION PROJECT	105,000	2,362,304
15 Pesticide County Clean-up Comm	PESTICIDE CONTAMINATION CLEANUP	300,000	2,662,304
16 State Lands, Dept of	WELL ASSESSMENT AND ABANDONMENT	300,000	2,962,304
17 DNRE/Water Planning Bureau	ARSENIC IN UPPER MISSOURI RIVER BASIN	179,330	3,141,634
18 DNRE/Mining Division	COMET MINE WETLANDS DEVELOPMENT	250,700	3,392,334
19 Glacier County Cons Dist	COMPREHENSIVE EVAL OF GROUNDWATER CONTAM	197,453	3,589,787
20 DNRE/Water Quality Bureau	HYDROGEO, LAND USE, & CHEM QUAL OF NAT RES	218,250	3,808,037
21 Fort Peck Assin/Sioux Tribes	CONTAMINATION EAST POPLAR OIL FIELD	290,400	4,098,437
22 Sheridan County Cons Dist	EXTENT OF OIL FIELD WASTE CONTAMINATION	134,736	4,233,173

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**TABLE B**  
**Resource Indemnity Trust Interest Allocations**  
**Water Development Account**  
**1993 Biennium**

<u>Revenues/Disbursements</u>	<u>Executive 1993 Biennium</u>	<u>LFA 1993 Biennium</u>	<u>Subcommittee 1993 Biennium</u>
Beginning Fund Balance	\$1,210,949	\$ 693,435	
Broadwater Income	200,000		
Total Anticipated Revenue	<u>6,670,970</u>	<u>6,738,767</u>	
Total Revenue Available	\$8,081,919	\$7,432,202	
<u>Disbursements</u>			
Debt Service	\$1,229,964	\$1,229,694	
Water Courts	948,125	916,964	987,085
DNRC (DNRE)			
Bd of Ntrl Rsc		7,995	
Central Svc Div	58,017	286,844	
Conserv & Rsc Dev Div	464,266	421,017	
Water Resources Div	1,846,527	2,178,662	
Modified Budgets	447,407		
State Water Projects	1,000,000		
Tongue River Dam	400,000		
State Lands			
Central Management	232,064		
Modified Budgets	27,350		
Admin of FWP Dams	67,175		
Pay Plan - All Programs	<u>196,449</u>		
Total Disbursements	\$6,917,344	\$5,041,176	\$987,085
Water Storage	\$ 291,144		
Available for Grants	<u>\$ 873,431</u>	<u>\$2,391,026</u>	
Grants Prioritized in Executive Budget	\$1,032,313		

*(originally to be Bonded -  
now savings from (middle)  
Clear Prog)*

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Table 3  
Water Development Program  
Project Recommendations  
Fiscal Years 1992-93

Applicant	Project Name	Recommended Accumulative	
		Funding	Total
1 Chinook Irrigation District	MILK RIVER WATER SUPPLY PROJECT	\$100,000	\$100,000
2 Lower Musselshell Cons. District	RIVER MGMT TOOLS FOR MUSSELSHELL RIV	72,539	172,539
3 Glasgow Irrigation District	IMPROVING WATER USE	100,000	272,539
4 Greenfields Irrigation District	GREENFIELDS GRAVITY IRRIGATION	100,000	372,539
5 Montana State Library	DROUGHT MONITORING SYSTEM	0	372,539
6 Flathead Joint Board of Control	FLATHEAD IRRIGATION INFORMATION SYST	92,000	464,539
7 Lewis & Clark County Cons. Dist.	NILAN WATER CONSERVATION PROJECT	100,000	564,539
8 Ruby Water Company	RUBY WATER DAM-FEASIBILITY STUDY	14,708	579,247
9 Fort Shaw Irrigation District	REHAB HEADWORKS & "A" SYSTEM	50,000	629,247
10 Dutton, Town of	DUTTON WATER RESERVOIR	91,319	720,566
11 Stockett Water Users Association	WASTEWATER TREATMENT/COLLECTION SYS	50,000	770,566
12 Little Beaver Creek Ranch	FISHERY IMPROVEMENT PROJECT	15,000	785,566
13 Phillips Conservation District	MOISTURE MONITORING PROJECT	53,382	838,948
14 MT Bureau of Mines and Geology	HYDROLOGIC CONTROL	98,778	937,726
15 Granite County Conservation Dist	DEMONSTRATION ICE BLOCK	67,787	1,005,513
16 McVee, Charles J.	CHERRY CREEK FLOOD CONTROL	21,800	1,027,313
17 River Road Streambank Stab. Assoc	RIVER ROAD STABILIZATION	5,000	1,032,313

EWSC

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**TABLE C**  
**Resource Indemnity Trust Interest Allocations**  
**Renewable Resource Development Account**  
**1993 Biennium**

<u>Revenues/Disbursements</u>	<u>Executive 1993 Biennium</u>	<u>LFA 1993 Biennium</u>	<u>Subcommittee 1993 Biennium</u>
Beginning Fund Balance	\$ 0	(\$26,252)	
Total Anticipated Revenue	<u>1,798,080</u>	<u>1,908,827</u>	
Total Revenue Available	\$1,798,080	\$1,882,575	
 <u>Disbursements</u>			
Debt Service	\$ 380,231	\$ 380,231	
DNRC (DNRE)			
Central Services		15,060	
Conservation & Resource Div	441,997	250,991	
Conservation Districts		131,200	
State Library	200,000		
Pay Plan - All Programs	<u>21,858</u>		
Total Disbursements	\$1,044,086	\$ 777,482	\$0
Water Storage	\$ 188,499		
Available for Grants	<u>\$ 565,496</u>	<u>\$1,105,093</u>	<u>\$0</u>
Grants Prioritized in Executive Budget	\$1,106,567		

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Table 1  
Renewable Resource Development Program  
Project Recommendations  
Fiscal Years 1992-93

Applicant	Project Name	Recommended Funding	Accumulative Total
1 Jefferson Valley Conservation Dist	CEREAL-LEGUME CROPPING ROTATIONS	\$48,677	\$48,677
2 Yellowstone County Cons. District	STREAMBANK REINFORCEMENT & EROSION CONTR	\$100,000	\$148,677
3 MT State Library, NRIS	MONTANA WATER INFORMATION SYSTEM	\$99,866	\$248,543
4 Neihart, Town of	NEIHART WATER SYSTEM	\$50,000	\$298,543
5 MSU/ Montana Watercourse	MONTANA WATERCOURSE	\$100,000	\$398,543
6 Ekalaka, Town of	WATER SUPPLY & STORAGE PROJECT	\$49,975	\$448,518
7 MT State Library/NRIS	HERITAGE PROGRAM	\$0	\$448,518
8 Polson, Town of	WELLHEAD PROTECTION PROGRAM	\$22,540	\$471,058
9 Stillwater Conservation District	EVALUATION OF PLASTIC LINING	\$56,848	\$527,906
10 Three Forks, Town of	THREE FORKS WATER SYSTEM IMPROVEMENTS	\$100,000	\$627,906
11 Butte-Siver Bow Government	BLACKTAIL CREEK RESTORATION PROJECT	\$100,000	\$727,906
12 Broadwater Conservation Dist	IRRIGATION WATER MGMT; CONSTRUCTION PROJ	\$100,000	\$827,906
13 Fallon County	BAKER LAKE EROSION CONTROL & REC PATH	\$15,361	\$843,267
14 MSU/Local Government Center	SOLID WASTE INFORMATION & ASSISTANCE CEN	\$88,000	\$931,267
15 Dept of Natural Resources and Envi	BEAVERHEAD CO GROUNDWATER STUDY	\$100,000	\$1,031,267
16 Fort Shaw Irrigation District	REHAB AND BETTERMENT STUDY	\$50,000	\$1,081,267
17 Darby School District No. 9	SCHOOL PARK	\$25,300	\$1,106,567

— BNBC

— LFA

EXHIBIT 7

DATE 2-1-91

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*Long Range Plan*

# DECREASE IN GRANT FUNDS AVAILABLE

	Water Development		Renewable Resources		Reclamation & Development	
	Grants	Water Storage	Grants	Water Storage	Grants	Grants
<b>Subcommittee Decisions to date:</b>						
1. Water Courts (38,960 over E.B.)	844,221	291,404	NA	NA	NA	NA
2. DSL Reclamation						
Pay Exceptions (50,000 over E.B.)	NA	NA	NA	NA	2,533,797	
<b>Proposed Legislation</b>						
1. HB 199 (242,000)	819,054	273,018	550,995	183,665		2,472,626
2. HB 215 (75,000)	856,629	285,534	561,015	187,005		2,549,446

**OTHER BILLS ?**

