

HOUSE BILL NO. 897

INTRODUCED BY NEUMAN, OCHSNER, E. SMITH, HEMSTAD, ROUSH,
KEYSER, KENNERLY, BERTELSEN, MANUEL, JACOBSEN, NISBET,
SCHYE, SAUNDERS, DRISCOLL, BACHINI, BLISS, SCHULTZ,
MILLER, BERGENE, ERNST, DONALDSON, COMPTON, IVERSON,
PHILLIPS, FABREGA, UNDERDAL, MCCORMICK, MENAHAN,
ABRAMS, SPAETH, HOLLIDAY, HARPER, LYBECK, HARP,
BENGTSON, VINCENT, NORDTVEDT, DARKO, WINSLOW, THOFT

BY REQUEST OF THE DEPARTMENT OF
NATURAL RESOURCES AND CONSERVATION

IN THE HOUSE

March 2, 1983	Introduced and referred to Committee on Appropriations.
March 28, 1983	Committee recommend bill do pass as amended. Report adopted.
	Bill printed and placed on members' desks.
	Second reading, do pass.
	Third reading, passed. Transmitted to Senate.

IN THE SENATE

April 5, 1983	Introduced and referred to Committee on Finance and Claims.
April 13, 1983	Committee recommend bill be concurrent in as amended. Report adopted.
April 14, 1983	Second reading, concurred in as amended.
April 15, 1983	Third reading, concurred in. Ayes, 48; Noes, 0.

IN THE HOUSE

April 16, 1983

Returned to House with amendments.

April 18, 1983

Second reading, amendments not concurred in.

On motion, Free Conference Committee requested and appointed.

April 20, 1983

Free Conference Committee reported.

Second reading, report adopted.

Third reading, report adopted.

April 21, 1983

Free Conference Committee report adopted by Senate.

Sent to enrolling.

Reported correctly enrolled.

House BILL NO. *897*

INTRODUCED BY *Monahan* *Cheney* *E. Smith* *Hamstad*

BY REQUEST OF THE DEPARTMENT OF *Bertelsen* *Daniel*

NATURAL RESOURCES AND CONSERVATION *Anderson*

A BILL FOR AN ACT ENTITLED: "AN ACT TO APPROPRIATE MONEY TO
THE DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION FOR
LOANS AND GRANTS UNDER THE WATER DEVELOPMENT PROGRAM, FOR
GRANTS UNDER THE RENEWABLE RESOURCE DEVELOPMENT PROGRAM, AND

FOR LOANS UNDER THE RANGELAND IMPROVEMENT LOAN PROGRAM; TO
APPROVE LOANS FROM WATER DEVELOPMENT BOND PROCEEDS AND TO
COMPLETE AN APPROPRIATION FOR DEBT SERVICE; TO REALLOCATE
CERTAIN RESOURCE INDEMNITY TRUST ACCOUNT INTEREST INCOME AND
RENEWABLE RESOURCE DEVELOPMENT ACCOUNT FUNDS FOR WATER
DEVELOPMENT PROGRAM LOANS AND GRANTS DURING THE BIENNIUM
ENDING JUNE 30, 1985; TO PLACE CERTAIN CONDITIONS UPON
GRANTS AND LOANS; AND PROVIDING AN EFFECTIVE DATE."

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

Section 1. Appropriations from the water development
earmarked account. (1) There is appropriated to the
Department of Natural Resources and Conservation up to
\$296,700 from the water development earmarked account during
the biennium ending June 30, 1985, for grants to private
persons for water development projects and activities

pursuant to the provisions of Title 85, chapter 1, part 6.
This appropriation is from money available in the water
development earmarked account for loans and grants for water
development projects and activities under 85-1-604(3)(c) and
sections 5 through 7 of this act.

(2) There is appropriated to the Department of Natural
Resources and Conservation all other funds not appropriated
under subsection (1) and available for grants to state and
local government entities from the water development
earmarked account during the biennium ending June 30, 1985.
This appropriation is from money available in the water
development earmarked account for loans and grants for water
development projects and activities under 85-1-604(3)(c) and
sections 5 through 7 of this act. The funds appropriated in
this subsection shall be awarded by the Department of
Natural Resources and Conservation to the following entities
for the described purposes and in the described grant
amounts. The Legislature, pursuant to 85-1-605, approves the
grants listed below with grants to be made in the order of
priority as indicated within the following prioritized list
of projects and activities. Funds must be awarded up to the
amounts approved in this section in order of priority until
available funds are expended. Funds not accepted or utilized
by higher ranked projects and activities must be provided
for projects and activities farther down the priority list

1 that would not otherwise receive funding. If the total
 2 expenditure of funds appropriated under this subsection
 3 results in a cutoff that ends at a point at which more than
 4 one project or activity is ranked equal in priority, the
 5 decision regarding which project or projects will receive
 6 funding must be made by the Department of Natural Resources
 7 and Conservation with the advice of the water development
 8 advisory committee formed pursuant to 2-15-122. Actual rank
 9 and score of the various projects and activities are
 10 contained within the Department's water development program
 11 status report for the 1982-83 biennium. Sponsors of
 12 recommended projects and activities on the prioritized list
 13 that are not recipients of available grant funds must be
 14 offered the opportunity to receive loan funds for up to the
 15 total recommended project or activity amount pursuant to
 16 sections 4 and 8 of this act.

17 Water Development Program Prioritized Projects and Activities

18 for Governmental Entities

19 G: Grant L: Loan

20 Whitefish Basin

21 Water and Sewer District;

22 Land Use Master Plan G \$ 125,000

23 Jefferson County CD;

24 Pipestone Creek Erosion Control G 125,000

25 Triangle Conservation District;

1	Saline Seep Control Project	G	125,000
2	Geraldine Rural Water System	G	125,000
3		L	100,000
4	City of Bozeman;	G	87,000
5	Mystic Lake Dam Repair	L	100,000
6	City of Helena;	G	24,000
7	Chessman Reservoir Stability Analysis	L	11,000
8	DFWP; South Sandstone Dam Repair	G	125,000
9	DFWP; Bitterroot Flow Augmentation	G	40,000
10	Sheridan County CD;		
11	Ground Water Assessment in N.E. Montana	G	125,000
12	Chouteau County CD;		
13	Saline Seep Assessment (Geraldine Area)	G	52,000
14	Ingomar Water System	G	22,000
15		L	43,000
16	DFWP; Gartside Dam Repair	G	125,000
17	U of M;		
18	Flathead Valley Ground Water Study	G	125,000
19	City of Laurel; Ditch Lining	G	125,000
20	Roosevelt County Rural Water System	G	125,000
21		L	100,000
22	Rosebud County CD; Irrigation Management	G	16,000
23	Cascade-Teton County CDs;		
24	Muddy Creek Project	G	125,000
25	South Kremlin & Gildford	G	98,000

LC 1242/01

1	Rural Water System	L	100,000
2	Greenfield Irrigation District;	G	87,000
3	Headgate Automation	L	100,000
4	Box Elder Rural		
5	Water System (Carter County)	G	100,000
6	Rosebud County CD;		
7	Streambank Stabilization	G	5,500
8	Sheridan County; for Antelope	G	100,000
9	Water and Sewer System	L	100,000
10	DFWP; Streambank Stabilization Program	G	50,000
11	DNRC; Riparian Protection Program	G	39,000
12	Ekolaka; Water Master Plan	G	17,000
13		L	6,000
14	DNES; Water Treatment Plant Analysis	G	16,000
15	Flaxville; Water Source Development	G	6,000
16		L	44,000
17	Dutton; Water Source Feasibility Study	G	41,900
18	City of Whitefish;	G	35,000
19	Master Water Plan	L	12,000
20	Hamilton; Water System	G	82,000
21	Rehabilitation	L	100,000
22	Huntley Irrigation Project;	G	18,000
23	Irrigation Rehabilitation	L	100,000
24	Culbertson; Water System	G	125,000
25	Rehabilitation	L	100,000

LC 1242/01

1	Wolf Point; Water	G	125,000
2	System Improvements	L	100,000
3	Judith Gap;	G	6,000
4	Water Storage Tank	L	94,000
5	Helena; Red Mountain	G	36,000
6	Trestle Repair	L	24,000
7	Winnett; Water System	G	37,000
8	Repair	L	100,000
9	DNRC; Gravity Irrigation Development	G	41,000
10	Seeley Lake; Water	G	9,000
11	and Sewer Master Plan	L	3,000
12	Virginia City; Sewer		
13	and Water Extension	L	45,000
14	McCone County CD; Feasibility Study	G	50,000
15	Troy; Master Water Plan	G	16,000
16		L	6,000
17	Hot Springs; Water	G	7,000
18	Master Plan	L	3,000
19	Columbus; Itch-Kep-Pe Park	G	44,000
20	Rehabilitation	L	36,000
21	Cascade; Landfill Rehabilitation	G	41,000
22	and Park Development	L	59,000
23	Montana Agricultural Experiment		
24	Station; Riparian Grazing Study	G	31,811
25	City of Polson;	G	79,000

1	Drainage Project	L	100,000
2	Montana State Prison Ranch;		
3	Irrigation and Fertilizer Project	G	40,000
4	Hardin; Flood Mitigation Plan	G	22,000
5	East Bench Irrigation District;		
6	Streambank Erosion Control	G	30,000
7	Montana State Prison Ranch;		
8	Parshall Flume	G	10,000
9	Fort Benton; Water	G	1,000
10	Storage Tank Repair	L	16,200
11	DFWP; Yellow Bay Recreation Area	G	8,000
12	Plains; Water Source	G	8,000
13	Development	L	92,000
14	DFWP; Deadman's Basin Recreation Area	G	45,000
15	DFWP; Logan Recreation Area	G	80,000
16	DFWP; Canyon Ferry Recreation Area	G	70,000
17	Section 2. Appropriations under the renewable resource		
18	development program. (1) There is appropriated to the		
19	Department of Natural Resources and Conservation all		
20	available funds after the allocation made by sections 5		
21	through 7 of this act, from the renewable resource		
22	development program clearance fund account during the		
23	biennium ending July 30, 1985, for projects under the		
24	renewable resource development program.		
25	(2) The Department of Natural Resources and		

1 Conservation shall award grants to the following entities
2 for the described purposes and in the described amounts. The
3 Legislature, pursuant to 90-2-111, approves the grants
4 listed below with grants to be made in order of priority
5 ranking within each renewable resource development category,
6 excluding projects funded under the water development
7 program pursuant to section 1 of this act. The funds
8 appropriated under this section shall be divided among the
9 categories and in the percentages as required by 90-2-113,
10 as amended by HB 486 if HB 486 is passed by the 48th
11 Legislature and approved by the Governor. Funds not accepted
12 or utilized by higher ranked projects in each category must
13 be provided for projects, further down the priority list in
14 each category, that would not otherwise receive funding. If
15 the total expenditure of funds appropriated under this
16 section results in a cutoff that ends at a point at which
17 more than one project is ranked equal in priority, the
18 decision regarding which project or projects will receive
19 funding will be made by the Department of Natural Resources
20 and Conservation with the advice of the water development
21 advisory committee formed pursuant to 2-15-122. Actual rank
22 and score of the various projects are contained within the
23 Department's renewable resource development program, 1982
24 project evaluation and recommendations report.

25 Renewable Resource Development Program

1	Prioritized Projects by Category for Funding		
2	G: Grant		
3	I. WATER DEVELOPMENT PROJECTS		
4	University of Montana;		
5	Flathead County Ground Water Study	G	\$ 125,000
6	Whitefish Basin Water & Sewer		
7	District; Land Use Master Plan	G	125,000
8	Chouteau County Conservation		
9	District; Saline Seep Assessment	G	52,000
10	CHES; Water Treatment Plant Analysis	G	16,000
11	Montana Agricultural Experiment Station;		
12	Riparian Grazing Study	G	31,811
13	City of Laurel; Ditch Lining	G	125,000
14	Jefferson County Conservation District;		
15	Pipestone Creek Erosion Control	G	125,000
16	Rosebud CD; Streambank Stabilization	G	5,500
17	DFWP; Bitterroot Flow Augmentation	G	40,000
18	Triangle Conservation District;		
19	Triangle Area Saline Seep Project	G	125,000
20	DFWP; Gartside Dam Repair	G	125,000
21	Ekalaka; Water Master Plan	G	13,000
22	City of Helena; Chessman Reservoir		
23	Stability Analysis	G	24,000
24	DFWP; South Sandstone Dam Repair	G	125,000
25	Montana State Prison Ranch;		

1	Irrigation & Fertilization Project	G	39,995
2	Flaxville; Water Source Development	G	6,000
3	Montana State Prison Ranch;		
4	Parshall Flume	G	10,000
5	Greenfield Irrigation District;		
6	Automation of Headgate	G	87,000
7	DNRC; Riparian Protection Program	G	39,000
8	Ingomar; Water System	G	22,000
9	Sheridan County for Antelope;		
10	Water and Sewer System	G	100,000
11	Columbus; Itch-Kep-Pe Park		
12	Rehabilitation	G	44,000
13	City of Bozeman;		
14	Mystic Lake Dam Repair	G	87,000
15	Hamilton; Water System Rehabilitation	G	82,000
16	Judith Gap; Water Storage Tank	G	6,000
17	Wolf Point; Water System Improvement	G	125,000
18	Geraldine Rural Water System	G	125,000
19	City of Whitefish; Master Water Plan	G	35,000
20	Cascade; Landfill Rehabilitation		
21	and Park Development	G	41,000
22	Seeley Lake; Water & Sewer Master Plan	G	9,000
23	Culbertson; Water System Rehabilitation	G	125,000
24	DFWP; Streambank Stabilization Program	G	50,000
25	DFWP; Canyon Ferry State Recreation Area	G	70,000

1	Sheridan County CD; Ground Water		
2	Assessment in N.E. Montana	G	125,000
3	DFWP; Logan State Recreation Area	G	40,000
4	Hardin; Flood Mitigation Plan	G	22,000
5	DFWP; Yellow Bay State Recreation Area	G	8,000
6	Dutton; Water Source Feasibility Study	G	41,900
7	DNRC; Gravity Irrigation Development	G	41,000
8	DFWP; Deadman's Basin Recreation Area	G	45,000
9	Roosevelt County Rural Water System	G	125,000
10	City of Polson; Drainage Project	G	79,000
11	Helena; Red Mountain Trestle Repair	G	36,000
12	Box Elder Rural Water System (Carter		
13	County)	G	100,000
14	Hot Springs; Water Master Plan	G	7,000
15	Cascade-Teton CD; Muddy Creek Project	G	125,000
16	East Bench Irrigation District;		
17	Streambank Preservation	G	30,000
18	Huntley Irrigation Project; Rehabilitation	G	18,000
19	Troy; Master Water Plan	G	16,000
20	Winnett; Water System Repair	G	37,000
21	South K & G Rural Water System	G	88,000
22	Rosebud CD; Irrigation Management Project	G	16,000
23	Plains; Water Source Development	G	8,000
24	Fort Benton; Water Storage Tank Repair	G	1,000
25	McCone County CD; Feasibility Study	G	50,000

1	II. TIMBER STAND IMPROVEMENT		
2	Dept. of State Lands; Timber		
3	Stand Improvement	G	100,000
4	U of M; Lubrecht Second Growth		
5	Forest Improvement	G	100,000
6	Seed Tree Orchard Development;		
7	Salish/Kootenai Tribes	G	40,000
8	III. IMPROVEMENTS ON AGRICULTURAL LAND		
9	Montana Agricultural Experiment Station;		
10	Biological Weed Control	G	50,000
11	DFWP; Mt. Haggin Ranch Cross-Fencing	G	65,000
12	DNRC; Rangeland Resource Loan Program	G	200,000
13	(Disbursed only if HB 486 does not pass)		
14	Teton County Weed District;		
15	Leafy Spurge Control	G	30,000
16	Valley County CD;		
17	Leafy Spurge Control	G	20,000
18	IV. CONSERVATION DISTRICTS, FOR DEVELOPMENT OF THEIR		
19	WATER RESERVATIONS		
20	DNRC; Water Reservation Development	G	76,000
21	Lower Yellowstone CD; Water		
22	Reservation Development	G	79,000
23	Sweet Grass CD; Water		
24	Reservation Development	G	4,630
25	V. OTHER		

1 MSU; Economic Feasibility
 2 of Farm-Based Wind Generation G 20,200
 3 Lewis & Clark County;
 4 Land Transfer Program G 22,554
 5 Cascade County; Cross-Country Ski
 6 Trail Improvements G 10,000
 7 (3) (a) After the allocations provided for in sections
 8 5 through 7 of this act have been made, there is allocated
 9 to the rangeland improvement loan earmarked account created
 10 by HB 486, 15% of the funds available in the renewable
 11 resource development program during the biennium ending June
 12 30, 1985. The funds allocated by this subsection (3)(a) are
 13 appropriated from the rangeland improvement loan earmarked
 14 account for the rangeland improvement program created by HB
 15 486.
 16 (b) If HB 486 is not passed by the 48th Legislature
 17 and approved by the Governor, subsection (3)(a) is void.
 18 Section 3. Coordination of fund sources for water
 19 development projects. A sponsor of a water development
 20 project who has applied for a grant under both the water
 21 development program and the renewable resource development
 22 program must be funded at recommended amounts under the
 23 water development program pursuant to section 1 of this act
 24 if sufficient funds are available as determined by the
 25 priority ranking of the project or activity. If sufficient

1 grant funds are not available under the water development
 2 program, the project must be considered for grant funding
 3 under the renewable resource development program pursuant to
 4 section 2 of this act; and such award of funds under section
 5 2 is dependent upon available funds and the priority ranking
 6 of the project under the renewable resource development
 7 program.

8 Section 4. Approval of loans from bond proceeds and
 9 completion of appropriation. (1) The Legislature, pursuant
 10 to 85-1-605, hereby approves the loans identified and
 11 described in section 1 of this act for projects and
 12 activities to public entities from water development bond
 13 proceeds deposited in the water development clearance
 14 account.

15 (2) The approval of specific loans completes an
 16 appropriation of the coal severance tax proceeds allocated
 17 by 15-35-108 to the water development sinking account for
 18 the purpose of paying, in the manner established by
 19 85-1-619, principal of and interest and redemption premiums
 20 on any water development bonds issued to provide the
 21 proceeds for the loans to public entities approved in
 22 subsection (1).

23 Section 5. Reallocation of resource indemnity trust
 24 account interest income. Except for special departmental
 25 appropriation within HB 447 and notwithstanding any

1 provisions of 85-1-604 to the contrary, all remaining
2 interest income allocated to the water development earmarked
3 account from the resource indemnity trust fund by
4 15-38-202(2) during the biennium ending June 30, 1985, may
5 be used for and only for the purposes set out in
6 85-1-604(3)(c).

7 Section 6. Reallocation of renewable resource
8 development account funds. (1) Notwithstanding any
9 provisions of 90-2-103, 90-2-113, and Title 90, chapter 2,
10 part 1, to the contrary, up to \$520,000 is allocated during
11 the biennium ending June 30, 1985, from the renewable
12 resource development clearance fund account to the water
13 development earmarked account to be used for and only for
14 the purposes set out in 85-1-604(3)(c).

15 (2) The reallocation in subsection (1) does not
16 include money previously appropriated for the biennium
17 ending June 30, 1983, to the Department of Natural Resources
18 and Conservation by HB 709, Laws of 1981, for small project
19 water development construction loans to private individuals
20 and which without section 7 of this act would revert to the
21 renewable resource development clearance fund account.

22 Section 7. Reallocation of renewable resource
23 development account funds formerly appropriated for water
24 development projects. (1) Notwithstanding any provisions of
25 90-2-103, 90-2-113, and Title 90, chapter 2, part 1, to the

1 contrary, up to \$251,600 is allocated during the biennium
2 ending June 30, 1985, from the renewable resource
3 development clearance fund account to the water development
4 earmarked account to be used for and only for the purposes
5 set out in 85-1-604(3)(c).

6 (2) The funds allocated by subsection (1) are to be
7 those funds which were appropriated for the biennium ending
8 June 30, 1983, to the Department of Natural Resources and
9 Conservation by HB 709, Laws of 1981, for small project
10 water development construction loans to private individuals
11 and which funds have reverted to the resource development
12 clearance fund account.

13 Section 8. Conditions of loans and grants.
14 Disbursement of funds under this act, both loans and grants,
15 may be made only after:

16 (1) a project or activity receives authorization and
17 residual financing commitments from other sponsors or
18 sources, if necessary;

19 (2) execution of an agreement or agreements between
20 the Department of Natural Resources and Conservation and the
21 loan or grant applicant that describes the terms and
22 conditions of the project or activity as applied for with
23 the Department of Natural Resources and Conservation or
24 proposed to the Legislature, taking into consideration any
25 changed conditions or circumstances, and that governs the

1 administration and disbursement of funds; and
2 (5) other specific requirements are accomplished as
3 considered necessary by the Department of Natural Resources
4 and Conservation to accomplish the purpose of the loan or
5 grant as evidenced from the application to the Department of
6 Natural Resources and Conservation or the proposal to the
7 Legislature.

8 Section 9. Reversion of funds. All funds reallocated
9 by sections 5 through 7 of this act to the water development
10 earmarked account that are unspent and unencumbered during
11 the biennium ending June 30, 1985, shall revert to the water
12 development earmarked account.

13 Section 10. Treasury fund terminology -- coordination.
14 Any reference in this act to an account or fund that is
15 rendered inaccurate by Ch. 28, L. 1981, or by legislation
16 introduced in the 48th Legislature that is passed and
17 approved to implement Ch. 28, L. 1981, is considered changed
18 in this act to the treasury fund terminology used in the
19 section creating the account or fund.

20 Section 11. Severability. If a part of this act is
21 invalid, all valid parts that are severable from the invalid
22 part remain in effect. If a part of this act is invalid in
23 one or more of its applications, the part remains in effect
24 in all valid applications that are severable from the
25 invalid applications.

1 Section 12. Effective date. This act is effective July
2 1, 1983.

-End-

Approved by Comm.
on Appropriations

HOUSE BILL NO. 897

INTRODUCED BY NEUMAN, OCHSNER, E. SMITH, HEMSTAD, ROUSH,
KEYSER, KENNERLY, BERTELSEN, MANUEL, JACOBSEN, NISBET,
SCHYE, SAUNDERS, DRISCOLL, BACHINI, BLISS, SCHULTZ,
MILLER, BERGENE, ERNST, DONALDSON, COMPTON, IVERSON,
PHILLIPS, FABREGA, UNDERDAL, MCCORMICK, MENAHAN,
ABRAMS, SPAETH, HOLLIDAY, HARPER, LYBECK, HARP,
BENGTSON, VINCENT, NORDTVEOT, DARKO, WINSLOW, THOFT

BY REQUEST OF THE DEPARTMENT OF
NATURAL RESOURCES AND CONSERVATION

A BILL FOR AN ACT ENTITLED: "AN ACT TO APPROPRIATE MONEY TO
THE DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION FOR
LOANS AND GRANTS UNDER THE WATER DEVELOPMENT PROGRAM, FOR
GRANTS UNDER THE RENEWABLE RESOURCE DEVELOPMENT PROGRAM, AND
FOR LOANS UNDER THE RANGELAND IMPROVEMENT LOAN PROGRAM; TO
APPROVE LOANS FROM WATER DEVELOPMENT BOND PROCEEDS AND TO
COMPLETE AN APPROPRIATION FOR DEBT SERVICE; TO REALLOCATE
CERTAIN RESOURCE INDEMNITY TRUST ACCOUNT INTEREST INCOME AND
RENEWABLE RESOURCE DEVELOPMENT ACCOUNT FUNDS FOR WATER
DEVELOPMENT PROGRAM LOANS AND GRANTS DURING THE BIENNIUM
ENDING JUNE 30, 1985; TO PLACE CERTAIN CONDITIONS UPON
GRANTS AND LOANS; AND PROVIDING AN EFFECTIVE DATE."

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

Section 1. Appropriations from the water development
earmarked account. (1) There is appropriated to the
Department of Natural Resources and Conservation up to
\$296,700 from the water development earmarked account during
the biennium ending June 30, 1985, for grants to private
persons for water development projects and activities
pursuant to the provisions of Title 85, chapter 1, part 6.
This appropriation is from money available in the water
development earmarked account for loans and grants for water
development projects and activities under 85-1-604(3)(c) and
sections 5 through 7 of this act.

(2) There is appropriated to the Department of Natural
Resources and Conservation all other funds not appropriated
under subsection (1) and available for grants to state and
local government entities from the water development
earmarked account during the biennium ending June 30, 1985.
This appropriation is from money available in the water
development earmarked account for loans and grants for water
development projects and activities under 85-1-604(3)(c) and
sections 5 through 7 of this act. The funds appropriated in
this subsection shall be awarded by the Department of
Natural Resources and Conservation to the following entities
for the described purposes and in the described grant
amounts. The Legislature, pursuant to 85-1-605, approves the
grants listed below with grants to be made in the order of

1 priority as indicated within the following prioritized list
 2 of projects and activities. Funds must be awarded up to the
 3 amounts approved in this section in order of priority until
 4 available funds are expended. Funds not accepted or utilized
 5 by higher ranked projects and activities must be provided
 6 for projects and activities farther down the priority list
 7 that would not otherwise receive funding. If the total
 8 expenditure of funds appropriated under this subsection
 9 results in a cutoff that ends at a point at which more than
 10 one project or activity is ranked equal in priority, the
 11 decision regarding which project or projects will receive
 12 funding must be made by the Department of Natural Resources
 13 and Conservation with the advice of the water development
 14 advisory committee formed pursuant to 2-15-122. Actual rank
 15 and score of the various projects and activities are
 16 contained within the Department's water development program
 17 status report for the 1982-83 biennium. Sponsors of
 18 recommended projects and activities on the prioritized list
 19 that are not recipients of available grant funds must be
 20 offered the opportunity to receive loan funds for up to the
 21 total recommended project or activity amount pursuant to
 22 sections 4 and 8 of this act.

23 Water Development Program Prioritized Projects and Activities

24 for Governmental Entities

25 G: Grant L: Loan

1	Whitefish Basin		
2	Water and Sewer District;		
3	Land Use Master Plan	G	\$ 125,000
4	Jefferson County CD;		
5	Pipestone Creek Erosion Control	G	125,000
6	Triangle Conservation District;		
7	Saline Seep Control Project	G	125,000
8	Geraldine Rural Water System	G	125,000
9		L	100,000
10	City of Bozeman;	G	87,000
11	Mystic Lake Dam Repair	L	100,000
12	City of Helena;	G	24,000
13	Chessman Reservoir Stability Analysis	L	11,000
14	DFWP; South Sandstone Dam Repair	G	125,000
15	DFWP; Bitterroot Flow Augmentation	G	40,000
16	Sheridan County CD;		
17	Ground Water Assessment in N.E. Montana	G	125,000
18	Chouteau County CD;		
19	Saline Seep Assessment (Geraldine Area)	G	52,000
20	Ingomar Water System	G	22,000
21		L	43,000
22	DFWP; Gartside Dam Repair	G	125,000
23	U of M;		
24	Flathead Valley Ground Water Study	G	125,000
25	City of Laurel; Ditch Lining	G	125,000

1	Roosevelt County Rural Water System	G	125,000
2		L	100,000
3	Rosebud County CD; Irrigation Management	G	16,000
4	Cascade-Teton County CDs;		
5	Muddy Creek Project	G	125,000
6	South Kremlin & Gildford	G	88,000
7	Rural Water System	L	100,000
8	Greenfield Irrigation District;	G	87,000
9	Headgate Automation	L	100,000
10	Box Elder Rural		
11	Water System (Carter County)	G	100,000
12	Rosebud County CD;		
13	Streambank Stabilization	G	5,500
14	Sheridan County; for Antelope	G	100,000
15	Water and Sewer System	L	100,000
16	DFWP; Streambank Stabilization Program	G	50,000
17	DNRC; Riparian Protection Program	G	39,000
18	Ekalaka; Water Master Plan	G	17,000
19		L	6,000
20	DNES; Water Treatment Plant Analysis	G	16,000
21	Flaxville; Water Source Development	G	6,000
22		L	44,000
23	Dutton; Water Source Feasibility Study	G	41,900
24	City of Whitefish;	G	35,000
25	Master Water Plan	L	12,000

1	Hamilton; Water System	G	82,000
2	Rehabilitation	L	100,000
3	Huntley Irrigation Project;	G	18,000
4	Irrigation Rehabilitation	L	100,000
5	Culbertson; Water System	G	125,000
6	Rehabilitation	L	100,000
7	Wolf Point; Water	G	125,000
8	System Improvements	L	100,000
9	Judith Gap;	G	6,000
10	Water Storage Tank	L	94,000
11	Helena; Red Mountain	G	36,000
12	Trestle Repair	L	24,000
13	Winnett; Water System	G	37,000
14	Repair	L	100,000
15	DNRC; Gravity Irrigation Development	G	41,000
16	Seeley Lake; Water	G	9,000
17	and Sewer Master Plan	L	3,000
18	Virginia City; Sewer		
19	and Water Extension	L	45,000
20	McCone County CD; Feasibility Study	G	50,000
21	Troy; Master Water Plan	G	16,000
22		L	6,000
23	Hot Springs; Water	G	7,000
24	Master Plan	L	3,000
25	Columbus; Itch-Kep-Pe Park	G	44,000

1	Rehabilitation	L	36,000
2	Cascade; Landfill Rehabilitation	G	41,000
3	and Park Development	L	59,000
4	Montana Agricultural Experiment		
5	Station; Riparian Grazing Study	G	31,811
6	City of Polson;	G	79,000
7	Drainage Project	L	100,000
8	Montana State Prison Ranch;		
9	Irrigation and Fertilizer Project	G	40,000
10	Hardin; Flood Mitigation Plan	G	22,000
11	East Bench Irrigation District;		
12	Streambank Erosion Control	G	30,000
13	Montana State Prison Ranch;		
14	Parshall Flume	G	10,000
15	Fort Benton; Water	G	1,000
16	Storage Tank Repair	L	16,200
17	DFWP; Yellow Bay Recreation Area	G	8,000
18	Plains; Water Source	G	8,000
19	Development	L	92,000
20	DFWP; Deadman's Basin Recreation Area	G	45,000
21	DFWP; Logan Recreation Area	G	80,000
22	DFWP; Canyon Ferry Recreation Area	G	70,000
23	Section 2. Appropriations under the renewable resource		
24	development program. (1) There is appropriated to the		
25	Department of Natural Resources and Conservation all		

1 available funds after the allocation made by sections 5
 2 through 7 of this act, from the renewable resource
 3 development program clearance fund account during the
 4 biennium ending July 30, 1985, for projects under the
 5 renewable resource development program.

6 (2) The Department of Natural Resources and
 7 Conservation shall award grants to the following entities
 8 for the described purposes and in the described amounts. The
 9 Legislature, pursuant to 90-2-111, approves the grants
 10 listed below with grants to be made in order of priority
 11 ranking within each renewable resource development category,
 12 excluding projects funded under the water development
 13 program pursuant to section 1 of this act. The funds
 14 appropriated under this section shall be divided among the
 15 categories and in the percentages as required by 90-2-113,
 16 as amended by HB 486 if HB 486 is passed by the 48th
 17 Legislature and approved by the Governor. Funds not accepted
 18 or utilized by higher ranked projects in each category must
 19 be provided for projects, further down the priority list in
 20 each category, that would not otherwise receive funding. If
 21 the total expenditure of funds appropriated under this
 22 section results in a cutoff that ends at a point at which
 23 more than one project is ranked equal in priority, the
 24 decision regarding which project or projects will receive
 25 funding will be made by the Department of Natural Resources

1 and Conservation with the advice of the water development
 2 advisory committee formed pursuant to 2-15-122. Actual rank
 3 and score of the various projects are contained within the
 4 Department's renewable resource development program, 1982
 5 project evaluation and recommendations report. ~~SPONSORS OF~~
 6 ~~RECOMMENDED PROJECTS AND ACTIVITIES ON THE PRIORITIZED LIST~~
 7 ~~THAT ARE NOT RECIPIENTS OF AVAILABLE GRANT FUNDS MUST BE~~
 8 ~~DEERED THE OPPORTUNITY TO RECEIVE LOAN FUNDS FOR UP TO THE~~
 9 ~~TOTAL RECOMMENDED PROJECT OR ACTIVITY AMOUNT PURSUANT TO~~
 10 ~~SECTIONS 4 AND 8 OF THIS ACT. THE INTEREST RATE APPLICABLE~~
 11 ~~TO THESE LOANS SHALL BE THE RATE PAID ON BONDS ISSUED~~
 12 ~~PURSUANT TO THIS ACT.~~

13 Renewable Resource Development Program

14 Prioritized Projects by Category for Funding

15 G: Grant

16 I. WATER DEVELOPMENT PROJECTS

17 University of Montana;		
18 Flathead County Ground Water Study	G	\$ 125,000
19 Whitefish Basin Water & Sewer		
20 District; Land Use Master Plan	G	125,000
21 Chouteau County Conservation		
22 District; Saline Seep Assessment	G	52,000
23 DHES; Water Treatment Plant Analysis	G	16,000
24 Montana Agricultural Experiment Station;		
25 Riparian Grazing Study	G	31,811

1 City of Laurel; Ditch Lining	G	125,000
2 Jefferson County Conservation District;		
3 Pipestone Creek Erosion Control	G	125,000
4 Rosebud CD; Streambank Stabilization	G	5,500
5 DFMP; Bitterroot Flow Augmentation	G	40,000
6 Triangle Conservation District;		
7 Triangle Area Saline Seep Project	G	125,000
8 DFMP; Gartside Dam Repair	G	125,000
9 Ekalaka; Water Master Plan	G	13,000
10 City of Helena; Chessman Reservoir		
11 Stability Analysis	G	24,000
12 DFMP; South Sandstone Dam Repair	G	125,000
13 Montana State Prison Ranch;		
14 Irrigation & Fertilization Project	G	39,995
15 Flaxville; Water Source Development	G	6,000
16 Montana State Prison Ranch;		
17 Marshall Flume	G	10,000
18 Greenfield Irrigation District;		
19 Automation of Headgate	G	87,000
20 ONRC; Riparian Protection Program	G	39,000
21 Ingomar; Water System	G	22,000
22 Sheridan County for Antelope;		
23 Water and Sewer System	G	100,000
24 Columbus; Itch-Kep-Pe Park		
25 Rehabilitation	G	44,000

1	City of Bozeman;		
2	Mystic Lake Dam Repair	G	87,000
3	Hamilton; Water System Rehabilitation	G	82,000
4	Judith Gap; Water Storage Tank	G	6,000
5	Wolf Point; Water System Improvement	G	125,000
6	Geraldine Rural Water System	G	125,000
7	City of Whitefish; Master Water Plan	G	35,000
8	Cascade; Landfill Rehabilitation		
9	and Park Development	G	41,000
10	Seeley Lake; Water & Sewer Master Plan	G	9,000
11	Culbertson; Water System Rehabilitation	G	125,000
12	DFWP; Streambank Stabilization Program	G	50,000
13	DFWP; Canyon Ferry State Recreation Area	G	70,000
14	Sheridan County CD; Ground Water		
15	Assessment in N.E. Montana	G	125,000
16	DFWP; Logan State Recreation Area	G	80,000
17	Hardin; Flood Mitigation Plan	G	22,000
18	DFWP; Yellow Bay State Recreation Area	G	8,000
19	Dutton; Water Source Feasibility Study	G	41,900
20	DNRC; Gravity Irrigation Development	G	41,000
21	DFWP; Deadman's Basin Recreation Area	G	45,000
22	Roosevelt County Rural Water System	G	125,000
23	City of Polson; Drainage Project	G	79,000
24	Helena; Red Mountain Trestle Repair	G	36,000
25	Box Elder Rural Water System (Carter		

1	County)	G	100,000
2	Hot Springs; Water Master Plan	G	7,000
3	Cascade-Teton CD; Muddy Creek Project	G	125,000
4	East Bench Irrigation District;		
5	Streambank Preservation	G	30,000
6	Huntley Irrigation Project; Rehabilitation	G	18,000
7	Troy; Master Water Plan	G	16,000
8	Minnett; Water System Repair	G	37,000
9	South K & G Rural Water System	G	88,000
10	Rosebud CD; Irrigation Management Project	G	16,000
11	Plains; Water Source Development	G	8,000
12	Fort Benton; Water Storage Tank Repair	G	1,000
13	McCone County CD; Feasibility Study	G	50,000
14	II. TIMBER STAND IMPROVEMENT		
15	Dept. of State Lands; Timber		
16	Stand Improvement	G	100,000
17			<u>157,000</u>
18	U of M; Lubrecht Second Growth		
19	Forest Improvement	G	100,000
20	Seed Tree Orchard Development;		
21	Salish/Kootenai Tribes	G	40,000
22	III. IMPROVEMENTS ON AGRICULTURAL LAND		
23	Montana Agricultural Experiment Station;		
24	Biological Weed Control	G	50,000
25	DFWP; Mt. Haggin Ranch Cross-Fencing	G	65,000

1 DNRC; Rangeland Resource Loan Program G 200,000
 2 (Disbursed only if HB 486 does not pass)
 3 Teton County Weed District;
 4 Leafy Spurge Control G 30,000
 5 Valley County CD;
 6 Leafy Spurge Control G 20,000
 7 IV. CONSERVATION DISTRICTS, FOR DEVELOPMENT OF THEIR
 8 WATER RESERVATIONS
 9 DNRC; Water Reservation Development G 76,000
 10 Lower Yellowstone CD; Water
 11 Reservation Development G 79,000
 12 Sweet Grass CD; Water
 13 Reservation Development G 4,630
 14 V. OTHER
 15 MSU; Economic Feasibility
 16 of Farm-Based Wind Generation G 20,200
 17 Lewis & Clark County;
 18 Land Transfer Program G 22,554
 19 Cascade County; Cross-Country Ski
 20 Trail Improvements G 10,000
 21 (b) (a) After the allocations provided for in sections
 22 5 through 7 of this act have been made, there is allocated
 23 to the rangeland improvement loan earmarked account created
 24 by HB 486, 15% of the funds available in the renewable
 25 resource development program during the biennium ending June

1 30, 1985. The funds allocated by this subsection (3)(a) are
 2 appropriated from the rangeland improvement loan earmarked
 3 account for the rangeland improvement program created by HB
 4 486.

5 (c) If HB 486 is not passed by the 48th Legislature
 6 and approved by the Governor, subsection (3)(a) is void.

7 Section 3. Coordination of fund sources for water
 8 development projects. A sponsor of a water development
 9 project who has applied for a grant under both the water
 10 development program and the renewable resource development
 11 program must be funded at recommended amounts under the
 12 water development program pursuant to section 1 of this act
 13 if sufficient funds are available as determined by the
 14 priority ranking of the project or activity. If sufficient
 15 grant funds are not available under the water development
 16 program, the project must be considered for grant funding
 17 under the renewable resource development program pursuant to
 18 section 2 of this act; and such award of funds under section
 19 2 is dependent upon available funds and the priority ranking
 20 of the project under the renewable resource development
 21 program.

22 Section 4. Approval of loans from bond proceeds and
 23 completion of appropriation. (1) The Legislature, pursuant
 24 to 85-1-605, hereby approves the loans identified and
 25 described in section 1 of this act for projects and

1 activities to public entities from water development bond
2 proceeds deposited in the water development clearance
3 account.

4 (2) The approval of specific loans completes an
5 appropriation of the coal severance tax proceeds allocated
6 by 15-35-108 to the water development sinking account for
7 the purpose of paying, in the manner established by
8 85-1-519, principal of and interest and redemption premiums
9 on any water development bonds issued to provide the
10 proceeds for the loans to public entities approved in
11 subsection (1).

12 Section 5. Reallocation of resource indemnity trust
13 account interest income. Except for special departmental
14 appropriation within HB 447 and notwithstanding any
15 provisions of 85-1-604 to the contrary, all remaining
16 interest income allocated to the water development earmarked
17 account from the resource indemnity trust fund by
18 15-38-202(2) during the biennium ending June 30, 1985, may
19 be used for and only for the purposes set out in
20 85-1-604(3)(c).

21 Section 6. Reallocation of renewable resource
22 development account funds. (1) Notwithstanding any
23 provisions of 90-2-103, 90-2-113, and Title 90, chapter 2,
24 part 1, to the contrary, up to \$520,000 is allocated during
25 the biennium ending June 30, 1985, from the renewable

1 resource development clearance fund account to the water
2 development earmarked account to be used for and only for
3 the purposes set out in 85-1-604(3)(c).

4 (2) The reallocation in subsection (1) does not
5 include money previously appropriated for the biennium
6 ending June 30, 1983, to the Department of Natural Resources
7 and Conservation by HB 709, Laws of 1981, for small project
8 water development construction loans to private individuals
9 and which without section 7 of this act would revert to the
10 renewable resource development clearance fund account.

11 Section 7. Reallocation of renewable resource
12 development account funds formerly appropriated for water
13 development projects. (1) Notwithstanding any provisions of
14 90-2-103, 90-2-113, and Title 90, chapter 2, part 1, to the
15 contrary, up to \$251,600 is allocated during the biennium
16 ending June 30, 1985, from the renewable resource
17 development clearance fund account to the water development
18 earmarked account to be used for and only for the purposes
19 set out in 85-1-604(3)(c).

20 (2) The funds allocated by subsection (1) are to be
21 those funds which were appropriated for the biennium ending
22 June 30, 1983, to the Department of Natural Resources and
23 Conservation by HB 709, Laws of 1981, for small project
24 water development construction loans to private individuals
25 and which funds have reverted to the resource development

1 clearance fund account.

2 Section 8. Conditions of loans and grants.
3 Disbursement of funds under this act, both loans and grants,
4 may be made only after:

5 (1) a project or activity receives authorization and
6 residual financing commitments from other sponsors or
7 sources, if necessary;

8 (2) execution of an agreement or agreements between
9 the Department of Natural Resources and Conservation and the
10 loan or grant applicant that describes the terms and
11 conditions of the project or activity as applied for with
12 the Department of Natural Resources and Conservation or
13 proposed to the Legislature, taking into consideration any
14 changed conditions or circumstances, and that governs the
15 administration and disbursement of funds; and

16 (3) other specific requirements are accomplished as
17 considered necessary by the Department of Natural Resources
18 and Conservation to accomplish the purpose of the loan or
19 grant as evidenced from the application to the Department of
20 Natural Resources and Conservation or the proposal to the
21 Legislature.

22 Section 9. Reversion of funds. All funds reallocated
23 by sections 5 through 7 of this act to the water development
24 earmarked account that are unspent and unencumbered during
25 the biennium ending June 30, 1985, shall revert to the water

1 development earmarked account.

2 Section 10. Treasury fund terminology -- coordination.

3 Any reference in this act to an account or fund that is
4 rendered inaccurate by Ch. 28, L. 1981, or by legislation
5 introduced in the 48th Legislature that is passed and
6 approved to implement Ch. 28, L. 1981, is considered changed
7 in this act to the treasury fund terminology used in the
8 section creating the account or fund.

9 Section 11. Severability. If a part of this act is
10 invalid, all valid parts that are severable from the invalid
11 part remain in effect. If a part of this act is invalid in
12 one or more of its applications, the part remains in effect
13 in all valid applications that are severable from the
14 invalid applications.

15 Section 12. Effective date. This act is effective July
16 1, 1983.

-End-

HOUSE BILL NO. 897

INTRODUCED BY NEUMAN, OCHSNER, E. SMITH, HEMSTAD, ROUSH,
KEYSER, KENNERLY, BERTELSEN, MANUEL, JACOBSEN, NISBET,
SCHYE, SAUNDERS, DRISCOLL, BACHINI, BLISS, SCHULTZ,
MILLER, BERGENE, ERNST, DONALDSON, COMPTON, IVERSON,
PHILLIPS, FABREGA, UNDERDAL, MCCORMICK, MENAHAN,
ABRAHS, SPAETH, HOLLIDAY, HARPER, LYBECK, HARP,
BENGTSON, VINCENT, NORDTVEOT, DARKO, WINSLOW, THOFT

BY REQUEST OF THE DEPARTMENT OF
NATURAL RESOURCES AND CONSERVATION

A BILL FOR AN ACT ENTITLED: "AN ACT TO APPROPRIATE MONEY TO
THE DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION FOR
LOANS AND GRANTS UNDER THE WATER DEVELOPMENT PROGRAM, FOR
GRANTS UNDER THE RENEWABLE RESOURCE DEVELOPMENT PROGRAM, AND
FOR LOANS UNDER THE RANGELAND IMPROVEMENT LOAN PROGRAM; TO
APPROVE LOANS FROM WATER DEVELOPMENT BOND PROCEEDS AND TO
COMPLETE AN APPROPRIATION FOR DEBT SERVICE; TO REALLOCATE
CERTAIN RESOURCE INDEMNITY TRUST ACCOUNT INTEREST INCOME AND
RENEWABLE RESOURCE DEVELOPMENT ACCOUNT FUNDS FOR WATER
DEVELOPMENT PROGRAM LOANS AND GRANTS DURING THE BIENNIUM
ENDING JUNE 30, 1985; TO PLACE CERTAIN CONDITIONS UPON
GRANTS AND LOANS; AND PROVIDING AN EFFECTIVE DATE."

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

Section 1. Appropriations from the water development
earmarked account. (1) There is appropriated to the
Department of Natural Resources and Conservation up to
\$296,700 from the water development earmarked account during
the biennium ending June 30, 1985, for grants to private
persons for water development projects and activities
pursuant to the provisions of Title 85, chapter 1, part 6.
This appropriation is from money available in the water
development earmarked account for loans and grants for water
development projects and activities under 85-1-604(3)(c) and
sections 5 through 7 of this act.

(2) There is appropriated to the Department of Natural
Resources and Conservation all other funds not appropriated
under subsection (1) and available for grants to state and
local government entities from the water development
earmarked account during the biennium ending June 30, 1985.
This appropriation is from money available in the water
development earmarked account for loans and grants for water
development projects and activities under 85-1-604(3)(c) and
sections 5 through 7 of this act. The funds appropriated in
this subsection shall be awarded by the Department of
Natural Resources and Conservation to the following entities
for the described purposes and in the described grant
amounts. The Legislature, pursuant to 85-1-605, approves the
grants listed below with grants to be made in the order of

1 priority as indicated within the following prioritized list
 2 of projects and activities. Funds must be awarded up to the
 3 amounts approved in this section in order of priority until
 4 available funds are expended. Funds not accepted or utilized
 5 by higher ranked projects and activities must be provided
 6 for projects and activities farther down the priority list
 7 that would not otherwise receive funding. If the total
 8 expenditure of funds appropriated under this subsection
 9 results in a cutoff that ends at a point at which more than
 10 one project or activity is ranked equal in priority, the
 11 decision regarding which project or projects will receive
 12 funding must be made by the Department of Natural Resources
 13 and Conservation with the advice of the water development
 14 advisory committee formed pursuant to 2-15-122. Actual rank
 15 and score of the various projects and activities are
 16 contained within the Department's water development program
 17 status report for the 1982-83 biennium. Sponsors of
 18 recommended projects and activities on the prioritized list
 19 that are not recipients of available grant funds must be
 20 offered the opportunity to receive loan funds for up to the
 21 total recommended project or activity amount pursuant to
 22 sections 4 and 8 of this act.

23 Water Development Program Prioritized Projects and Activities

24 for Governmental Entities

25 G: Grant L: Loan

1	Whitefish Basin		
2	Water and Sewer District;		
3	Land Use Master Plan	G	\$ 125,000
4	Jefferson County CD;		
5	Pipestone Creek Erosion Control	G	125,000
6	Triangle Conservation District;		
7	Saline Seep Control Project	G	125,000
8	Geraldine Rural Water System	G	125,000
9		L	100,000
10	City of Bozeman;	G	87,000
11	Mystic Lake Dam Repair	L	100,000
12	City of Helena;	G	24,000
13	Chessman Reservoir Stability Analysis	L	11,000
14	DFWP; South Sandstone Dam Repair	G	125,000
15	DFWP; Bitterroot Flow Augmentation	G	40,000
16	Sheridan County CD;		
17	Ground Water Assessment in N.E. Montana	G	125,000
18	Chouteau County CD;		
19	Saline Seep Assessment (Geraldine Area)	G	52,000
20	Ingomar Water System	G	22,000
21		L	43,000
22	DFWP; Gartside Dam Repair	G	125,000
23	U of M;		
24	Flathead Valley Ground Water Study	G	125,000
25	City of Laurel; Ditch Lining	G	125,000

1	Roosevelt County Rural Water System	G	125,000
2		L	100,000
3	Rosebud County CD; Irrigation Management	G	16,000
4	Cascade-Teton County CDs;		
5	Muddy Creek Project	G	125,000
6	South Kremlin & Gildford	G	88,000
7	Rural Water System	L	100,000
8	Greenfield Irrigation District;	G	87,000
9	Headgate Automation	L	100,000
10	Box Elder Rural		
11	Water System (Carter County)	G	100,000
12	Rosebud County CD;		
13	Streambank Stabilization	G	5,500
14	Sheridan County; for Antelope	G	100,000
15	Water and Sewer System	L	100,000
16	DFWP; Streambank Stabilization Program	G	50,000
17	DNRC; Riparian Protection Program	G	39,000
18	Ekalaka; Water Master Plan	G	17,000
19		L	6,000
20	DHES; Water Treatment Plant Analysis	G	16,000
21	Flaxville; Water Source Development	G	6,000
22		L	44,000
23	Dutton; Water Source Feasibility Study	G	41,900
24	City of Whitefish;	G	35,000
25	Master Water Plan	L	12,000

1	Hamilton; Water System	G	82,000
2	Rehabilitation	L	100,000
3	Huntley Irrigation Project;	G	18,000
4	Irrigation Rehabilitation	L	100,000
5	Culbertson; Water System	G	125,000
6	Rehabilitation	L	100,000
7	Wolf Point; Water	G	125,000
8	System Improvements	L	100,000
9	Judith Gap;	G	6,000
10	Water Storage Tank	L	94,000
11	Helena; Red Mountain	G	36,000
12	Trestle Repair	L	24,000
13	Winnett; Water System	G	37,000
14	Repair	L	100,000
15	DNRC; Gravity Irrigation Development	G	41,000
16	Seeley Lake; Water	G	9,000
17	and Sewer Master Plan	L	3,000
18	Virginia City; Sewer		
19	and Water Extension	L	45,000
20	McCone County CD; Feasibility Study	G	50,000
21	Troy; Master Water Plan	G	16,000
22		L	6,000
23	Hot Springs; Water	G	7,000
24	Master Plan	L	3,000
25	Columbus; Itch-Kep-Pe Park	G	44,000

1	Rehabilitation	L	36,000
2	Cascade; Landfill Rehabilitation	G	41,000
3	and Park Development	L	59,000
4	Montana Agricultural Experiment		
5	Station; Riparian Grazing Study	G	31,811
6	City of Polson;	G	79,000
7	Drainage Project	L	100,000
8	Montana State Prison Ranch;		
9	Irrigation and Fertilizer Project	G	40,000
10	Hardin; Flood Mitigation Plan	G	22,000
11	East Bench Irrigation District;		
12	Streambank Erosion Control	G	30,000
13	Montana State Prison Ranch;		
14	Parshall Flume	G	10,000
15	Fort Benton; Water	G	1,000
16	Storage Tank Repair	L	16,200
17	DFWP; Yellow Bay Recreation Area	G	8,000
18	Plains; Water Source	G	8,000
19	Development	L	92,000
20	DFWP; Deadman's Basin Recreation Area	G	45,000
21	DFWP; Logan Recreation Area	G	80,000
22	DFWP; Canyon Ferry Recreation Area	G	70,000
23	Section 2. Appropriations under the renewable resource		
24	development program. (1) There is appropriated to the		
25	Department of Natural Resources and Conservation all		

1 available funds after the allocation made by sections 5
 2 through 7 of this act, from the renewable resource
 3 development program clearance fund account during the
 4 biennium ending July 30, 1985, for projects under the
 5 renewable resource development program.

6 (2) The Department of Natural Resources and
 7 Conservation shall award grants to the following entities
 8 for the described purposes and in the described amounts. The
 9 Legislature, pursuant to 90-2-111, approves the grants
 10 listed below with grants to be made in order of priority
 11 ranking within each renewable resource development category,
 12 excluding projects funded under the water development
 13 program pursuant to section 1 of this act. The funds
 14 appropriated under this section shall be divided among the
 15 categories and in the percentages as required by 90-2-113,
 16 as amended by HB 486 if HB 486 is passed by the 48th
 17 Legislature and approved by the Governor. Funds not accepted
 18 or utilized by higher ranked projects in each category must
 19 be provided for projects, further down the priority list in
 20 each category, that would not otherwise receive funding. If
 21 the total expenditure of funds appropriated under this
 22 section results in a cutoff that ends at a point at which
 23 more than one project is ranked equal in priority, the
 24 decision regarding which project or projects will receive
 25 funding will be made by the Department of Natural Resources

1 and Conservation with the advice of the water development
 2 advisory committee formed pursuant to 2-15-122. Actual rank
 3 and score of the various projects are contained within the
 4 Department's renewable resource development program, 1982
 5 project evaluation and recommendations report. SPONSORS OF
 6 RECOMMENDED PROJECTS AND ACTIVITIES ON THE PRIORITIZED LIST
 7 THAT ARE NOT RECIPIENTS OF AVAILABLE GRANT FUNDS MUST BE
 8 DEFERRED THE OPPORTUNITY TO RECEIVE LOAN FUNDS FOR UP TO THE
 9 TOTAL RECOMMENDED PROJECT OR ACTIVITY AMOUNT PURSUANT TO
 10 SECTIONS 4 AND 8 OF THIS ACT. THE INTEREST RATE APPLICABLE
 11 TO THESE LOANS SHALL BE THE RATE PAID ON BONDS ISSUED
 12 PURSUANT TO THIS ACT.

13 Renewable Resource Development Program

14 Prioritized Projects by Category for Funding

15 G: Grant

16 I. WATER DEVELOPMENT PROJECTS

17 University of Montana;
 18 Flathead County Ground Water Study G \$ 125,000
 19 Whitefish Basin Water & Sewer
 20 District; Land Use Master Plan G 125,000
 21 Chouteau County Conservation
 22 District; Saline Seep Assessment G 52,000
 23 DMES; Water Treatment Plant Analysis G 16,000
 24 Montana Agricultural Experiment Station;
 25 Riparian Grazing Study G 31,811

1 City of Laurel; Ditch Lining G 125,000
 2 Jefferson County Conservation District;
 3 Pipestone Creek Erosion Control G 125,000
 4 Rosebud CD; Streambank Stabilization G 5,500
 5 DFWP; Bitterroot Flow Augmentation G 40,000
 6 Triangle Conservation District;
 7 Triangle Area Saline Seep Project G 125,000
 8 DFWP; Gartside Dam Repair G 125,000
 9 Ekalaka; Water Master Plan G 13,000
 10 City of Helena; Chessman Reservoir
 11 Stability Analysis G 24,000
 12 DFWP; South Sandstone Dam Repair G 125,000
 13 Montana State Prison Ranch;
 14 Irrigation & Fertilization Project G 39,995
 15 Flaxville; Water Source Development G 6,000
 16 Montana State Prison Ranch;
 17 Marshall Flume G 10,000
 18 Greenfield Irrigation District;
 19 Automation of Headgate G 87,000
 20 DNRC; Riparian Protection Program G 39,000
 21 Ingomar; Water System G 22,000
 22 Sheridan County for Antelope;
 23 Water and Sewer System G 100,000
 24 Columbus; Itch-Kep-Pe Park
 25 Rehabilitation G 44,000

1	City of Bozeman;		
2	Mystic Lake Dam Repair	G	87,000
3	Hamilton; Water System Rehabilitation	G	82,000
4	Judith Gap; Water Storage Tank	G	6,000
5	Wolf Point; Water System Improvement	G	125,000
6	Geraldine Rural Water System	G	125,000
7	City of Whitefish; Master Water Plan	G	35,000
8	Cascade; Landfill Rehabilitation		
9	and Park Development	G	41,000
10	Seeley Lake; Water & Sewer Master Plan	G	9,000
11	Culbertson; Water System Rehabilitation	G	125,000
12	DFWP; Streambank Stabilization Program	G	50,000
13	DFWP; Canyon Ferry State Recreation Area	G	70,000
14	Sheridan County CD; Ground Water		
15	Assessment in N.E. Montana	G	125,000
16	DFWP; Logan State Recreation Area	G	80,000
17	Hardin; Flood Mitigation Plan	G	22,000
18	DFWP; Yellow Bay State Recreation Area	G	8,000
19	Dutton; Water Source Feasibility Study	G	41,900
20	DNRC; Gravity Irrigation Development	G	41,000
21	DFWP; Deadman's Basin Recreation Area	G	45,000
22	Roosevelt County Rural Water System	G	125,000
23	City of Polson; Drainage Project	G	79,000
24	Helena; Red Mountain Trestle Repair	G	36,000
25	Box Elder Rural Water System (Carter		

1	County)	G	100,000
2	Hot Springs; Water Master Plan	G	7,000
3	Cascade-Teton CD; Muddy Creek Project	G	125,000
4	East Bench Irrigation District;		
5	Streambank Preservation	G	30,000
6	Huntley Irrigation Project; Rehabilitation	G	18,000
7	Troy; Master Water Plan	G	16,000
8	Minnett; Water System Repair	G	37,000
9	South X & G Rural Water System	G	88,000
10	Rosebud CD; Irrigation Management Project	G	16,000
11	Plains; Water Source Development	G	8,000
12	Fort Benton; Water Storage Tank Repair	G	1,000
13	McCone County CD; Feasibility Study	G	50,000
14	II. TIMBER STAND IMPROVEMENT		
15	Dept. of State Lands; Timber		
16	Stand Improvement	G	100,000
17			<u>157,000</u>
18	U of M; Lubrecht Second Growth		
19	Forest Improvement	G	100,000
20	Seed Tree Orchard Development;		
21	Salish/Kootenai Tribes	G	40,000
22	III. IMPROVEMENTS ON AGRICULTURAL LAND		
23	Montana Agricultural Experiment Station;		
24	Biological Weed Control	G	50,000
25	DFWP; Mt. Haggin Ranch Cross-Fencing	G	65,000

1 DNRC; Rangeland Resource Loan Program G 200,000
 2 (Disbursed only if HB 486 does not pass)
 3 Teton County Weed District;
 4 Leafy Spurge Control G 30,000
 5 Valley County CD;
 6 Leafy Spurge Control G 20,000
 7 IV. CONSERVATION DISTRICTS, FOR DEVELOPMENT OF THEIR
 8 WATER RESERVATIONS
 9 DNRC; Water Reservation Development G 76,000
 10 Lower Yellowstone CD; Water
 11 Reservation Development G 79,000
 12 Sweet Grass CD; Water
 13 Reservation Development G 4,630
 14 V. OTHER
 15 MSU; Economic Feasibility
 16 of Farm-Based Wind Generation G 20,200
 17 Lewis & Clark County;
 18 Land Transfer Program G 22,554
 19 Cascade County; Cross-Country Ski
 20 Trail Improvements G 10,000
 21 (3) (a) After the allocations provided for in sections
 22 5 through 7 of this act have been made, there is allocated
 23 to the rangeland improvement loan earmarked account created
 24 by HB 486, 15% of the funds available in the renewable
 25 resource development program during the biennium ending June

1 30, 1985. The funds allocated by this subsection (3)(a) are
 2 appropriated from the rangeland improvement loan earmarked
 3 account for the rangeland improvement program created by HB
 4 486.

5 (b) If HB 486 is not passed by the 48th Legislature
 6 and approved by the Governor, subsection (3)(a) is void.

7 Section 3. Coordination of fund sources for water
 8 development projects. A sponsor of a water development
 9 project who has applied for a grant under both the water
 10 development program and the renewable resource development
 11 program must be funded at recommended amounts under the
 12 water development program pursuant to section 1 of this act
 13 if sufficient funds are available as determined by the
 14 priority ranking of the project or activity. If sufficient
 15 grant funds are not available under the water development
 16 program, the project must be considered for grant funding
 17 under the renewable resource development program pursuant to
 18 section 2 of this act; and such award of funds under section
 19 2 is dependent upon available funds and the priority ranking
 20 of the project under the renewable resource development
 21 program.

22 Section 4. Approval of loans from bond proceeds and
 23 completion of appropriation. (1) The Legislature, pursuant
 24 to 85-1-605, hereby approves the loans identified and
 25 described in section 1 of this act for projects and

1 activities to public entities from water development bond
2 proceeds deposited in the water development clearance
3 account.

4 (2) The approval of specific loans completes an
5 appropriation of the coal severance tax proceeds allocated
6 by 15-35-108 to the water development sinking account for
7 the purpose of paying, in the manner established by
8 85-1-619, principal of and interest and redemption premiums
9 on any water development bonds issued to provide the
10 proceeds for the loans to public entities approved in
11 subsection (1).

12 Section 5. Reallocation of resource indemnity trust
13 account interest income. Except for special departmental
14 appropriation within HB 447 and notwithstanding any
15 provisions of 85-1-604 to the contrary, all remaining
16 interest income allocated to the water development earmarked
17 account from the resource indemnity trust fund by
18 15-38-202(2) during the biennium ending June 30, 1985, may
19 be used for and only for the purposes set out in
20 85-1-604(3)(c).

21 Section 6. Reallocation of renewable resource
22 development account funds. (1) Notwithstanding any
23 provisions of 90-2-103, 90-2-113, and Title 90, chapter 2,
24 part 1, to the contrary, up to \$520,000 is allocated during
25 the biennium ending June 30, 1985, from the renewable

1 resource development clearance fund account to the water
2 development earmarked account to be used for and only for
3 the purposes set out in 85-1-604(3)(c).

4 (2) The reallocation in subsection (1) does not
5 include money previously appropriated for the biennium
6 ending June 30, 1983, to the Department of Natural Resources
7 and Conservation by HB 709, Laws of 1981, for small project
8 water development construction loans to private individuals
9 and which without section 7 of this act would revert to the
10 renewable resource development clearance fund account.

11 Section 7. Reallocation of renewable resource
12 development account funds formerly appropriated for water
13 development projects. (1) Notwithstanding any provisions of
14 90-2-103, 90-2-113, and Title 90, chapter 2, part 1, to the
15 contrary, up to \$251,600 is allocated during the biennium
16 ending June 30, 1985, from the renewable resource
17 development clearance fund account to the water development
18 earmarked account to be used for and only for the purposes
19 set out in 85-1-604(3)(c).

20 (2) The funds allocated by subsection (1) are to be
21 those funds which were appropriated for the biennium ending
22 June 30, 1983, to the Department of Natural Resources and
23 Conservation by HB 709, Laws of 1981, for small project
24 water development construction loans to private individuals
25 and which funds have reverted to the resource development

1 clearance fund account.

2 Section 8. Conditions of loans and grants.
3 Disbursement of funds under this act, both loans and grants,
4 may be made only after:

5 (1) a project or activity receives authorization and
6 residual financing commitments from other sponsors or
7 sources, if necessary;

8 (2) execution of an agreement or agreements between
9 the Department of Natural Resources and Conservation and the
10 loan or grant applicant that describes the terms and
11 conditions of the project or activity as applied for with
12 the Department of Natural Resources and Conservation or
13 proposed to the Legislature, taking into consideration any
14 changed conditions or circumstances, and that governs the
15 administration and disbursement of funds; and

16 (3) other specific requirements are accomplished as
17 considered necessary by the Department of Natural Resources
18 and Conservation to accomplish the purpose of the loan or
19 grant as evidenced from the application to the Department of
20 Natural Resources and Conservation or the proposal to the
21 Legislature.

22 Section 9. Reversion of funds. All funds reallocated
23 by sections 5 through 7 of this act to the water development
24 earmarked account that are unspent and unencumbered during
25 the biennium ending June 30, 1985, shall revert to the water

1 development earmarked account.

2 Section 10. Treasury fund terminology -- coordination.
3 Any reference in this act to an account or fund that is
4 rendered inaccurate by Ch. 28, L. 1981, or by legislation
5 introduced in the 48th Legislature that is passed and
6 approved to implement Ch. 28, L. 1981, is considered changed
7 in this act to the treasury fund terminology used in the
8 section creating the account or fund.

9 Section 11. Severability. If a part of this act is
10 invalid, all valid parts that are severable from the invalid
11 part remain in effect. If a part of this act is invalid in
12 one or more of its applications, the part remains in effect
13 in all valid applications that are severable from the
14 invalid applications.

15 Section 12. Effective date. This act is effective July
16 1, 1983.

-End-

April 13, 1983

SENATE STANDING COMMITTEE REPORT
(Finance & Claims)

That House Bill No. 897 be amended as follows:

1. Page 4, line 3.
Strike: "125,000"
Insert: "100,000"
2. Page 4, line 5.
Strike: "125,000"
Insert: "100,000"
3. Page 4, line 7.
Strike: "125,000"
Insert: "100,000"
4. Page 4, line 8.
Strike: "125,000"
Insert: "100,000"
5. Page 4, line 14.
Strike: "125,000"
Insert: "100,000"
6. Page 4, line 17.
Strike: "125,000"
Insert: "100,000"
7. Page 4, line 22.
Strike: "125,000"
Insert: "100,000"
8. Page 4, line 24.
Strike: "125,000"
Insert: "100,000"
9. Page 4, line 25.
Strike: "125,000"
Insert: "100,000"
10. Page 3, line 1.
Strike: "125,000"
Insert: "100,000"
11. Page 5, line 5.
Strike: "125,000"
Insert: "100,000"
12. Page 6, line 1.
Following: Page 5, line 25.
Insert: "DNRC; Completion Yellowstone Offstream Hydropower Study
G \$100,000"

SENATE STANDING COMMITTEE REPORT
Finance & Claims - House Bill No. 897
April 13, 1983
Page 2

13. Page 6, line 5.
Strike: "125,000"
Insert: "100,000"
14. Page 6, line 7.
Strike: "125,000"
Insert: "100,000"
15. Page 9, line 18.
Strike: "125,000"
Insert: "100,000"
16. Page 9, line 20.
Strike: "125,000"
Insert: "100,000"
17. Page 10, line 1.
Strike: "125,000"
Insert: "100,000"
18. Page 10, line 3.
Strike: "125,000"
Insert: "100,000"
19. Page 10, line 7.
Strike: "125,000"
Insert: "100,000"
20. Page 10, line 8.
Strike: "125,000"
Insert: "100,000"
21. Page 10, line 12.
Strike: "125,000"
Insert: "100,000"
22. Page 11, line 5.
Strike: "125,000"
Insert: "100,000"
23. Page 11, line 6.
Strike: "125,000"
Insert: "100,000"
24. Page 11, line 11.
Strike: "125,000"
Insert: "100,000"
25. Page 11, line 15.
Strike: "125,000"
Insert: "100,000"

SENATE STANDING COMMITTEE REPORT
Finance & Claims - House Bill No. 24
April 13, 1983
Page 3

26. Page 11, line 22.
Strike: "125,000"
Insert: "100,000"

27. Page 12, line 4.
Strike: "125,000"
Insert: "100,000"

28. Page 12, line 17.
Strike: "157,000"
Insert: "100,000"

April 14, 1983

SENATE COMMITTEE OF THE WHOLE AMENDMENT

That House Bill No. 897 be amended as follows:

1. Page 5, line 1.
Strike: "Roosevelt County Rural Water System"
Insert: "Culbertson; Water System"
2. Page 5, line 2.
Insert: "Rehabilitation"
3. Page 6, line 5.
Strike: "Culbertson; Water System"
Insert: "Roosevelt County Rural Water System"
4. Page 6, line 6.
Strike: "Rehabilitation"

HOUSE BILL NO. 897

INTRODUCED BY NEUMAN, OCHSNER, E. SMITH, HEMSTAD, ROUSH,
KEYSER, KENNIFLY, BERTELSEN, MANUEL, JACOBSEN, NISBET,
SCHYE, SAUNDERS, DRISCOLL, BACHINI, BLISS, SCHULTZ,
MILLER, BERGENE, ERNST, DONALDSON, COMPTON, IVERSON,
PHILLIPS, FABREGA, UNDERDAL, MCCORMICK, MENAHAN,
ABRAMS, SPAETH, HOLLIDAY, HARPER, LYBECK, HARP,
BENGTSON, VINCENT, NORDTVEDT, DARKO, WINSLOW, THOFT

BY REQUEST OF THE DEPARTMENT OF
NATURAL RESOURCES AND CONSERVATION

A BILL FOR AN ACT ENTITLED: "AN ACT TO APPROPRIATE MONEY TO
THE DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION FOR
LOANS AND GRANTS UNDER THE WATER DEVELOPMENT PROGRAM, FOR
GRANTS UNDER THE RENEWABLE RESOURCE DEVELOPMENT PROGRAM, AND
FOR LOANS UNDER THE RANGELAND IMPROVEMENT LOAN PROGRAM; TO
APPROVE LOANS FROM WATER DEVELOPMENT BOND PROCEEDS AND TO
COMPLETE AN APPROPRIATION FOR DEBT SERVICE; TO REALLOCATE
CERTAIN RESOURCE INDEMNITY TRUST ACCOUNT INTEREST INCOME AND
RENEWABLE RESOURCE DEVELOPMENT ACCOUNT FUNDS FOR WATER
DEVELOPMENT PROGRAM LOANS AND GRANTS DURING THE BIENNIUM
ENDING JUNE 30, 1985; TO PLACE CERTAIN CONDITIONS UPON
GRANTS AND LOANS; AND PROVIDING AN EFFECTIVE DATE."

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

Section 1. Appropriations from the water development
earmarked account. (1) There is appropriated to the
Department of Natural Resources and Conservation up to
\$296,700 from the water development earmarked account during
the biennium ending June 30, 1985, for grants to private
persons for water development projects and activities
pursuant to the provisions of Title 85, chapter 1, part 6.
This appropriation is from money available in the water
development earmarked account for loans and grants for water
development projects and activities under 85-1-604(3)(c) and
sections 5 through 7 of this act.

(2) There is appropriated to the Department of Natural
Resources and Conservation all other funds not appropriated
under subsection (1) and available for grants to state and
local government entities from the water development
earmarked account during the biennium ending June 30, 1985.
This appropriation is from money available in the water
development earmarked account for loans and grants for water
development projects and activities under 85-1-604(3)(c) and
sections 5 through 7 of this act. The funds appropriated in
this subsection shall be awarded by the Department of
Natural Resources and Conservation to the following entities
for the described purposes and in the described grant
amounts. The Legislature, pursuant to 85-1-605, approves the
grants listed below with grants to be made in the order of

1 priority as indicated within the following prioritized list
 2 of projects and activities. Funds must be awarded up to the
 3 amounts approved in this section in order of priority until
 4 available funds are expended. Funds not accepted or utilized
 5 by higher ranked projects and activities must be provided
 6 for projects and activities farther down the priority list
 7 that would not otherwise receive funding. If the total
 8 expenditure of funds appropriated under this subsection
 9 results in a cutoff that ends at a point at which more than
 10 one project or activity is ranked equal in priority, the
 11 decision regarding which project or projects will receive
 12 funding must be made by the Department of Natural Resources
 13 and Conservation with the advice of the water development
 14 advisory committee formed pursuant to 2-15-122. Actual rank
 15 and score of the various projects and activities are
 16 contained within the Department's water development program
 17 status report for the 1982-83 biennium. Sponsors of
 18 recommended projects and activities on the prioritized list
 19 that are not recipients of available grant funds must be
 20 offered the opportunity to receive loan funds for up to the
 21 total recommended project or activity amount pursuant to
 22 sections 4 and 8 of this act.

23 Water Development Program Prioritized Projects and Activities
 24 for Governmental Entities
 25 G: Grant L: Loan

1	Whitefish Basin		
2	Water and Sewer District;		
3	Land Use Master Plan	G	\$ 125,000
4			100,000
5	Jefferson County CD;		
6	Pipestone Creek Erosion Control	G	125,000
7			100,000
8	Triangle Conservation District;		
9	Saline Seep Control Project	G	125,000
10			100,000
11	Geraldine Rural Water System	G	125,000
12			100,000
13		L	100,000
14	City of Bozeman;	G	87,000
15	Mystic Lake Dam Repair	L	100,000
16	City of Helena;	G	24,000
17	Chessman Reservoir Stability Analysis	L	11,000
18	DFWP; South Sandstone Dam Repair	G	125,000
19			100,000
20	DFWP; Bitterroot Flow Augmentation	G	40,000
21	Sheridan County CD;		
22	Ground Water Assessment in N.E. Montana	G	125,000
23			100,000
24	Chouteau County CD;		
25	Saline Seep Assessment (Geraldine Area)	G	52,000

1	Ingomar Water System	G	22,000
2		L	43,000
3	DFWP; Gartside Dam Repair	G	±25,000
4			<u>100,000</u>
5	U of I;		
6	Flathead Valley Ground Water Study	G	±25,000
7			<u>100,000</u>
8	City of Laurel; Ditch Lining	G	±25,000
9			<u>100,000</u>
10	Roosevelt-County-Rural-Water-System	G	±25,000
11	CULBERSON; WATER SYSTEM		<u>100,000</u>
12	REHABILITATION	L	100,000
13	Rosebud County CD; Irrigation Management	G	16,000
14	Cascade-Teton County CDs;		
15	Muddy Creek Project	G	±25,000
16			<u>100,000</u>
17	South Kremlin & Gildford	G	88,000
18	Rural Water System	L	100,000
19	Greenfield Irrigation District;	G	87,000
20	Headgate Automation	L	100,000
21	Box Elder Rural		
22	Water System (Carter County)	G	100,000
23	Rosebud County CD;		
24	Streambank Stabilization	G	5,500
25	Sheridan County; for Antelope	G	100,000

1	Water and Sewer System	L	100,000
2	DFWP; Streambank Stabilization Program	G	50,000
3	DNRC; Riparian Protection Program	G	39,000
4	Ekalaka; Water Master Plan	G	17,000
5		L	6,000
6	DHES; Water Treatment Plant Analysis	G	16,000
7	Flaxville; Water Source Development	G	6,000
8		L	44,000
9	Dutton; Water Source Feasibility Study	G	41,900
10	City of Whitefish;	G	35,000
11	Master Water Plan	L	12,000
12	DNRC; COMPLETION --- YELLOWSTONE --- DEESIBEAM		
13	HYDROPOWER STUDY	G	<u>100,000</u>
14	Hamilton; Water System	G	82,000
15	Rehabilitation	L	100,000
16	Huntley Irrigation Project;	G	18,000
17	Irrigation Rehabilitation	L	100,000
18	Culbertson; Water System	G	±25,000
19	ROOSEVELT COUNTY RURAL WATER SYSTEM		<u>100,000</u>
20	Rehabilitation	L	100,000
21	Wolf Point; Water	G	±25,000
22			<u>100,000</u>
23	System Improvements	L	100,000
24	Judith Gap;	G	6,000
25	Water Storage Tank	L	94,000

1	Helena; Red Mountain	G	36,000
2	Trestle Repair	L	24,000
3	Winnett; Water System	G	37,000
4	Repair	L	100,000
5	DNRC; Gravity Irrigation Development	G	41,000
6	Seeley Lake; Water	G	9,000
7	and Sewer Master Plan	L	3,000
8	Virginia City; Sewer		
9	and Water Extension	L	45,000
10	McCone County CD; Feasibility Study	G	50,000
11	Troy; Master Water Plan	G	16,000
12		L	6,000
13	Hot Springs; Water	G	7,000
14	Master Plan	L	3,000
15	Columbus; Itch-Kep-Pe Park	G	44,000
16	Rehabilitation	L	36,000
17	Cascade; Landfill Rehabilitation	G	41,000
18	and Park Development	L	59,000
19	Montana Agricultural Experiment		
20	Station; Riparian Grazing Study	G	31,811
21	City of Polson;	G	79,000
22	Drainage Project	L	100,000
23	Montana State Prison Ranch;		
24	Irrigation and Fertilizer Project	G	40,000
25	Hardin; Flood Mitigation Plan	G	22,000

1	East Bench Irrigation District;		
2	Streambank Erosion Control	G	30,000
3	Montana State Prison Ranch;		
4	Parshall Flume	G	10,000
5	Fort Benton; Water	G	1,000
6	Storage Tank Repair	L	16,200
7	DFWP; Yellow Bay Recreation Area	G	6,000
8	Plains; Water Source	G	8,000
9	Development	L	92,000
10	DFWP; Deadman's Basin Recreation Area	G	45,000
11	DFWP; Logan Recreation Area	G	80,000
12	DFWP; Canyon Ferry Recreation Area	G	70,000
13	Section 2. Appropriations under the renewable resource		
14	development program. (1) There is appropriated to the		
15	Department of Natural Resources and Conservation all		
16	available funds after the allocation made by sections 5		
17	through 7 of this act, from the renewable resource		
18	development program clearance fund account during the		
19	biennium ending July 30, 1985, for projects under the		
20	renewable resource development program.		
21	(2) The Department of Natural Resources and		
22	Conservation shall award grants to the following entities		
23	for the described purposes and in the described amounts. The		
24	Legislature, pursuant to 90-2-111, approves the grants		
25	listed below with grants to be made in order of priority		

1 ranking within each renewable resource development category,
 2 excluding projects funded under the water development
 3 program pursuant to section 1 of this act. The funds
 4 appropriated under this section shall be divided among the
 5 categories and in the percentages as required by 90-2-113,
 6 as amended by HB 486 if HB 486 is passed by the 48th
 7 Legislature and approved by the Governor. Funds not accepted
 8 or utilized by higher ranked projects in each category must
 9 be provided for projects, further down the priority list in
 10 each category, that would not otherwise receive funding. If
 11 the total expenditure of funds appropriated under this
 12 section results in a cutoff that ends at a point at which
 13 more than one project is ranked equal in priority, the
 14 decision regarding which project or projects will receive
 15 funding will be made by the Department of Natural Resources
 16 and Conservation with the advice of the water development
 17 advisory committee formed pursuant to 2-15-122. Actual rank
 18 and score of the various projects are contained within the
 19 Department's renewable resource development program, 1982
 20 project evaluation and recommendations report. SPONSORS OF
 21 RECOMMENDED PROJECTS AND ACTIVITIES ON THE PRIORITIZED LIST
 22 THAT ARE NOT RECIPIENTS OF AVAILABLE GRANT FUNDS MUST BE
 23 OFFERED THE OPPORTUNITY TO RECEIVE LOAN FUNDS FOR UP TO THE
 24 TOTAL RECOMMENDED PROJECT OR ACTIVITY AMOUNT PURSUANT TO
 25 SECTIONS 4 AND 8 OF THIS ACT. THE INTEREST RATE APPLICABLE

1 TO THESE LOANS SHALL BE THE RATE PAID ON BONDS ISSUED
 2 PURSUANT TO THIS ACT.

3 Renewable Resource Development Program
 4 Prioritized Projects by Category for Funding

5 G: Grant

6 I. WATER DEVELOPMENT PROJECTS

7 University of Montana;

8 Flathead County Ground Water Study	G	\$ 125,000
9		100,000
10 Whitefish Basin Water & Sewer		
11 District; Land Use Master Plan	G	125,000
12		100,000
13 Chouteau County Conservation		
14 District; Saline Seep Assessment	G	52,000
15 OHES; Water Treatment Plant Analysis	G	16,000
16 Montana Agricultural Experiment Station;		
17 Riparian Grazing Study	G	31,811
18 City of Laurel; Ditch Lining	G	125,000
19		100,000
20 Jefferson County Conservation District;		
21 Pipestone Creek Erosion Control	G	125,000
22		100,000
23 Rosebud CD; Streambank Stabilization	G	5,500
24 DFWP; Bitterroot Flow Augmentation	G	40,000
25 Triangle Conservation District;		

1	Triangle Area Saline Seep Project	G	125,000
2			<u>100,000</u>
3	DFWP; Gartside Dam Repair	G	125,000
4			<u>100,000</u>
5	Ekalaka; Water Master Plan	G	13,000
6	City of Helena; Chessman Reservoir		
7	Stability Analysis	G	24,000
8	DFWP; South Sandstone Dam Repair	G	125,000
9			<u>100,000</u>
10	Montana State Prison Ranch;		
11	Irrigation & Fertilization Project	G	39,995
12	Flaxville; Water Source Development	G	6,000
13	Montana State Prison Ranch;		
14	Parshall Flume	G	10,000
15	Greenfield Irrigation District;		
16	Automation of Headgate	G	87,000
17	DNRC; Riparian Protection Program	G	39,000
18	Ingomar; Water System	G	22,000
19	Sheridan County for Antelope;		
20	Water and Sewer System	G	100,000
21	Columbus; Itch-Kep-Pe Park		
22	Rehabilitation	G	44,000
23	City of Bozeman;		
24	Mystic Lake Dam Repair	G	87,000
25	Hamilton; Water System Rehabilitation	G	82,000

1	Judith Gap; Water Storage Tank	G	6,000
2	Wolf Point; Water System Improvement	G	125,000
3			<u>100,000</u>
4	Geraldine Rural Water System	G	125,000
5			<u>100,000</u>
6	City of Whitefish; Master Water Plan	G	35,000
7	Cascade; Landfill Rehabilitation		
8	and Park Development	G	41,000
9	Seeley Lake; Water & Sewer Master Plan	G	9,000
10	Culbertson; Water System Rehabilitation	G	125,000
11			<u>100,000</u>
12	DFWP; Streambank Stabilization Program	G	50,000
13	DFWP; Canyon Ferry State Recreation Area	G	70,000
14	Sheridan County CD; Ground Water		
15	Assessment in N.E. Montana	G	125,000
16			<u>100,000</u>
17	DFWP; Logan State Recreation Area	G	80,000
18	Hardin; Flood Mitigation Plan	G	22,000
19	DFWP; Yellow Bay State Recreation Area	G	8,000
20	Dutton; Water Source Feasibility Study	G	41,900
21	DNRC; Gravity Irrigation Development	G	41,000
22	DFWP; Deadman's Basin Recreation Area	G	45,000
23	Roosevelt County Rural Water System	G	125,000
24			<u>100,000</u>
25	City of Polson; Drainage Project	G	79,000

1	Helena; Red Mountain Trestle Repair	G	36,000
2	Box Elder Rural Water System (Carter		
3	County)	G	100,000
4	Hot Springs; Water Master Plan	G	7,000
5	Cascade-Teton CD; Muddy Creek Project	G	125,000
6			100,000
7	East Bench Irrigation District;		
8	Streambank Preservation	G	30,000
9	Huntley Irrigation Project; Rehabilitation	G	18,000
10	Troy; Master Water Plan	G	16,000
11	Winnett; Water System Repair	G	37,000
12	South X & G Rural Water System	G	88,000
13	Rosebud CD; Irrigation Management Project	G	16,000
14	Plains; Water Source Development	G	8,000
15	Fort Benton; Water Storage Tank Repair	G	1,000
16	McCone County CD; Feasibility Study	G	50,000
17	II. TIMBER STAND IMPROVEMENT		
18	Dept. of State Lands; Timber		
19	Stand Improvement	G	100,000
20			157,000
21			100,000
22	U of M; Lubrecht Second Growth		
23	Forest Improvement	G	100,000
24	Seed Tree Orchard Development;		
25	Salish/Kootenai Tribes	G	40,000

1	III. IMPROVEMENTS ON AGRICULTURAL LAND		
2	Montana Agricultural Experiment Station;		
3	Biological Weed Control	G	50,000
4	DFWP; Mt. Haggin Ranch Cross-Fencing	G	65,000
5	DNRC; Rangeland Resource Loan Program	G	200,000
6	(Disbursed only if HB 486 does not pass)		
7	Teton County Weed District;		
8	Leafy Spurge Control	G	30,000
9	Valley County CD;		
10	Leafy Spurge Control	G	20,000
11	IV. CONSERVATION DISTRICTS, FOR DEVELOPMENT OF THEIR		
12	WATER RESERVATIONS		
13	DNRC; Water Reservation Development	G	76,000
14	Lower Yellowstone CD; Water		
15	Reservation Development	G	79,000
16	Sweet Grass CD; Water		
17	Reservation Development	G	4,630
18	V. OTHER		
19	MSU; Economic Feasibility		
20	of Farm-Based Wind Generation	G	20,200
21	Lewis & Clark County;		
22	Land Transfer Program	G	22,554
23	Cascade County; Cross-Country Ski		
24	Trail Improvements	G	10,000
25	(3) (a) After the allocations provided for in sections		

5 through 7 of this act have been made, there is allocated to the rangeland improvement loan earmarked account created by HB 486, 15% of the funds available in the renewable resource development program during the biennium ending June 30, 1985. The funds allocated by this subsection (3)(a) are appropriated from the rangeland improvement loan earmarked account for the rangeland improvement program created by HB 486.

(b) If HB 486 is not passed by the 48th Legislature and approved by the Governor, subsection (3)(a) is void.

Section 3. Coordination of fund sources for water development projects. A sponsor of a water development project who has applied for a grant under both the water development program and the renewable resource development program must be funded at recommended amounts under the water development program pursuant to section 1 of this act if sufficient funds are available as determined by the priority ranking of the project or activity. If sufficient grant funds are not available under the water development program, the project must be considered for grant funding under the renewable resource development program pursuant to section 2 of this act; and such award of funds under section 2 is dependent upon available funds and the priority ranking of the project under the renewable resource development program.

Section 4. Approval of loans from bond proceeds and completion of appropriation. (1) The Legislature, pursuant to 85-1-605, hereby approves the loans identified and described in section 1 of this act for projects and activities to public entities from water development bond proceeds deposited in the water development clearance account.

(2) The approval of specific loans completes an appropriation of the coal severance tax proceeds allocated by 15-35-108 to the water development sinking account for the purpose of paying, in the manner established by 85-1-519, principal of and interest and redemption premiums on any water development bonds issued to provide the proceeds for the loans to public entities approved in subsection (1).

Section 5. Reallocation of resource indemnity trust account interest income. Except for special departmental appropriation within HB 447 and notwithstanding any provisions of 85-1-604 to the contrary, all remaining interest income allocated to the water development earmarked account from the resource indemnity trust fund by 15-38-202(2) during the biennium ending June 30, 1985, may be used for and only for the purposes set out in 85-1-604(3)(c).

Section 6. Reallocation of renewable resource

development account funds. (1) Notwithstanding any provisions of 90-2-103, 90-2-113, and Title 90, chapter 2, part 1, to the contrary, up to \$520,000 is allocated during the biennium ending June 30, 1985, from the renewable resource development clearance fund account to the water development earmarked account to be used for and only for the purposes set out in 85-1-604(3)(c).

(2) The reallocation in subsection (1) does not include money previously appropriated for the biennium ending June 30, 1983, to the Department of Natural Resources and Conservation by HB 709, Laws of 1981, for small project water development construction loans to private individuals and which without section 7 of this act would revert to the renewable resource development clearance fund account.

Section 7. Reallocation of renewable resource development account funds formerly appropriated for water development projects. (1) Notwithstanding any provisions of 90-2-103, 90-2-113, and Title 90, chapter 2, part 1, to the contrary, up to \$251,600 is allocated during the biennium ending June 30, 1985, from the renewable resource development clearance fund account to the water development earmarked account to be used for and only for the purposes set out in 85-1-604(3)(c).

(2) The funds allocated by subsection (1) are to be those funds which were appropriated for the biennium ending

June 30, 1983, to the Department of Natural Resources and Conservation by HB 709, Laws of 1981, for small project water development construction loans to private individuals and which funds have reverted to the resource development clearance fund account.

Section 8. Conditions of loans and grants. Disbursement of funds under this act, both loans and grants, may be made only after:

(1) a project or activity receives authorization and residual financing commitments from other sponsors or sources, if necessary;

(2) execution of an agreement or agreements between the Department of Natural Resources and Conservation and the loan or grant applicant that describes the terms and conditions of the project or activity as applied for with the Department of Natural Resources and Conservation or proposed to the Legislature, taking into consideration any changed conditions or circumstances, and that governs the administration and disbursement of funds; and

(3) other specific requirements are accomplished as considered necessary by the Department of Natural Resources and Conservation to accomplish the purpose of the loan or grant as evidenced from the application to the Department of Natural Resources and Conservation or the proposal to the Legislature.

1 Section 9. Reversion of funds. All funds reallocated
2 by sections 5 through 7 of this act to the water development
3 earmarked account that are unspent and unencumbered during
4 the biennium ending June 30, 1985, shall revert to the water
5 development earmarked account.

6 Section 10. Treasury fund terminology -- coordination.
7 Any reference in this act to an account or fund that is
8 rendered inaccurate by Ch. 28, L. 1981, or by legislation
9 introduced in the 48th Legislature that is passed and
10 approved to implement Ch. 28, L. 1981, is considered changed
11 in this act to the treasury fund terminology used in the
12 section creating the account or fund.

13 Section 11. Severability. If a part of this act is
14 invalid, all valid parts that are severable from the invalid
15 part remain in effect. If a part of this act is invalid in
16 one or more of its applications, the part remains in effect
17 in all valid applications that are severable from the
18 invalid applications.

19 Section 12. Effective date. This act is effective July
20 1, 1983.

-End-

HOUSE BILL NO. 897

INTRODUCED BY NEUMAN, OCHSNER, E. SMITH, HEMSTAD, ROUSH,
KEYSER, KENNERLY, BERTELSEN, MANUEL, JACOBSEN, NISBET,
SCHYE, SAUNDERS, DRISCOLL, BACHINI, BLISS, SCHULTZ,
MILLER, BERGENE, ERNST, DONALDSON, COMPTON, IVERSON,
PHILLIPS, FABREGA, UNDERDAL, MCCORMICK, MENAHAN,
ABRAMS, SPAETH, HOLLIDAY, HARPER, LYBECK, HARP,
BENGITSON, VINCENT, NORDTVEDT, DARKO, WINSLOW, THOFT

BY REQUEST OF THE DEPARTMENT OF
NATURAL RESOURCES AND CONSERVATION

A BILL FOR AN ACT ENTITLED: "AN ACT TO APPROPRIATE MONEY TO
THE DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION FOR
LOANS AND GRANTS UNDER THE WATER DEVELOPMENT PROGRAM, FOR
GRANTS UNDER THE RENEWABLE RESOURCE DEVELOPMENT PROGRAM, AND
FOR LOANS UNDER THE RANGELAND IMPROVEMENT LOAN PROGRAM; TO
APPROVE LOANS FROM WATER DEVELOPMENT BOND PROCEEDS AND TO
COMPLETE AN APPROPRIATION FOR DEBT SERVICE; TO REALLOCATE
CERTAIN RESOURCE INDEMNITY TRUST ACCOUNT INTEREST INCOME AND
RENEWABLE RESOURCE DEVELOPMENT ACCOUNT FUNDS FOR WATER
DEVELOPMENT PROGRAM LOANS AND GRANTS DURING THE BIENNIUM
ENDING JUNE 30, 1985; TO PLACE CERTAIN CONDITIONS UPON
GRANTS AND LOANS; AND PROVIDING AN EFFECTIVE DATE."

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

Section 1. Appropriations from the water development
earmarked account. (1) There is appropriated to the
Department of Natural Resources and Conservation up to
\$296,700 from the water development earmarked account during
the biennium ending June 30, 1985, for grants to private
persons for water development projects and activities
pursuant to the provisions of Title 85, chapter 1, part 6.
This appropriation is from money available in the water
development earmarked account for loans and grants for water
development projects and activities under 85-1-604(3)(c) and
sections 5 through 7 of this act.

(2) There is appropriated to the Department of Natural
Resources and Conservation all other funds not appropriated
under subsection (1) and available for grants to state and
local government entities from the water development
earmarked account during the biennium ending June 30, 1985.
This appropriation is from money available in the water
development earmarked account for loans and grants for water
development projects and activities under 85-1-604(3)(c) and
sections 5 through 7 of this act. The funds appropriated in
this subsection shall be awarded by the Department of
Natural Resources and Conservation to the following entities
for the described purposes and in the described grant
amounts. The Legislature, pursuant to 85-1-605, approves the
grants listed below with grants to be made in the order of

1 priority as indicated within the following prioritized list
 2 of projects and activities. Funds must be awarded up to the
 3 amounts approved in this section in order of priority until
 4 available funds are expended. Funds not accepted or utilized
 5 by higher ranked projects and activities must be provided
 6 for projects and activities farther down the priority list
 7 that would not otherwise receive funding. If the total
 8 expenditure of funds appropriated under this subsection
 9 results in a cutoff that ends at a point at which more than
 10 one project or activity is ranked equal in priority, the
 11 decision regarding which project or projects will receive
 12 funding must be made by the Department of Natural Resources
 13 and Conservation with the advice of the water development
 14 advisory committee formed pursuant to 2-15-122. Actual rank
 15 and score of the various projects and activities are
 16 contained within the Department's water development program
 17 status report for the 1982-83 biennium. Sponsors of
 18 recommended projects and activities on the prioritized list
 19 that are not recipients of available grant funds must be
 20 offered the opportunity to receive loan funds for up to the
 21 total recommended project or activity amount pursuant to
 22 sections 4 and 8 of this act.

23 Water Development Program Prioritized Projects and Activities

24 for Governmental Entities

25 G: Grant L: Loan

1	whitefish Basin		
2	Water and Sewer District;		
3	Land Use Master Plan	G	\$ 125,000
4			<u>100,000</u>
5	Jefferson County CD;		
6	Pipestone Creek Erosion Control	G	125,000
7			<u>100,000</u>
8	Triangle Conservation District;		
9	Saline Seep Control Project	G	125,000
10			<u>100,000</u>
11	Geraldine Rural Water System	G	125,000
12			<u>100,000</u>
13		L	100,000
14	City of Bozeman;	G	87,000
15	Mystic Lake Dam Repair	L	100,000
16	City of Helena;	G	24,000
17	Chessman Reservoir Stability Analysis	L	11,000
18	DFWP; South Sandstone Dam Repair	G	125,000
19			<u>100,000</u>
20	DFWP; Bitterroot Flow Augmentation	G	40,000
21	Sheridan County CD;		
22	Ground Water Assessment in N.E. Montana	G	125,000
23			<u>100,000</u>
24	Chouteau County CD;		
25	Saline Seep Assessment (Geraldine Area)	G	52,000

1	Ingomar Water System	G	22,000
2		L	43,000
3	DFWP; Gartside Dam Repair	G	±25,000
4			100,000
5	U of M;		
6	Flathead Valley Ground Water Study	G	±25,000
7			100,000
8	City of Laurel; Ditch Lining	G	±25,000
9			100,000
10	Roosevelt-County-Rural-Water-System	G	±25,000
11	CULBERTSON; WATER SYSTEM		100,000
12	REHABILITATION	L	100,000
13	Rosebud County CD; Irrigation Management	G	16,000
14	Cascade-Teton County CDs;		
15	Muddy Creek Project	G	±25,000
16			100,000
17	South Kremlin & Gildford	G	88,000
18	Rural Water System	L	100,000
19	Greenfield Irrigation District;	G	87,000
20	Headgate Automation	L	100,000
21	Box Elder Rural		
22	Water System (Carter County)	G	100,000
23	Rosebud County CD;		
24	Streambank Stabilization	G	5,500
25	Sheridan County; for Antelope	G	100,000

1	Water and Sewer System	L	100,000
2	DFWP; Streambank Stabilization Program	G	50,000
3	DNRC; Riparian Protection Program	G	39,000
4	Ekalaka; Water Master Plan	G	17,000
5		L	6,000
6	DHES; Water Treatment Plant Analysis	G	16,000
7	Flaxville; Water Source Development	G	6,000
8		L	44,000
9	Dutton; Water Source Feasibility Study	G	41,900
10	City of Whitefish;	G	35,000
11	Master Water Plan	L	12,000
12	DNRC; COMPLETION YELLOWSTONE OFFSTREAM		
13	HYDROPOWER STUDY	G	100,000
14	WATER RESOURCES OVERSIGHT COMMITTEE	G	15,000
15	Hamilton; Water System	G	82,000
16	Rehabilitation	L	100,000
17	Huntley Irrigation Project;	G	18,000
18	Irrigation Rehabilitation	L	100,000
19	Culbertson; Water System	G	±25,000
20	ROOSEVELT COUNTY RURAL WATER SYSTEM		100,000
21	Rehabilitation	L	100,000
22	Wolf Point; Water	G	±25,000
23			100,000
24	System Improvements	L	100,000
25	Judith Gap;	G	6,000

1	Water Storage Tank	L	94,000
2	Helena; Red Mountain	G	36,000
3	Trestle Repair	L	24,000
4	Winnett; Water System	G	37,000
5	Repair	L	100,000
6	DNRC; Gravity Irrigation Development	G	41,000
7	Seeley Lake; Water	G	9,000
8	and Sewer Master Plan	L	3,000
9	Virginia City; Sewer		
10	and Water Extension	L	45,000
11	McCone County CD; Feasibility Study	G	50,000
12	Troy; Master Water Plan	G	16,000
13		L	6,000
14	Hot Springs; Water	G	7,000
15	Master Plan	L	3,000
16	Columbus; Itch-Kep-Pe Park	G	44,000
17	Rehabilitation	L	36,000
18	Cascade; Landfill Rehabilitation	G	41,000
19	and Park Development	L	59,000
20	Montana Agricultural Experiment		
21	Station; Riparian Grazing Study	G	31,811
22	City of Polson;	G	79,000
23	Drainage Project	L	100,000
24	Montana State Prison Ranch;		
25	Irrigation and Fertilizer Project	G	40,000

1	Hardin; Flood Mitigation Plan	G	22,000
2	East Bench Irrigation District;		
3	Streambank Erosion Control	G	30,000
4	Montana State Prison Ranch;		
5	Parshall Flume	G	10,000
6	Fort Benton; Water	G	1,000
7	Storage Tank Repair	L	16,200
8	DFWP; Yellow Bay Recreation Area	G	6,000
9	Plains; Water Source	G	8,000
10	Development	L	92,000
11	DFWP; Deadman's Basin Recreation Area	G	45,000
12	DFWP; Logan Recreation Area	G	20,000
13	DFWP; Canyon Ferry Recreation Area	G	70,000
14	Section 2. Appropriations under the renewable resource		
15	development program. (1) There is appropriated to the		
16	Department of Natural Resources and Conservation all		
17	available funds after the allocation made by sections 5		
18	through 7 of this act, from the renewable resource		
19	development program clearance fund account during the		
20	biennium ending July 30, 1985, for projects under the		
21	renewable resource development program.		
22	(2) The Department of Natural Resources and		
23	Conservation shall award grants to the following entities		
24	for the described purposes and in the described amounts. The		
25	Legislature, pursuant to 90-2-111, approves the grants		

1 listed below with grants to be made in order of priority
 2 ranking within each renewable resource development category,
 3 excluding projects funded under the water development
 4 program pursuant to section 1 of this act. The funds
 5 appropriated under this section shall be divided among the
 6 categories and in the percentages as required by 90-2-113,
 7 as amended by HB 486 if HB 486 is passed by the 48th
 8 Legislature and approved by the Governor. Funds not accepted
 9 or utilized by higher ranked projects in each category must
 10 be provided for projects, further down the priority list in
 11 each category, that would not otherwise receive funding. If
 12 the total expenditure of funds appropriated under this
 13 section results in a cutoff that ends at a point at which
 14 more than one project is ranked equal in priority, the
 15 decision regarding which project or projects will receive
 16 funding will be made by the Department of Natural Resources
 17 and Conservation with the advice of the water development
 18 advisory committee formed pursuant to 2-15-122. Actual rank
 19 and score of the various projects are contained within the
 20 department's renewable resource development program, 1982
 21 project evaluation and recommendations report. SPONSORS OF
 22 RECOMMENDED PROJECTS AND ACTIVITIES ON THE PRIORITIZED LIST
 23 THAT ARE NOT RECIPIENTS OF AVAILABLE GRANT FUNDS MUST BE
 24 DEFERRED THE OPPORTUNITY TO RECEIVE LOAN FUNDS FOR UP TO THE
 25 TOTAL RECOMMENDED PROJECT OR ACTIVITY AMOUNT PURSUANT TO

1 SECTIONS 4 AND 8 OF THIS ACT, THE INTEREST RATE APPLICABLE
 2 TO THESE LOANS SHALL BE THE RATE PAID ON BONDS ISSUED
 3 PURSUANT TO THIS ACT.

4 Renewable Resource Development Program
 5 Prioritized Projects by Category for Funding

6 G: Grant

7 1. WATER DEVELOPMENT PROJECTS

8 University of Montana;

9 Flathead County Ground Water Study	G	\$ 125,000
10		<u>100,000</u>
11 Whitefish Basin Water & Sewer		
12 District; Land Use Master Plan	G	125,000
13		<u>100,000</u>
14 Chouteau County Conservation		
15 District; Saline Seep Assessment	G	52,000
16 DMES; Water Treatment Plant Analysis	G	16,000
17 Montana Agricultural Experiment Station;		
18 Riparian Grazing Study	G	31,311
19 City of Laurel; Ditch Lining	G	125,000
20		<u>100,000</u>
21 Jefferson County Conservation District;		
22 Pipestone Creek Erosion Control	G	125,000
23		<u>100,000</u>
24 Rosebud CO; Streambank Stabilization	G	5,500
25 OFWP; Bitterroot Flow Augmentation	G	40,000

1	Triangle Conservation District;		
2	Triangle Area Saline Seep Project	G	±25,000
3			<u>100,000</u>
4	DFWP; Gartside Dam Repair	G	±25,000
5			<u>100,000</u>
6	Ekalaka; Water Master Plan	G	13,000
7	City of Helena; Chessman Reservoir		
8	Stability Analysis	G	24,000
9	DFWP; South Sandstone Dam Repair	G	±25,000
10			<u>100,000</u>
11	Montana State Prison Ranch;		
12	Irrigation & Fertilization Project	G	39,995
13	Flaxville; Water Source Development	G	6,000
14	Montana State Prison Ranch;		
15	Parshall Flume	G	10,000
16	Greenfield Irrigation District;		
17	Automation of Headgate	G	87,000
18	DNRC; Riparian Protection Program	G	39,000
19	Incomar; Water System	G	22,000
20	Sheridan County for Antelope;		
21	Water and Sewer System	G	100,000
22	Columbus; Itch-Kep-Pe Park		
23	Rehabilitation	G	44,000
24	City of Bozeman;		
25	Mystic Lake Dam Repair	G	87,000

1	Hamilton; Water System Rehabilitation	G	82,000
2	Judith Gap; Water Storage Tank	G	6,000
3	Wolf Point; Water System Improvement	G	±25,000
4			<u>100,000</u>
5	Geraldine Rural Water System	G	±25,000
6			<u>100,000</u>
7	City of Whitefish; Master Water Plan	G	35,000
8	Cascade; Landfill Rehabilitation		
9	and Park Development	G	41,000
10	Seeley Lake; Water & Sewer Master Plan	G	9,000
11	Culbertson; Water System Rehabilitation	G	±25,000
12			<u>100,000</u>
13	DFWP; Streambank Stabilization Program	G	50,000
14	DFWP; Canyon Ferry State Recreation Area	G	70,000
15	Sheridan County CD; Ground Water		
16	Assessment in N.E. Montana	G	±25,000
17			<u>100,000</u>
18	DFWP; Logan State Recreation Area	G	80,000
19	Hardin; Flood Mitigation Plan	G	22,000
20	DFWP; Yellow Bay State Recreation Area	G	3,000
21	Button; Water Source Feasibility Study	G	41,000
22	DNRC; Gravity Irrigation Development	G	41,000
23	DFWP; Deadman's Basin Recreation Area	G	45,000
24	Roosevelt County Rural Water System	G	±25,000
25			<u>100,000</u>

1	City of Polson; Drainage Project	G	79,000
2	Helena; Red Mountain Trestle Repair	G	36,000
3	Box Elder Rural Water System (Carter		
4	County)	G	100,000
5	Hot Springs; Water Master Plan	G	7,000
6	Cascade-Teton CD; Muddy Creek Project	G	125,000
7			<u>100,000</u>
8	East Bench Irrigation District;		
9	Streambank Preservation	G	30,000
10	Huntley Irrigation Project; Rehabilitation	G	18,000
11	Troy; Master Water Plan	G	16,000
12	Winnett; Water System Repair	G	37,000
13	South K & G Rural Water System	G	88,000
14	Rosebud CD; Irrigation Management Project	G	16,000
15	Plains; Water Source Development	G	8,000
16	Fort Benton; Water Storage Tank Repair	G	1,000
17	McCone County CD; Feasibility Study	G	50,000
18	II. TIMBER STAND IMPROVEMENT		
19	Dept. of State Lands; Timber		
20	Stand Improvement	G	100,000
21			<u>157,000</u>
22			<u>100,000</u>
23	U of M; Lubrecht Second Growth		
24	Forest Improvement	G	100,000
25	Seed Tree Orchard Development;		

1	Salish/Kootenai Tribes	G	40,000
2	III. IMPROVEMENTS ON AGRICULTURAL LAND		
3	Montana Agricultural Experiment Station;		
4	Biological Weed Control	G	50,000
5	DFWP; Mt. Haggin Ranch Cross-Fencing	G	65,000
6	DNRC; Rangeland Resource Loan Program	G	200,000
7	(Disbursed only if HB 486 does not pass)		
8	Teton County Weed District;		
9	Leafy Spurge Control	G	30,000
10	Valley County CD;		
11	Leafy Spurge Control	G	20,000
12	IV. CONSERVATION DISTRICTS, FOR DEVELOPMENT OF THEIR		
13	WATER RESERVATIONS		
14	DNRC; Water Reservation Development	G	76,000
15	Lower Yellowstone CD; Water		
16	Reservation Development	G	79,000
17	Sweet Grass CD; Water		
18	Reservation Development	G	4,630
19	V. OTHER		
20	MSU; Economic Feasibility		
21	of Farm-Based Wind Generation	G	20,200
22	Lewis & Clark County;		
23	Land Transfer Program	G	22,554
24	Cascade County; Cross-Country Ski		
25	Trail Improvements	G	10,000

1 (3) (a) After the allocations provided for in sections
2 5 through 7 of this act have been made, there is allocated
3 to the rangeland improvement loan earmarked account created
4 by HB 486, 15% of the funds available in the renewable
5 resource development program during the biennium ending June
6 30, 1985. The funds allocated by this subsection (3)(a) are
7 appropriated from the rangeland improvement loan earmarked
8 account for the rangeland improvement program created by HB
9 486.

10 (b) If HB 486 is not passed by the 48th Legislature
11 and approved by the Governor, subsection (3)(a) is void.

12 Section 3. Coordination of fund sources for water
13 development projects. A sponsor of a water development
14 project who has applied for a grant under both the water
15 development program and the renewable resource development
16 program must be funded at recommended amounts under the
17 water development program pursuant to section 1 of this act
18 if sufficient funds are available as determined by the
19 priority ranking of the project or activity. If sufficient
20 grant funds are not available under the water development
21 program, the project must be considered for grant funding
22 under the renewable resource development program pursuant to
23 section 2 of this act; and such award of funds under section
24 2 is dependent upon available funds and the priority ranking
25 of the project under the renewable resource development

1 program.

2 Section 4. Approval of loans from bond proceeds and
3 completion of appropriation. (1) The Legislature, pursuant
4 to 85-1-605, hereby approves the loans identified and
5 described in section 1 of this act for projects and
6 activities to public entities from water development bond
7 proceeds deposited in the water development clearance
8 account.

9 (2) The approval of specific loans completes an
10 appropriation of the coal severance tax proceeds allocated
11 by 15-35-108 to the water development sinking account for
12 the purpose of paying, in the manner established by
13 85-1-619, principal of and interest and redemption premiums
14 on any water development bonds issued to provide the
15 proceeds for the loans to public entities approved in
16 subsection (1).

17 Section 5. Reallocation of resource indemnity trust
18 account interest income. Except for special departmental
19 appropriation within HB 447 and notwithstanding any
20 provisions of 85-1-604 to the contrary, all remaining
21 interest income allocated to the water development earmarked
22 account from the resource indemnity trust fund by
23 15-38-202(2) during the biennium ending June 30, 1985, may
24 be used for and only for the purposes set out in
25 85-1-604(3)(c).

Section 6. Reallocation of renewable resource development account funds. (1) Notwithstanding any provisions of 90-2-103, 90-2-113, and Title 90, chapter 2, part 1, to the contrary, up to \$520,000 is allocated during the biennium ending June 30, 1985, from the renewable resource development clearance fund account to the water development earmarked account to be used for and only for the purposes set out in 85-1-604(3)(c).

(2) The reallocation in subsection (1) does not include money previously appropriated for the biennium ending June 30, 1983, to the Department of Natural Resources and Conservation by HB 709, Laws of 1981, for small project water development construction loans to private individuals and which without section 7 of this act would revert to the renewable resource development clearance fund account.

Section 7. Reallocation of renewable resource development account funds formerly appropriated for water development projects. (1) Notwithstanding any provisions of 90-2-103, 90-2-113, and Title 90, chapter 2, part 1, to the contrary, up to \$251,600 is allocated during the biennium ending June 30, 1985, from the renewable resource development clearance fund account to the water development earmarked account to be used for and only for the purposes set out in 85-1-604(3)(c).

(2) The funds allocated by subsection (1) are to be

those funds which were appropriated for the biennium ending June 30, 1983, to the Department of Natural Resources and Conservation by HB 709, Laws of 1981, for small project water development construction loans to private individuals and which funds have reverted to the resource development clearance fund account.

Section 8. Conditions of loans and grants. Disbursement of funds under this act, both loans and grants, may be made only after:

(1) a project or activity receives authorization and residual financing commitments from other sponsors or sources, if necessary;

(2) execution of an agreement or agreements between the Department of Natural Resources and Conservation and the loan or grant applicant that describes the terms and conditions of the project or activity as applied for with the Department of Natural Resources and Conservation or proposed to the Legislature, taking into consideration any changed conditions or circumstances, and that governs the administration and disbursement of funds; and

(3) other specific requirements are accomplished as considered necessary by the Department of Natural Resources and Conservation to accomplish the purpose of the loan or grant as evidenced from the application to the Department of Natural Resources and Conservation or the proposal to the

1 Legislature.

2 Section 9. Reversion of funds. All funds reallocated
3 by sections 5 through 7 of this act to the water development
4 earmarked account that are unspent and unencumbered during
5 the biennium ending June 30, 1985, shall revert to the water
6 development earmarked account.

7 Section 10. Treasury fund terminology — coordination.
8 Any reference in this act to an account or fund that is
9 rendered inaccurate by Ch. 28, L. 1981, or by legislation
10 introduced in the 48th Legislature that is passed and
11 approved to implement Ch. 28, L. 1981, is considered changed
12 in this act to the treasury fund terminology used in the
13 section creating the account or fund.

14 Section 11. Severability. If a part of this act is
15 invalid, all valid parts that are severable from the invalid
16 part remain in effect. If a part of this act is invalid in
17 one or more of its applications, the part remains in effect
18 in all valid applications that are severable from the
19 invalid applications.

20 Section 12. Effective date. This act is effective July
21 1, 1983.

-End-