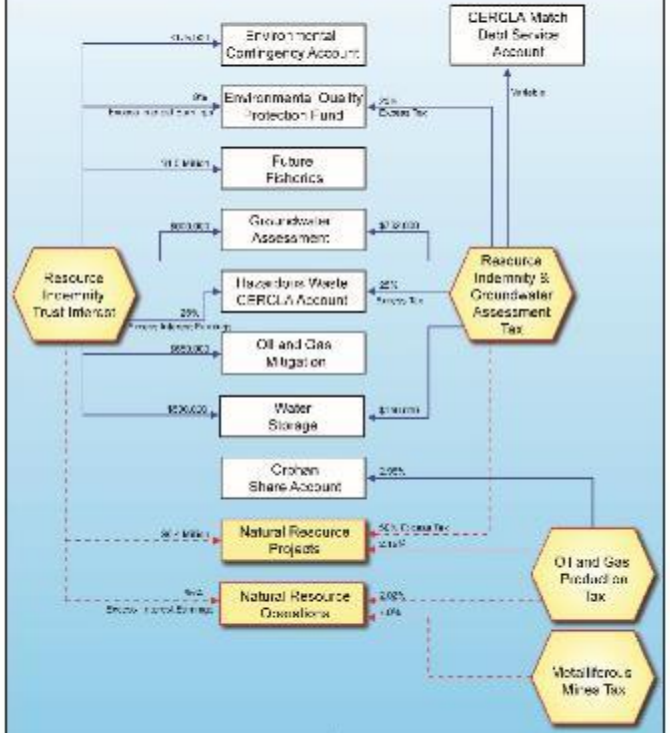
Reclamation and Development Grants Program
HB 7 and HB 14

Allocation of Funding Sources for Natural Resource Programs

2023 Biennium



Natural Resource Operations

Natural Resource Projects

Natural Resource Operations

Administration Expenses (HB 2)

Natural Resource Projects

To enhance Montana's renewable resources through projects that measurably conserve, develop, manage, or preserve resources.

RRGL Grants & RDG Grants
(HB 6 & HB 7)

Resource Indemnity Trust

Resource Indemnity Trust

LFD

Updated October 2019

RESOURCE INDEMNITY TRUST (RIT) - ENABLING ACT

Article IX of the Montana Constitution provides for the protection and improvement of the Montana environment and requests the legislature to provide adequate remedies for environmental protection from degradation.

It specifically requires "all lands disturbed by the taking of natural resources shall be reclaimed", and requires the existence of a resource indemnity trust (RIT) fund for that purpose, to be funded by taxes on the extraction of natural resources.

The constitution further states, "The principal of the resource indemnity trust shall forever remain inviolate in an amount of one hundred million dollars ($100,000,000) guaranteed by the state against loss or diversion."

The state constitution requires a trust, but does not require the trust to be funded. The legislature utilized certain natural resource extraction tax proceeds as a revenue source for the trust. In February of 2002, the Governor certified that the balance of the trust had exceeded the $100.0 million threshold. Tax proceeds previously directed to the RIT have been re-directed by the legislature ever since.

FUND DESCRIPTIONS

A RIT fund is defined as a fund receiving RIT interest or Resource Indemnity Ground Water Assessment (RIGWA) taxes.

- Ground water assessment account - funds groundwater monitoring and characterization studies
- Natural Resource Project - funds grants and loans to address damage from non-renewable extraction as well as funding for projects that conserve, develop or manage, or preserve resources
- Hazardous Waste/Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) - funds for the implementation of the Montana Hazardous Waste Act and state expenses for overseeing the federal CERCLA.
- Environmental Quality Protection Fund - utilized to identify, investigate, negotiate and prosecute individuals/ entities to achieve remedial action or recover costs and damages under the state superfund program.
- Environmental Contingency Account - controlled by the Governor for the purpose of responding to emergent or imminent threats to the environment.
- Future Fisheries - funds to reclaim habitat and spawning areas of the bull and cutthroat trout.
- Oil & Gas Production Mitigation Account - funds for property plugging a well and either reclaiming or restoring, or both, a drill site or other drilling or producing area damaged by oil and gas operations.
- Natural Resource Operations - funds to support the natural resource programs within state government.
- Water Storage Account - repair and maintenance of state owned water facilities.
- CERCLA General Obligation Debt Service - used to pay the debt services on state bonds issued in support of CERCLA or Superfund Law

https://leg.mt.gov/content/Publications/fiscal/leg_reference/Brochures/RIT-2019.pdf

TAX DESCRIPTIONS

Resource indemnity and ground water assessment (RIGWA) tax on the gross value of coal and most minerals.

All minerals taxed are assessed a $25 base tax.

Coal - 0.4% of the gross value

Minerals - 0.5% of the gross value

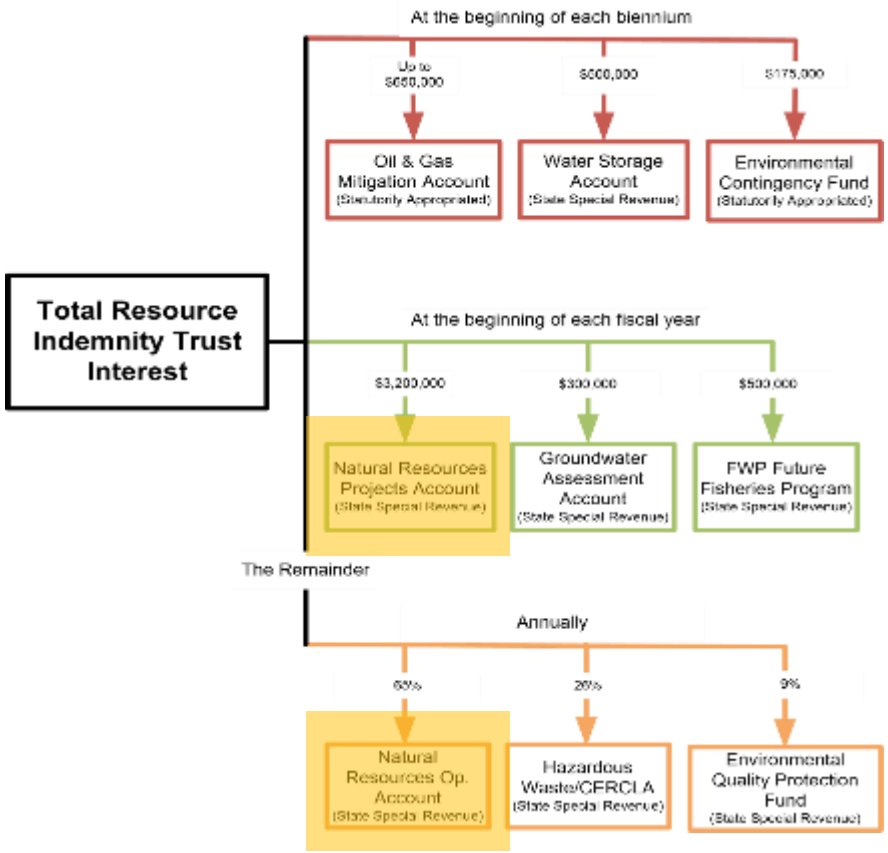
Talc - 4% of the gross value

Vermiculite - 2% of the gross value

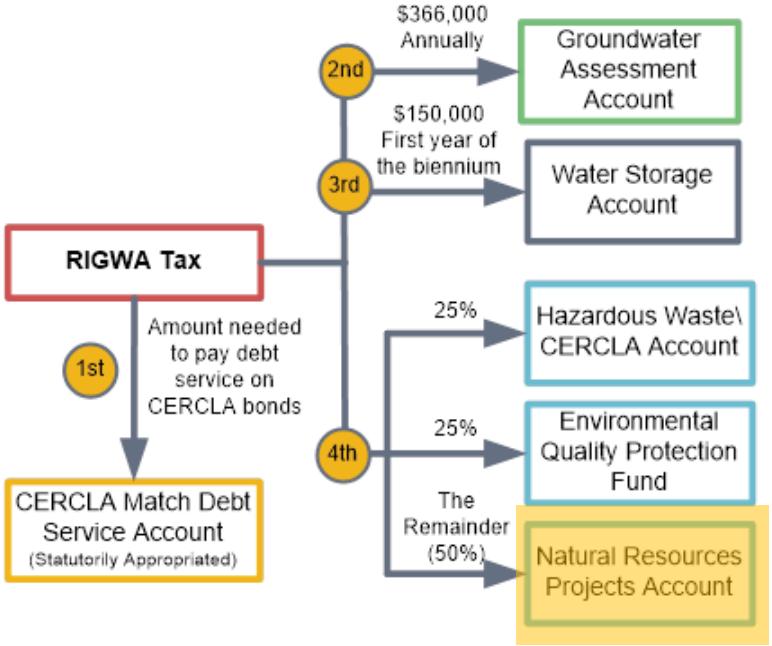
Limestone -10% of the gross value

Garnets -1% of the gross value

TRUST (RIT) INTERST EARNINGS - DISTRIBUTION

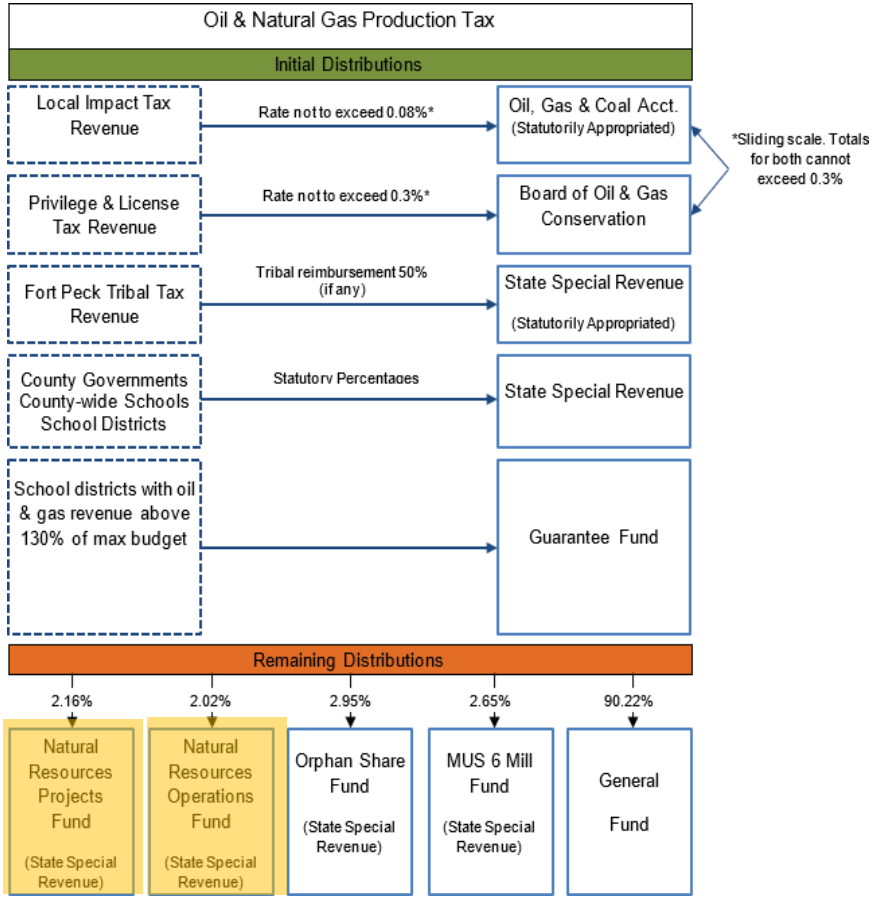


RIGWA TAX - DISTRIBUTION



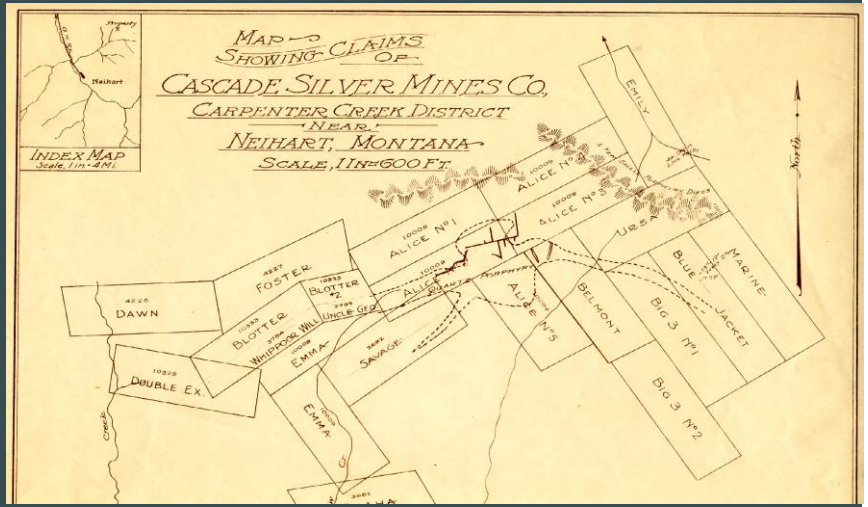
Oil & Natural Gas Production Tax

Tax is imposed on the production of oil and natural gas in the state.



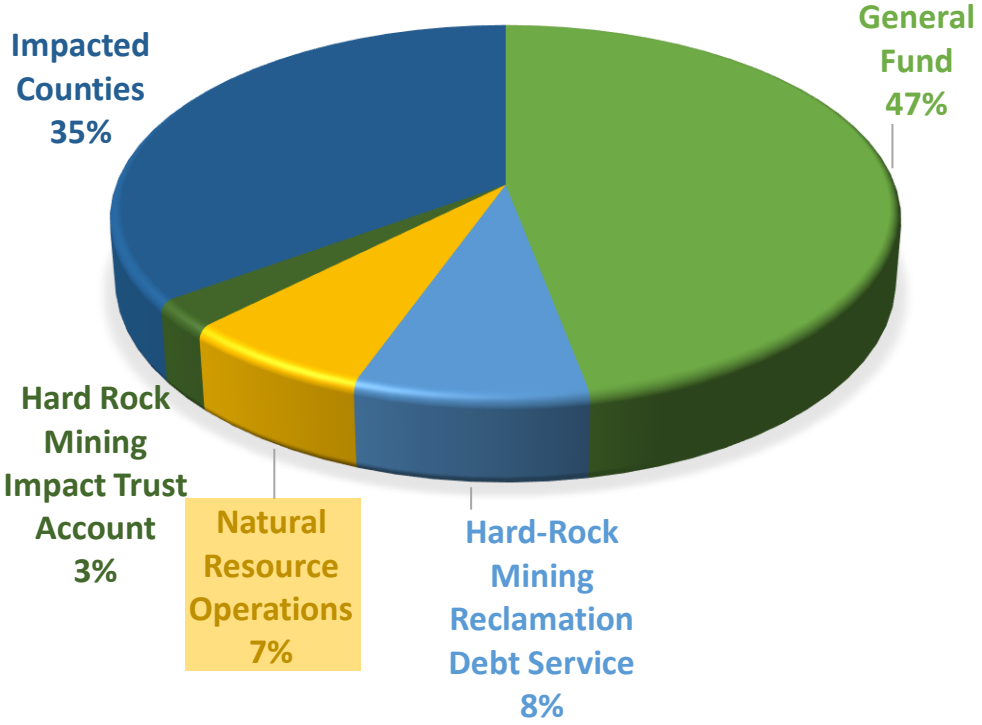
https://leg.mt.gov/content/Publications/fiscal/leg_reference/Brochures/Oil-Gas-2020.pdf

Metalliferous Mines Tax



The metalliferous mines license tax is imposed on the production of metals, gems or stones in the state.

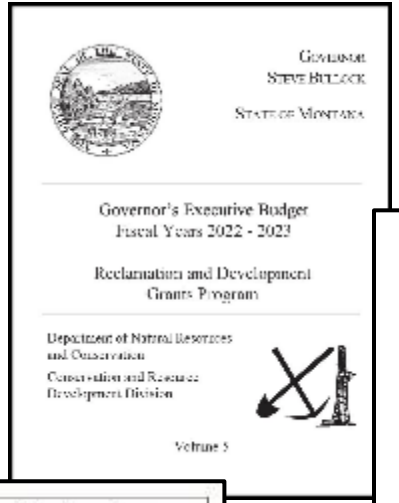
TAX DISTRIBUTION

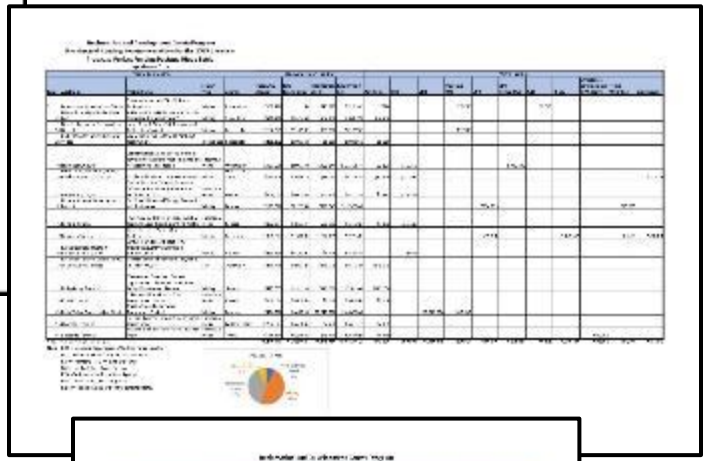


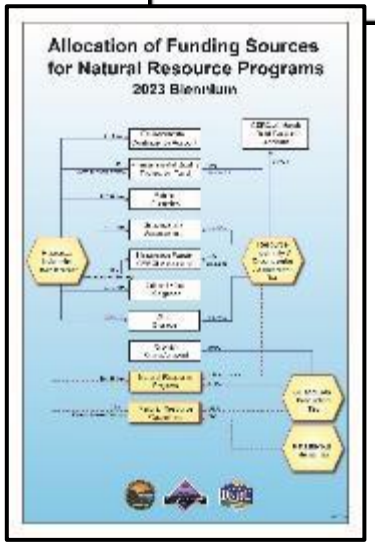
https://leg.mt.gov/content/Publications/fiscal/Revenue/2021-Session/Vol-2-Nat-Res-Taxes.pdf

Reclamation and Development Grants Program
HB 7 and HB 14

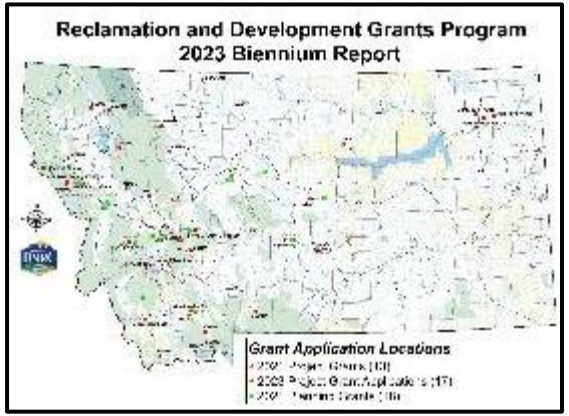
Handouts


Governor's Executive Budget
Fiscal Years 2022 - 2023
Reclamation and Development
Grants Program
Volume 5



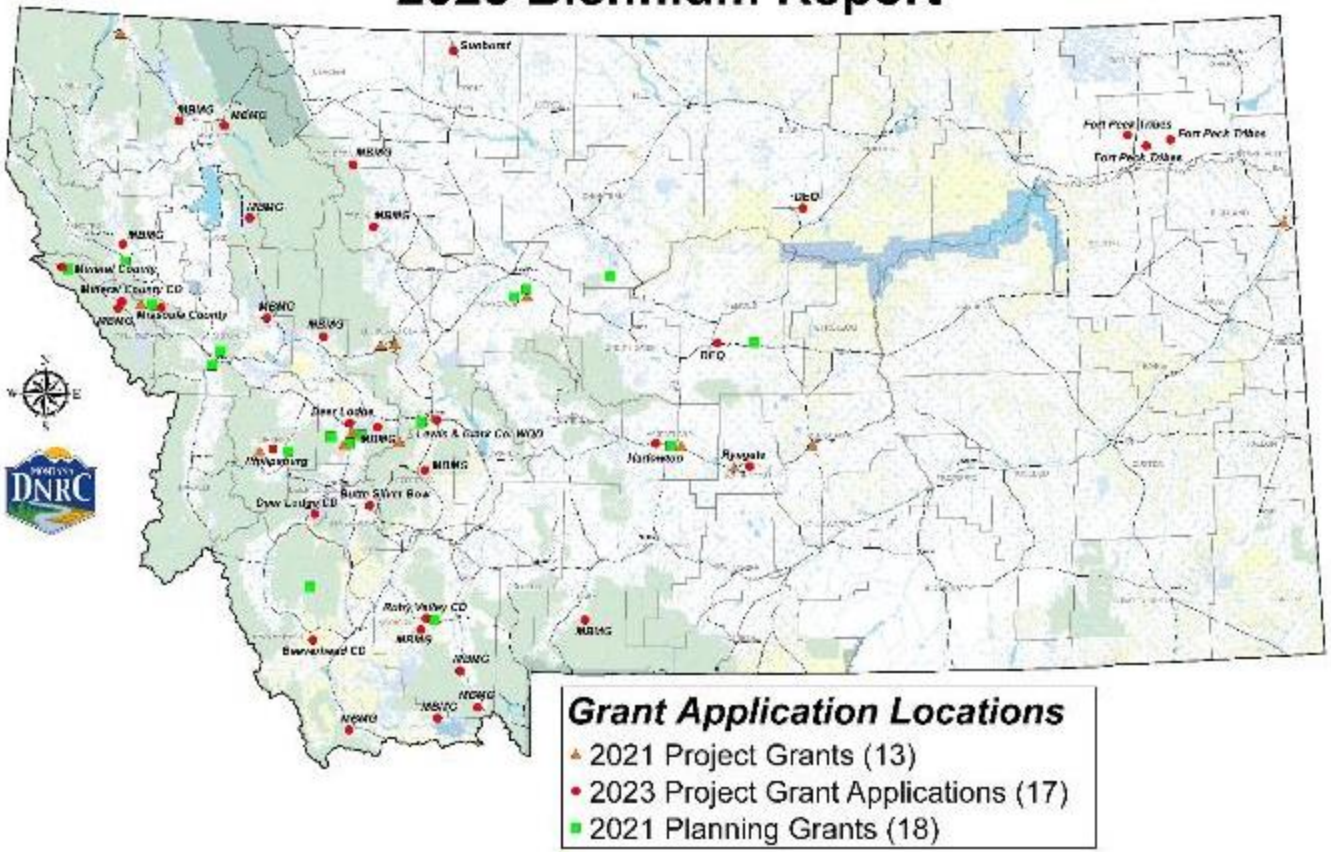

Allocation of Funding Sources
for Natural Resource Programs
2023 Biennium

2020 Reclamation and Development
Grants Program Applications
Application Project Locations
RDG Applications 2020

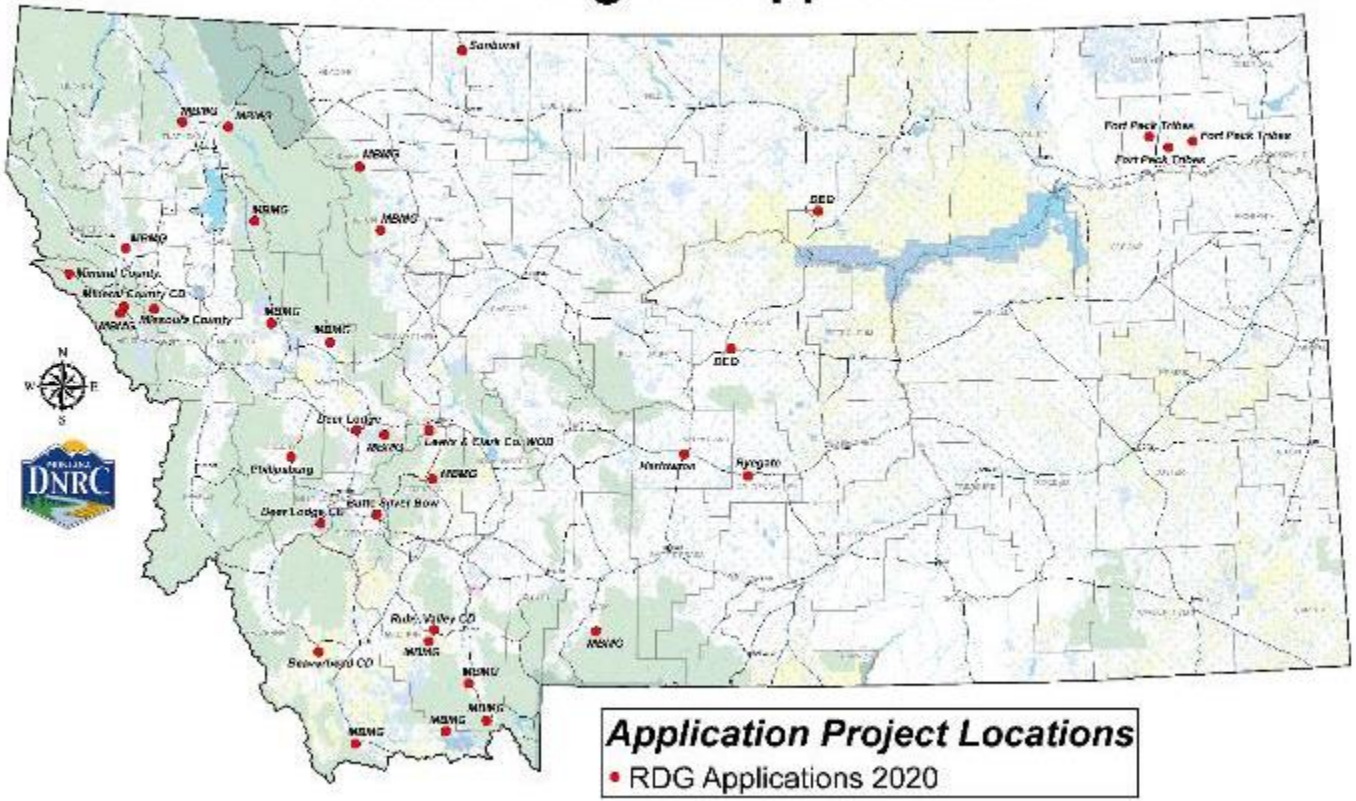

Reclamation and Development Grants Program
2023 Biennium Report
Grant Application Locations

Reclamation and Development Grants Program
HB 7 and HB 14

Reclamation and Development Grants Program
2023 Biennium Report



2020 Reclamation and Development Grants Program Applications



Town of Philipsburg

Wastewater Treatment System Improvements, Metals Contaminated Sludge Removal and Disposal

- HB 7
- Rank: 1
- [Page 8]

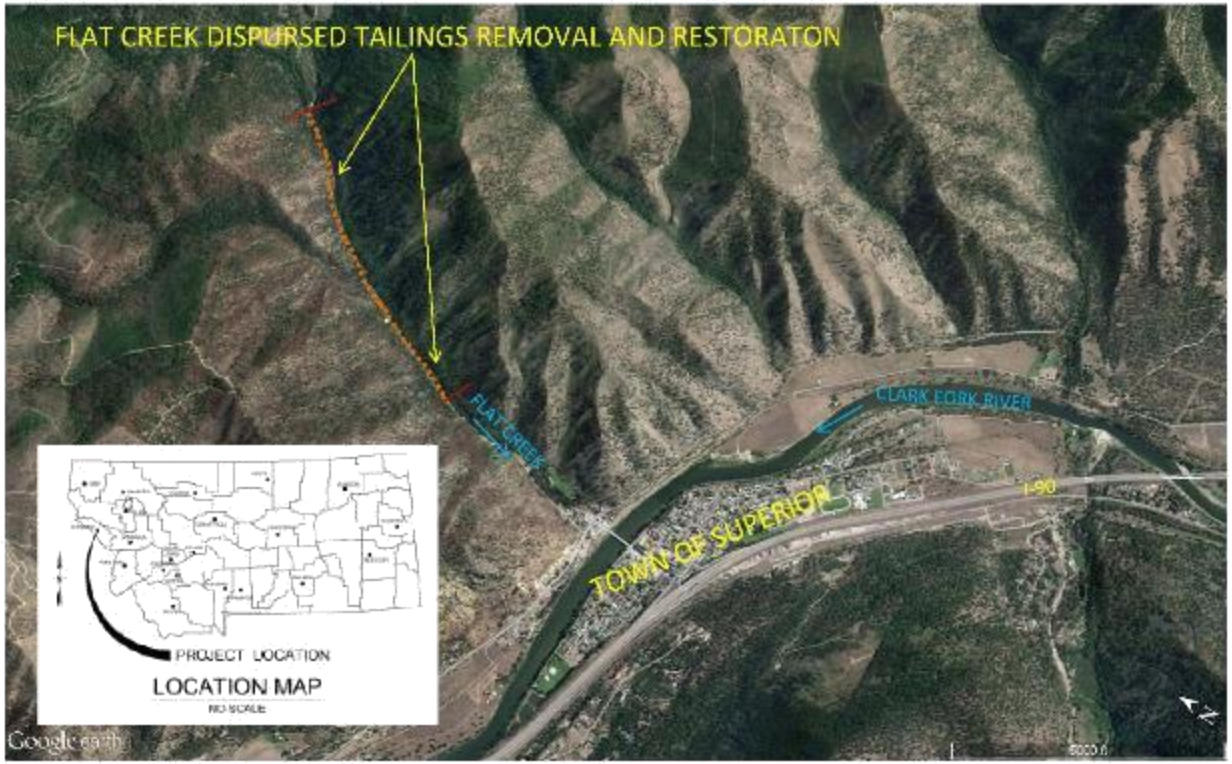
Mineral County Conservation District

Flat Creek Dispersed Tailings Removal and Restoration

- HB 7
- Rank: 2
- [Page 10]

Flat Creek flows into the Clark Fork River at the town of Superior and has a history of extensive mining in the drainage. Heavy metal contamination originated from the Iron Mountain Mine and the associated tailings were deposited along the nearby creek, hillslopes and floodplains. The tailings have high levels of Arsenic, Lead, and Zinc.

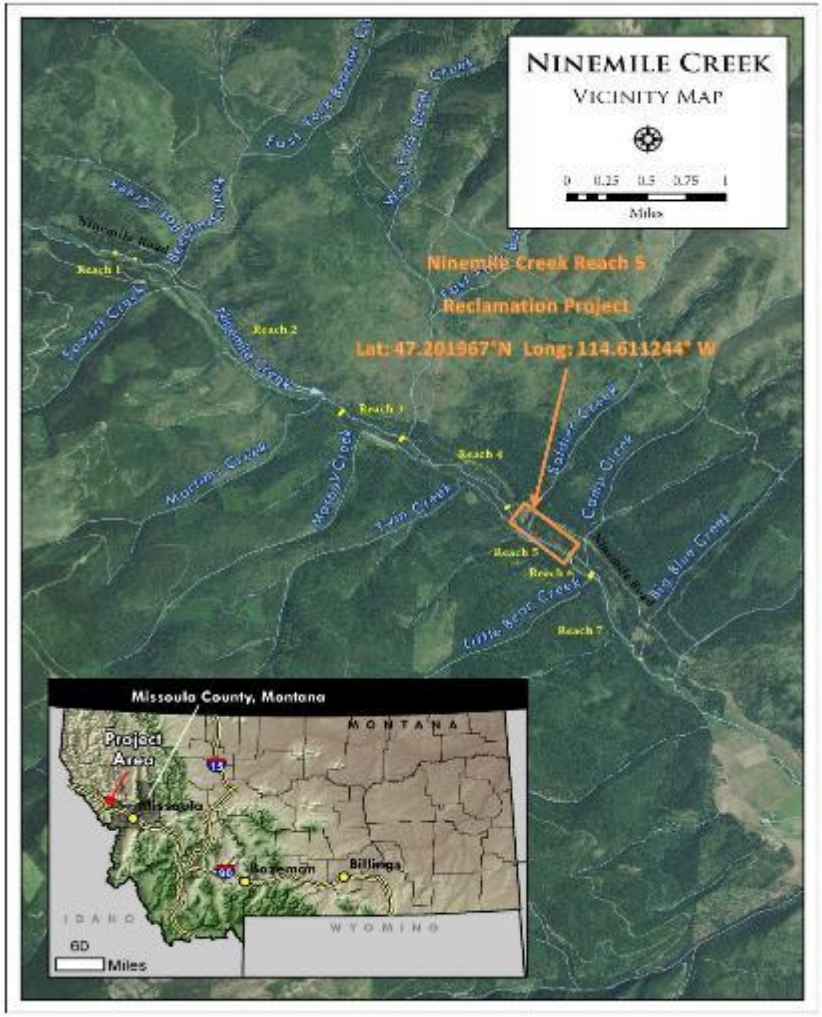
A Cooperative Project Between the
Mineral County CD
U.S. Forest Service *and*
Trout Unlimited



Missoula County

Ninemile Creek Placer Mine Reclamation, Phase 6

- HB 7
- Rank: 3
- [Page 13]



City of Harlowton

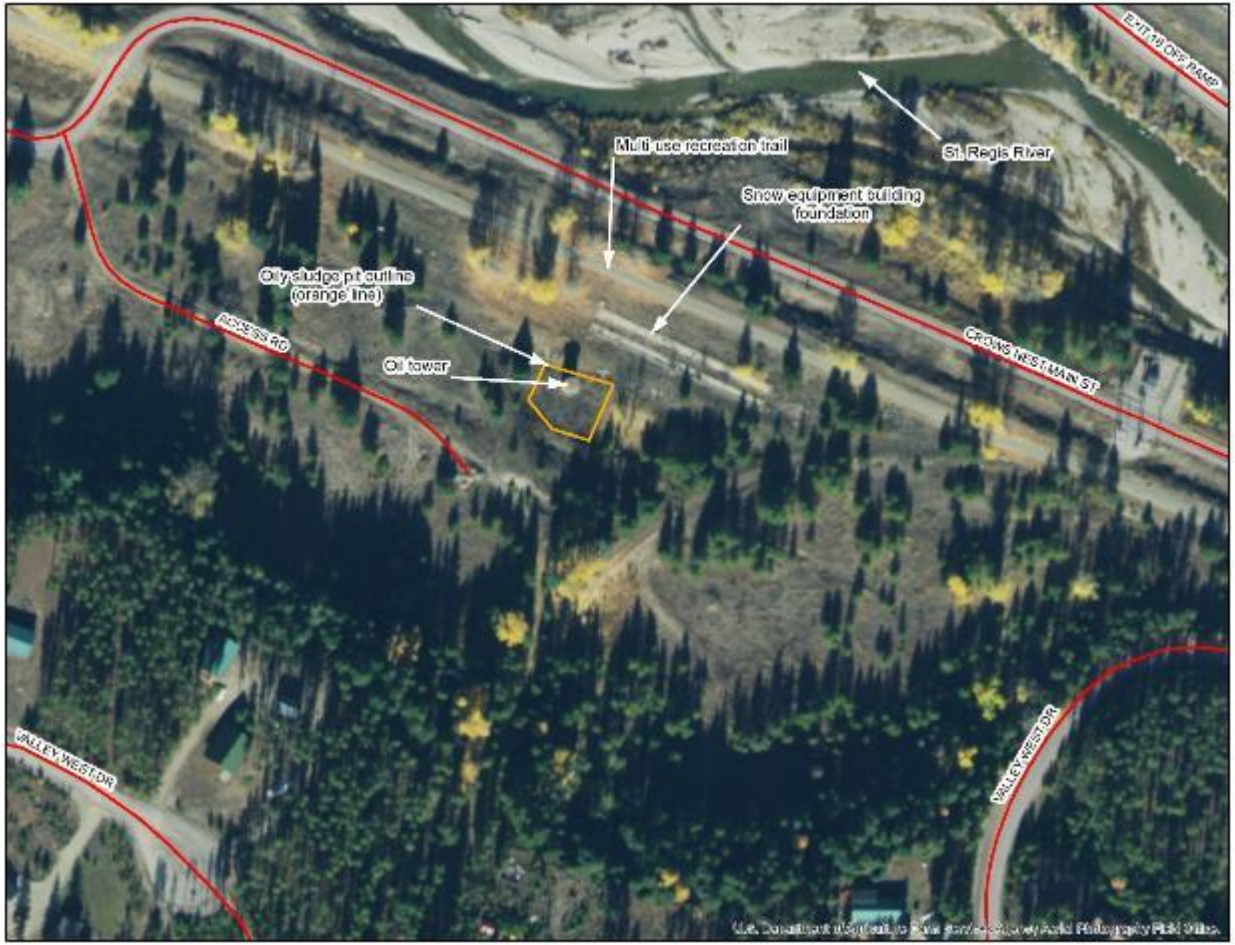
Contaminated Soils and Free Product Removal at the Harlowton Roundhouse in Harlowton, MT, Phase 4

- HB 7
- Rank: 4
- [Page 16]

Mineral County

Interim Remedial Action at Milwaukee Road – Haugan State Superfund Facility

- HB 7
- Rank: 5
- [Page 19]



Powell County

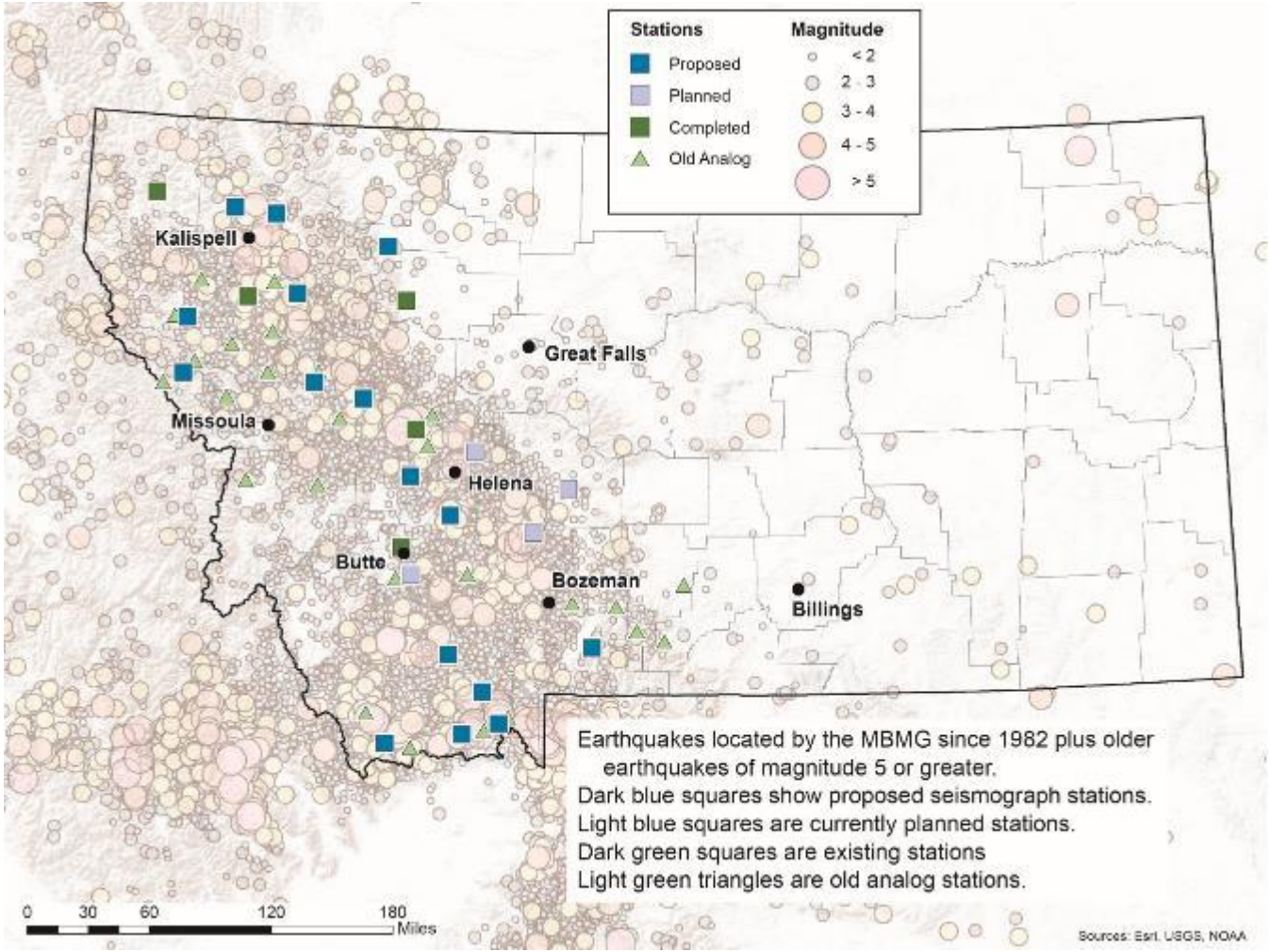
Milwaukee Roundhouse Area Remediation, Phase 2

- HB 7
- Rank: 6
- [Page 21]

Montana Tech – Montana Bureau of Mines and Geology

Modernization of Montana's Regional Seismic Network

- HB 7
- Rank: 7
- [Page 23]



Montana Department of Environmental Quality

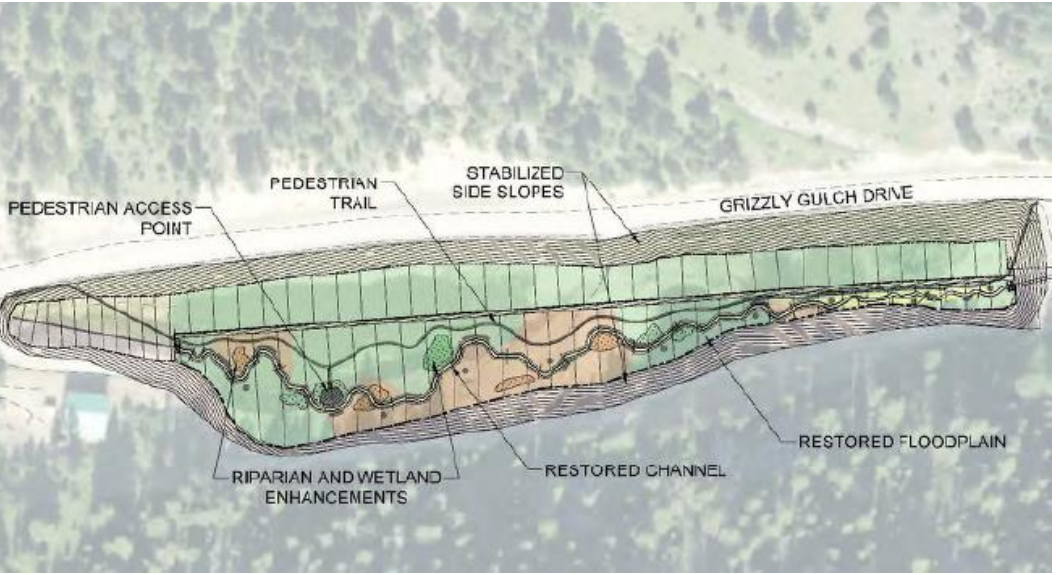
Swift Gulch High Flow Treatment System and Stream Rehabilitation

- HB 7
- Rank: 8
- [Page 25]

Lewis and Clark County

Grizzly Gulch Reclamation Project

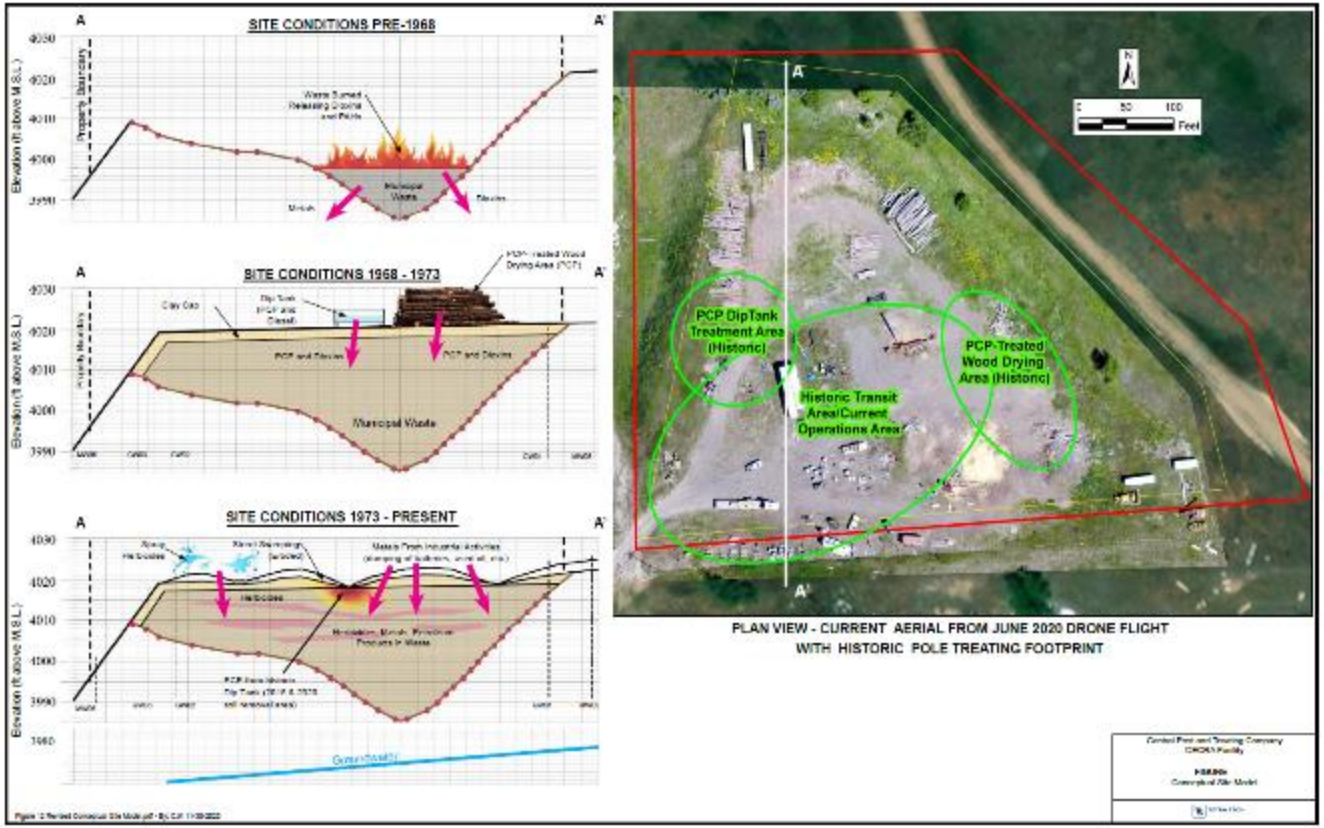
- HB 7
- Rank: 9
- [Page 28]



City of Lewistown

Central Post and Treating Company CECRA Facility Phase 2, Capping and Site Reclamation

- HB 14
- Rank: 10
- [Page 30]



Town of Sunburst

Suta South Petroleum Cleanup

- HB 14
- Rank: 11
- Page 32

Butte-Silver Bow Government

Butte Mining District: Reclamation and Protection Project, Phase V

- HB 14
- Rank: 12
- [Page 34]

Butte-Silver Bow Butte Mining District Reclamation & Protection Project – Phase V

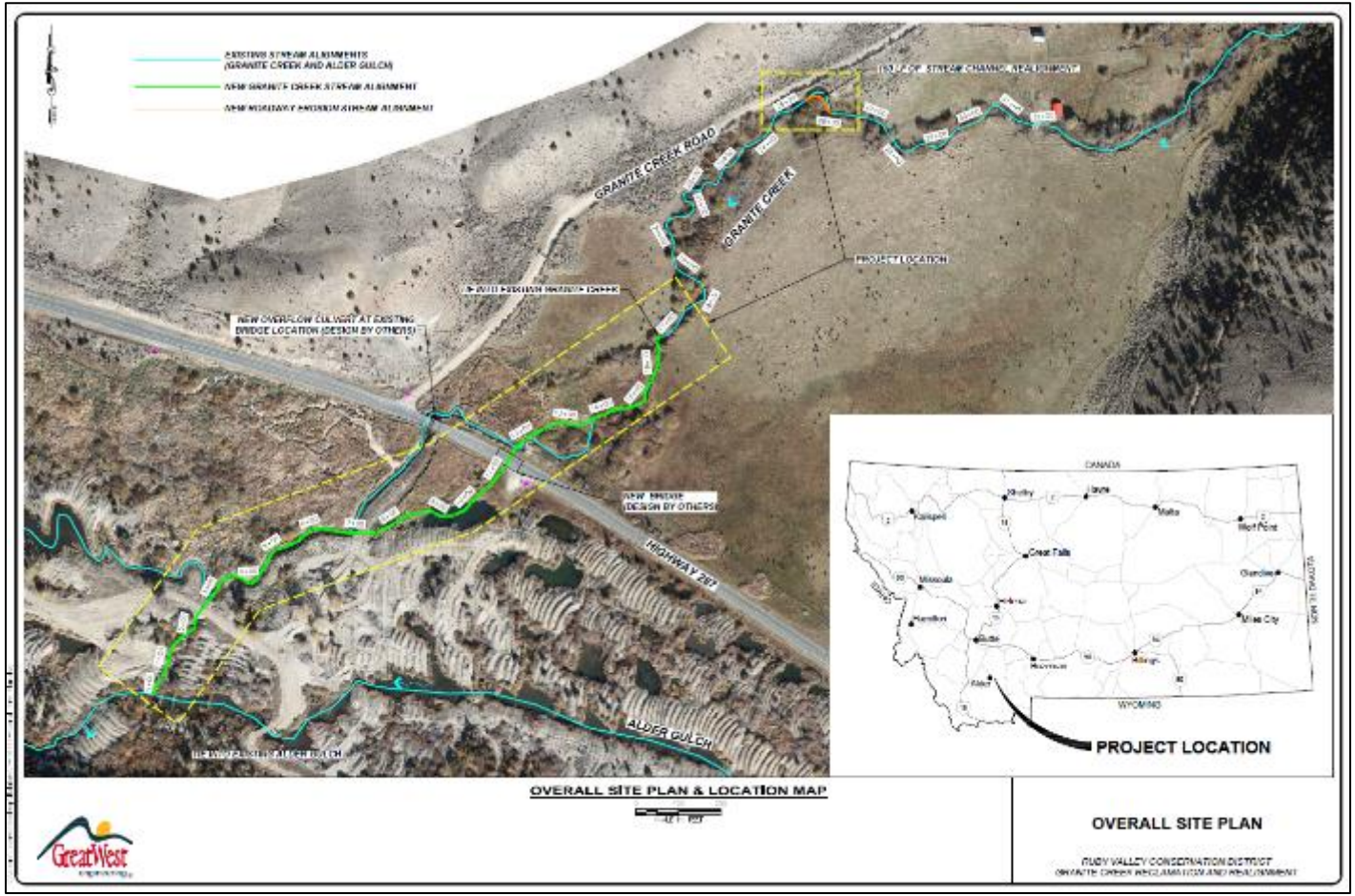
Anselmo Mineyard

Steward Mineyard

Ruby Valley Conservation District

Granite Creek Reclamation and Realignment Project

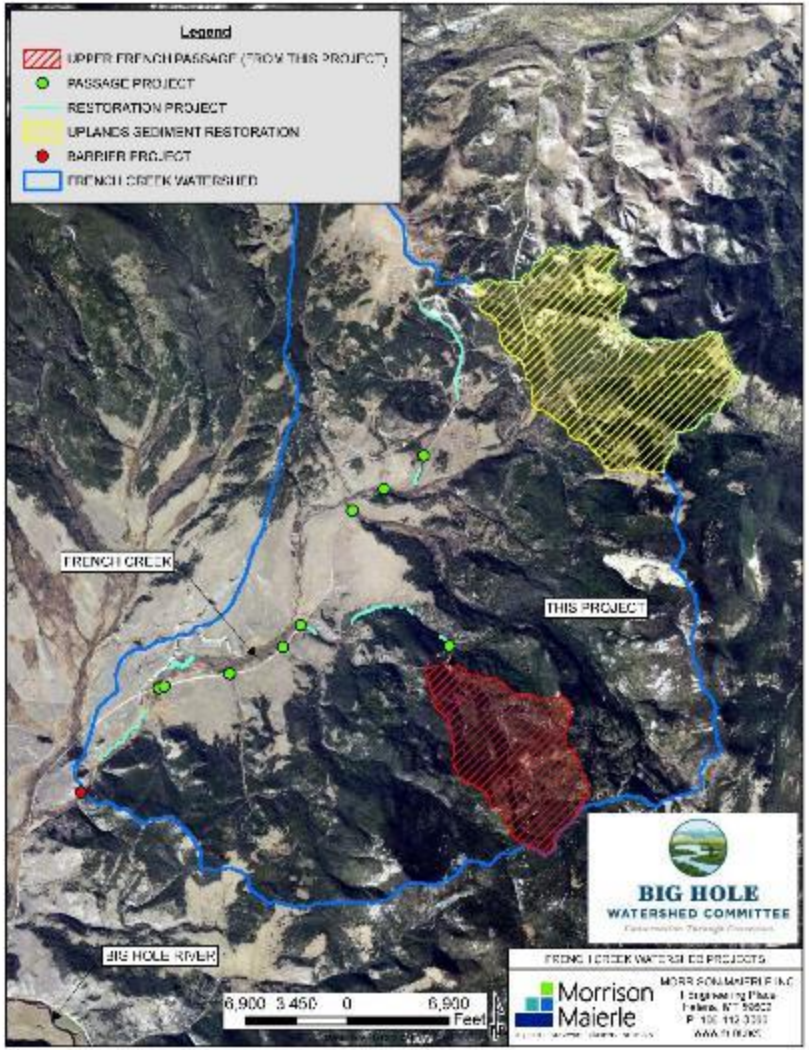
- HB 14
- Rank: 13
- [Page 36]



Deer Lodge Valley Conservation District

Upper French Gulch Fish Passage and Restoration Project

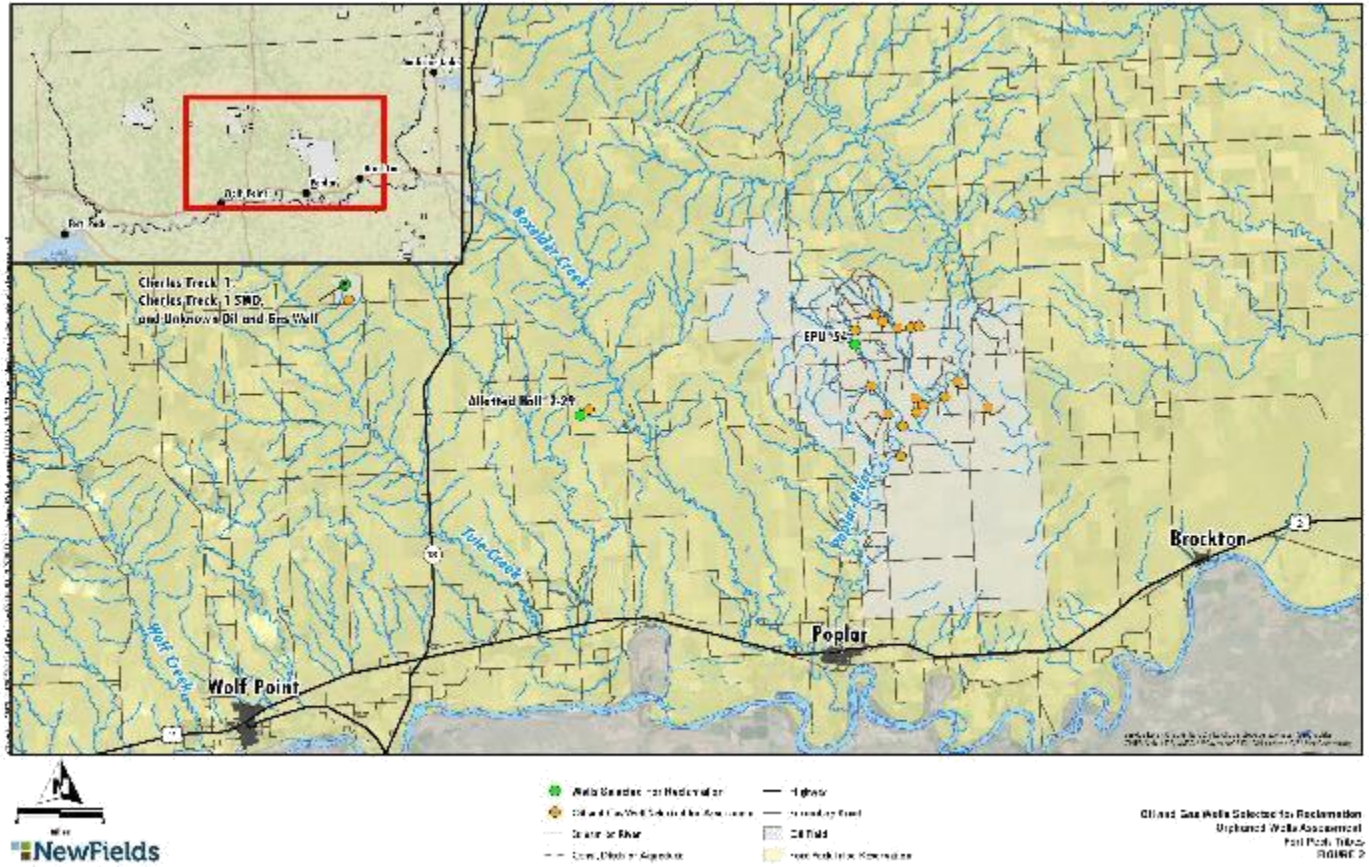
- HB 14
- Rank: 14
- [Page 38]



Fort Peck Assiniboine and Sioux Tribes

Orphaned Oil Well Abandonment and Reclamation

- HB 14
- Rank: 15
- [Page 41]



Town of Ryegate

Former Ryegate Conoco Groundwater Remediation

- HB 14
- Rank: 16
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