# **Montana's Conservation Districts**

## Locally Led, Voluntary Conservation

Conservation Districts (CDs) are Montana's legislatively mandated local soil and water conservation authority, which are led by boards of locally elected, unpaid supervisors. Conservation districts are units of local government with broad responsibility to carry out programs that conserve soil, water, and other natural resources. For 80 years, Montana's 58 conservation districts have accomplished these objectives by working shoulder to shoulder with producers and communities to develop voluntary, tailored solutions through a variety of restoration projects, education, demonstration, and research that conserve Montana's natural resources.

- Low cost, huge benefit: Despite a relatively small statewide investment in conservation districts, they serve as hubs of local leadership and have a significant conservation impact across Montana.
- The value of donated hours exceeds \$5,000,000 annually.

### **Statute and Funding**

**"MCA 76-15-102. Declaration of policy.** It is hereby declared to be the policy of the legislature to provide for the conservation of soil and soil resources of this state, for the control and prevention of soil erosion, for the prevention of floodwater and sediment damages, and for furthering the conservation, development, utilization, and disposal of water and thereby to preserve natural resources, control floods, prevent impairment of dams and reservoirs, preserve wildlife, protect the tax base, protect public lands, and protect and promote the health, safety, and general welfare of the people of this state." CDs receive funds through a combination of local mill dollars and state funding, primarily from the coal severance tax. CDs also seek additional project grants and funding from a variety of sources.

#### What we do...

- Flood and fire restoration - 310 Stream permitting - River councils (ex. 2022 flooding, 2017 fires) - Streambank restoration - Salinity control - Rangeland management - Irrigation efficiency - Voluntary soil conservation programs - Water reservations - Aquatic Invasive Species check stations - Equipment rentals - Noxious weed control - Watershed planning - Wildlife (ex. Sage Grouse) - Conservation education - Aquifer management - Coordination with state - Forest fuel mitigation and the MT Envirothon and federal agencies .... And more - Stream gauges - Pollinator programs

## **Challenges Facing Conservation Districts**

**Unstable and insufficient funding:** Conservation districts were in a funding crisis in 2020, with a *nearly* \$2 million shortfall in cash for a \$3.1 million budget due to a significant drop in coal tax receipts. In response, the 2021 Legislature passed a temporary funding fix in HB 374 as well as HJ 27, a study of conservation district funding, which was worked on by the Environmental Quality Council (EQC). Ultimately, EQC identified the urgent need for stable and adequate funding, and proposed a funding bill that would provide districts an additional \$2.9 million annually.

- CDs have been historically underfunded, compounded by uncertainty in available cash. All of this limits the ability of conservation districts to fulfill their statutory duties and get conservation on the ground locally.
- **Conservation districts need adequate, long term, stable funding** that will allow individual districts to **(1)** fulfill their mandated duties and **(2)** address increasing local needs related to land use changes, increasing populations, development, and natural disasters (ex 2022 flooding, 2017 fires, etc).

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Image: constraint of the state of	Fiscal Year	[1] Funding from spendable side of coal tax (*Projected FY 2023 forward)			<b>[2B] Interest from CD Trust</b> (Fiscal Note Projections)	<u>Combined:</u> Spendable plus interest from trust (Using Fiscal Note projections)	[3A] Recommended Funding: Recommended by Environmental Quality Council (EQC)	[3B] Appropriation Request by MACD: Conservation District Account	[4] Funds still needed: To fully fund CDs (Estimated with [2B] HB 321 Fiscal Note.)
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Chart 1: The funding solution presented in HB 321 will cover the majority of CD funding needs. In the short term, there will be a funding gap that requires an

additional source for approximately four years.

HB 321: A key part of the solution to the funding needs of Montana's 58 Conservation Districts (CDs)

Total estimated funds needed for the *next biennium* (""assuming a \$1.3 million ending fund balance) =  $\underline{\$2.4}$  million