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STATE OF MONTANA

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GOVERNOR STEVE BULLOCK
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Governor Bullock Announces Aid Package for Eastern Montana

***\$45,000,000 in Grants to Local Government Entities Impacted By Bakken Development;
Immediate Reduction of SRF Interest Rates; Technical Assistance from State***

HELENA – Today, in conjunction with his Main Street Montana Plan, Governor Steve Bullock announced a \$45,000,000 aid package for Eastern Montana communities impacted by oil development in the Bakken area of Montana.

In announcing the aid package, Bullock said: “The Bakken development is bringing jobs and economic opportunities, but it’s also posing challenges to local communities that we could not have imagined even a decade ago. Soaring prices, inadequate infrastructure, and a massive influx of new residents is vexing local governments like never before. Some of these challenges require solutions that can be handled at the local level, but many of them require help and resources from the state. As Governor, I am committed to helping impacted communities deal with these challenges.”

The package, entitled the “Eastern Montana Impact and Infrastructure Project,” is defined by three main initiatives:

- a \$45,000,000 grant program to cities, towns, tribal governments, and water and sewer districts, financed through state bond proceeds;
- an immediate reduction in the State Revolving Fund (SRF) interest rate from 3.0% to 1.25% for construction projects;
- and local access to expert technical assistance – dubbed “Rapid Response Teams” in the areas of land use planning, affordable housing, and grant application processing.

The reduction in the SRF interest rate, which leverages the state’s sterling bond rating, is projected to save local governments millions of dollars in interest payments, and the Rapid Response Teams, will be implemented immediately. The grant program and its bonding component will require legislative approval during the 2015 legislative session.

The Eastern Montana Impact and Infrastructure Project was developed following on the ground meetings between local officials and key members of the Bullock administration. Two of the three components, the reduction in SRF interest rates and the Rapid Response Teams, were a direct result of those meetings.

One of the goals of the Main Street Montana Project is to ensure Montana businesses and communities have efficient and reliable infrastructure.

During the 2013 legislative session, Bullock proposed a similar bonding measure that would have made investments into Eastern Montana infrastructure, but that measure was rejected by the legislature in favor of a smaller measure, which passed but later vetoed by Governor Bullock. Following the conclusion of the 2013 session, Bullock was faced with the need to veto \$150,000,000 worth of spending passed by the legislature in order to balance the state budget – House Bill 218 was part of that process. “The Legislature and I agree on the need to address the issues created by burgeoning growth in the Bakken. This project brings much-needed assistance to local communities, and does so in a fiscally responsible manner,” said Bullock.

A more detailed outline of the Eastern Montana Impact and Infrastructure Project can be found here: <http://governor.mt.gov/Portals/16/docs/EasternMontanaInfrastructureAndImpactBackground.pdf>

Audio: [1](#)

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