

2021 319 Application Form

General Information

Project Name	
Sponsor Name	
Registered with the Secretary of State?	Registered with SAM?
Duns #	Does your organization have liability insurance?
Primary Contact	Signatory
Title	Title
Address	Address
City State	City State Zip Code
Phone Number	Phone Number
Email Address	Email Address
Signature Holly Hill	Signature Tom Michaele

Technical and Administrative Qualifications

Past Projects

Project Name

Grant or

Funding Entity (entity name/program, contact Contract Amount person, phone, email)

Completion Date

Budget Summary*

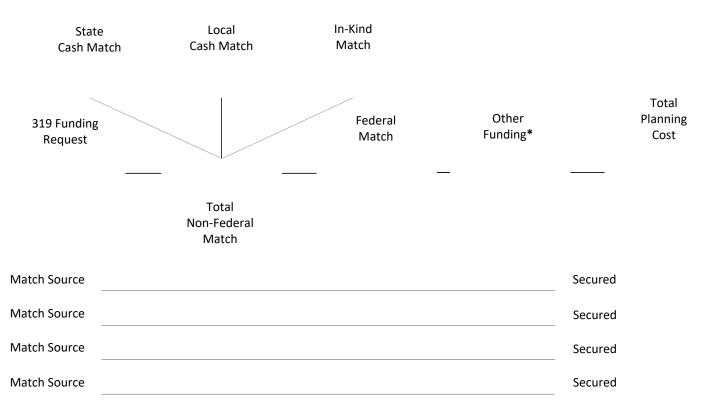
		Other Funding	Federal Match	Non-Federal Match	319 Funding Request	Total Cost
	Education and Outreach					
	Project Administration					
	Total					
		Project 1 Name				
	Project Planning					
1	Landowner Agreements, O & M					
Project 1	Project Implementation					
٩	Other Activities					
	Project Effectiveness Monitoring					
	Total					
		Project 2 Name				
	Project Planning					
:t 2	Landowner Agreements, O & M					
Project 2	Project Implementation					
	Other Activities					
	Project Effectiveness Monitoring					
	Total					
		Project 3 Name				
	Project Planning					
:t 3	Landowner Agreements, O & M					
Project 3	Project Implementation					
	Other Activities					
	Project Effectiveness Monitoring					
	Total					
	Total					

*Fields outlined in black <u>on this page</u> will auto-populate from other sections of the application form. Fields outlined in red <u>on this</u> <u>page</u> will not auto-populate. You must manually transfer the information for fields outlined in red.

Education and Outreach

DEQ recognizes that developing good projects often requires a considerable amount of time and effort up front to build relationships and trust with individual landowners and stakeholder groups. To promote the development of future projects, DEQ is encouraging project sponsors to use up to \$5,000 in 319 funding for education and outreach to develop and capitalize on these critical relationships. DEQ encourages applicants to incorporate on-the-ground projects into education and outreach efforts through on-site demonstrations and project tours. 319 funding may not be used to pay for food and beverages, or for honorariums and gifts. Education and outreach activities funded by 319 or used as match for 319 funding must adhere to all of the eligibility requirements outlined in the annual Call for Applications document.

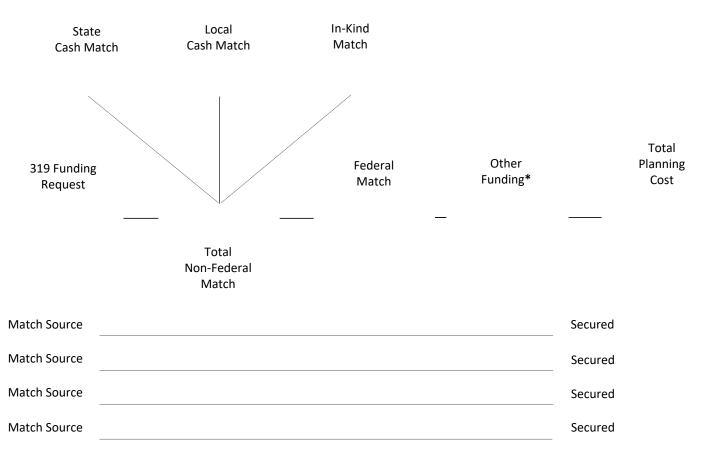
Education and Outreach Deliverables (Identify the education and outreach activities you will engage in and methods you will use to document their completion.)



Project Administration

Project administration includes book keeping, invoicing, interim/annual/final report preparation, office supplies, rent, communications, etc. Up to 10% of the total requested 319 funds for your entire application can be used to pay for project administration. However, like all other tasks, payment is by reimbursement for actual expenses incurred.

Project Administration Deliverables (Include interim/mid-year, annual, and final reports, as well as invoicing and office necessities.)



Project Form

A separate Project Form *(including providing separate attachments)* must be submitted for each project included in your application. Use the following examples to help determine when to lump and when to split projects. For additional assistance, contact Mark Ockey at <u>mockey@mt.gov</u>.

Splitting Examples (fill out multiple Project Forms)

- Stream restoration work occurring on two separate streams, on parcels owned by two separate individuals
- Two projects with significantly different sets of project partners
- Two projects that address substantially different pollution sources (e.g., one project that moves a corral off of a stream, and another to remove mine tailings, with both projects being on the same 800-acre recreational property)

Lumping Examples

- Contiguous stream restoration work spanning multiple land parcels
- 3 projects that address similar sources of pollution on a single land parcel (e.g., moving a corral off a stream, implementing a grazing management plan, and relocating a manure storage facility out of the floodplain, all on the same ranch)
- A mini-grant program designed to address numerous failing septic systems scattered throughout a watershed

Project Name

Project Location		
Latitude	Longitude	
Latitude	Longitude	
Latitude	Longitude	
12-digit HUC(s) #		

Project site map attached, showing the location of all proposed on-the-ground restoration

Project Planning and Purpose

Select the Watershed Restoration Plan that your project will help implement.

Letter of support from author entity attached? (if no, explain why below.)

Waterbody name from the 2018 List of Impaired Waters	
Probable causes of impairment to be addressed	
Waterbody name from the 2018 List of Impaired Waters	
Probable causes of impairment to be addressed	
<u>or*</u>	
Name of healthy waterbody to be protected	
Description of identified threat to non-impairment status	
Name of healthy waterbody to be protected	

Description of identified threat to non-impairment status

*While the majority of the available 319 project funding is dedicated to addressing known impairments, EPA is allowing states to use a limited amount of funding to protect non-impaired waters (healthy waters) from becoming impaired.

Community Participation and Support

Landowner

Contributions to Project

Letter of Support Attached?

Partner

Role

Letter of Support Attached?

Other Community/Stakeholder Support

Project Description

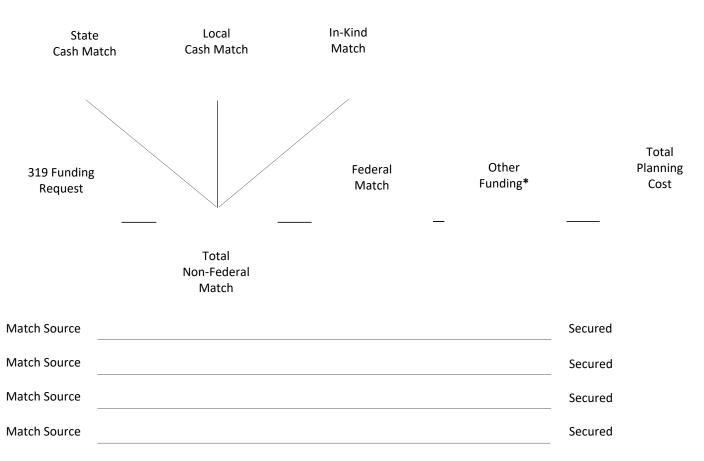
Describe the nature and extent of the nonpoint source problem you are trying to address, the root causes of the problem, and your proposed solution.

Is this project a continuation of a previous project? If so, please explain the connection.

Tasks and Budget

DEQ uses a standard template to develop scopes of work for 319 contracts. The tasks below match up with DEQ standard scope of work template. Some tasks might not be applicable to your project. Please leave the non-applicable tasks blank. If your project doesn't fit the task outline, use the task labeled "Other" to describe your project.

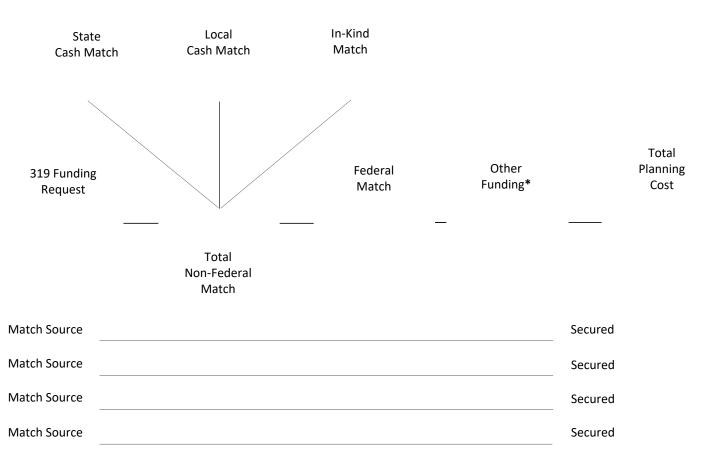
Task 1 - Project Planning Deliverables (Include such things as completing project designs, conducting site evaluations, obtaining permits, organizing volunteers, conducting scoping meetings, etc. Identify specific deliverables that will be submitted.)



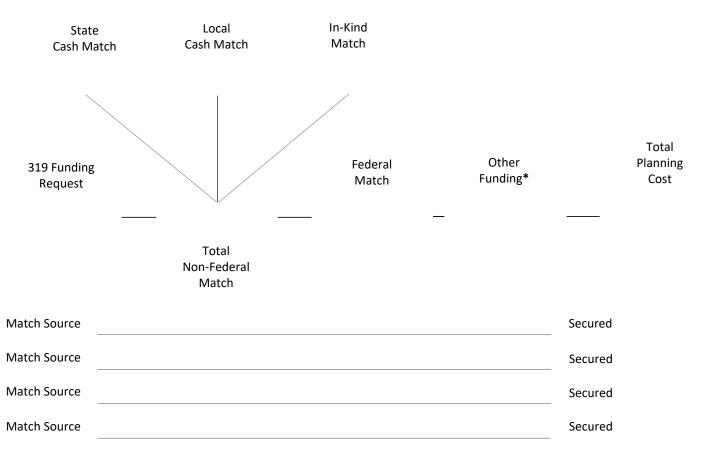
Landowner Agreements, Operation and Maintenance

This task only applies to projects involving on-the-ground activities. DEQ periodically evaluates the effectiveness of each on-theground project. To accomplish this, DEQ requires a process be in place to allow periodic access to the project site. The landowner agreement should also specify the roles of each project partner in the design, implementation and continued operation of on-theground pollution prevention practices. DEQ does not require the use of a specific landowner agreement template. In some situations, existing agreements between the project sponsor and the landowner may be sufficient.

Task 2 - Landowner Agreements, Operation and Maintenance Deliverables (Include such things as landowner/sponsor communication, and draft and final agreements.



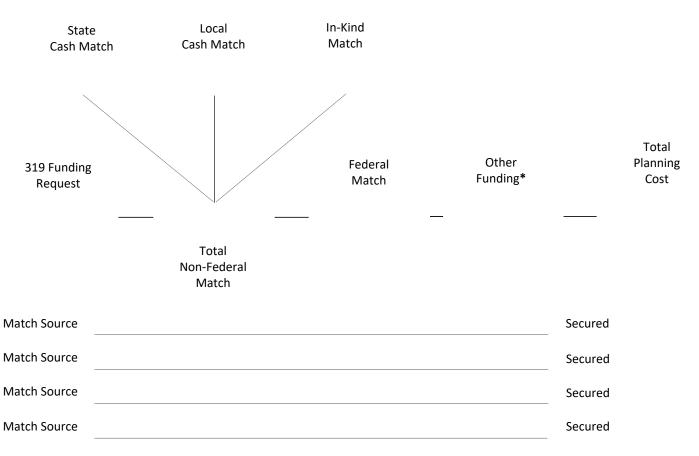
Task 3 - Project Implementation Deliverables (Include such things as construction oversight, implementation of on-theground restoration practices, preparation and submittal of as-built drawings, etc.)



Other Activities

Use this task if the activities you are proposing are outside the scope of the typical design/implement/monitor process. Provide sufficient details to enable application reviewers to successfully compare the nonpoint source pollution reduction benefits of your project to those of other projects in the applicant pool.

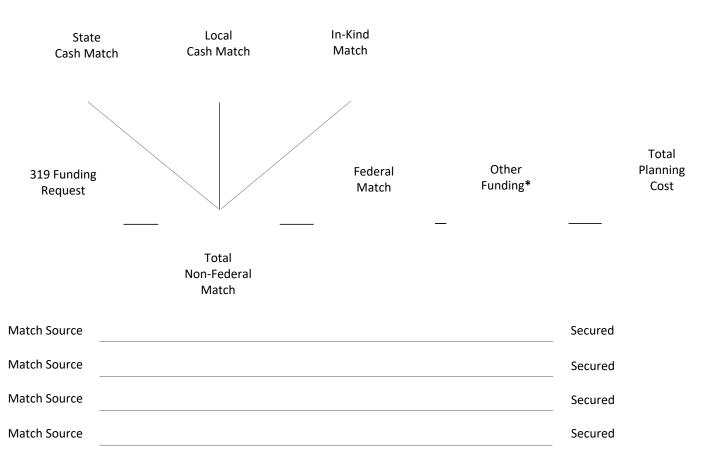
Task 4 - Project Deliverables (Include activities you will complete and the products you will submit to demonstrate completion.)



Project Effectiveness Monitoring

The short duration (1-3 years) and limited spatial extent (often just a few hundred yards) of most 319-funded projects frequently precludes the use of traditional water chemistry monitoring as a means of evaluating project effectiveness. Instead, DEQ encourages project sponsors to use simpler, more qualitative tools. Typically, this will include pre- and post-construction photo point monitoring, vegetation mortality measurements, and perhaps modeling to estimate pollution load reductions. Please contact one of the DEQ Nonpoint Source Program staff for guidance relative to your specific project.

Task 5 - Project Effectiveness Monitoring Deliverables (Identify the specific tools and products you will use to evaluate and demonstrate the effectiveness of your project in reducing nonpoint source pollution.)



Water Quality Benefits and Sustainability

Explain why the project is an appropriate next step for making progress towards removing a pollutant/waterbody combination from Montana's 2018 Impaired Waters List or preventing a healthy waterbody from becoming impaired?

Will your project address a major local source of nonpoint source pollution? Explain.

Describe the long-term, sustainable benefits your project will have on water quality.

Explain how your project will promote self-maintaining natural, ecological, and social processes that protect water quality.

Nonpoint Source Goals and Success Metrics

Nonpoint source pollution goal

Action that will be taken to reach the goal

Metric used to measure success

Project Education and Outreach

Describe the educational benefits of your project. Will the project inspire additional nonpoint source pollution prevention work within the watershed?

Bigger Picture Benefits

Describe your project's benefits to each of the items below. If there are no associated benefits, type "NA" for "not applicable".

Benefit to additional natural resources (e.g. native fisheries, threatened and endangered species, wetlands, etc).

Addressing climate resiliency and hazard mitigation.

Provides direct public recreational access or aesthetic benefit.

Reduces pollutant loading above a permitted point source in a manner that could contribute to future economic benefit for a downstream Montana community.

Directly helps protect a drinking water source.

Benefit to socially disadvantaged populations.

Additional Attachments

Attach additional items that could help reviewers better understand your project. Items could include site photos, design drawings, site evaluations, permits, etc. Please be conscious of reviewers' time, as they may not have time to read lengthy studies and reports. List all additional attachments below.

Letters of Support

November 12, 2020

To Whom It May Concern:

It has been both a privilege and an honor to purchase and begin restoring a precious section of the East Gallatin River not far from the bustling metropolis of Bozeman. Both Jerry Locati and I are committed to enhancing wildlife, protecting and enhancing spawning habitat, stabilizing banks that have been degraded from non-responsible agricultural practices, and controlling weeds on this fragile but vibrant part of our ecosystem. From the mature cottonwood stands to hidden backwater sloughs, this place is home to numerous species of aquatic life, not to mention a nesting ground for upland birds and waterfowl. Ungulates now call this place a permanent residence secondary to cover and feed left undisturbed.

In the two years we have owned this property, we have made great strides to protect and promote streambank health and wildlife safety and production. We actually have a mission statement and operating agreement that follows sustainability and enhancement for a multitude of plants and animals.

It is our goal to continue to protect and rehabilitate the East Gallatin as funds allow. We have incurred notable out of pocket expenses and had the much appreciated help from numerous volunteers to aid the East Gallatin. Last year we rehabilitated over 1600' of serpentine river channel at risk of dewatering. With the assistance of skilled professionals and talented contractors, our first attempt at helping the river "heal" appears to be a tremendous success. We are looking forward to continuing our stewardship and any assistance is greatly appreciated.

Sincerely,

Nate Naprstek

Jerry Locati

erry Locati

November 13th, 2020

Mark,

Please accept this letter of support for design grant from the Montana Department of Environmental Quality's 319 Program to assess treatment options and develop design plans for future restoration work on my downstream neighbor's property, the East Gallatin Preserve. I am an upstream contiguous neighboring property to the East Gallatin Preserve that has initiated stream restoration work on my property and the potential for this project to continue and build on the work that we've initiated I would see as a benefit to the watershed.

My understanding is that this grant is to look at design options and my support is for the study not an open endorsement for the outcome of the study. I am in favor of the planning grant and the study but reserve the right to support or object to any final plan that may impact the river corridor and my property.

I am glad to see neighbors join me in my efforts to preserve and enhance the stability, quality and beauty of the East Gallatin River corridor.

Jeff

Dr. Jeff Moos 1360 Nelson Rd. Bozeman, MT. 59718 715-829-2791

*Submitted by email directly from Jeff Moos to Mark Ockey 11/13/20 at 9:51am

November 12, 2020

Watershed Protection Section Montana Department of Environmental Quality Attn: Mark Ockey 1520 E. Sixth Avenue Helena, MT 59620



Dear Mr. Ockey,

The Gallatin Valley Land Trust (GVLT) is writing to you today on behalf of the Gallatin Watershed Council (GWC). GVLT encourages your support of GWC as they seek funding to assist the owners of the East Gallatin Preserve as they develop a holistic restoration plan for their 231-acre farm on the East Gallatin River. This funding will support GWC's ongoing critical restoration work in the Lower Gallatin Watershed located in the headwaters reach of the Missouri River of Montana.

GWC has engaged in the coordination of restoration projects in the Lower Gallatin Watershed that will reduce the scale of non-point pollution sources into impaired streams in our watershed. Part of that work involves exploring the right tools, at the right time, and at the right scale. GWC hopes that with this design grant, it can prepare a holistic plan that will involve two or more adjacent landowners on the East Gallatin River. This stretch of river has been impacted by past land use practices and 120 years of continuous agricultural management. With landowner involvement, GWC hopes to develop a project that will align with the goal of the DEQ 319 program. GVLT has worked with the owners of the East Gallatin Preserve to explore private land conservation tools for their farm; we are encouraged by the fact that they have engaged in a prior restoration project and are willing to expand that project to more reaches of the river on their property, in future phases. This fact demonstrates their commitment to conservation and restoration and their engagement with a locally led watershed group shows how informed they are about the impairments that exist in our watershed. GVLT is hopeful that this project will result in a holistic plan that first addresses the physical impairments that limit the river from performing naturally under all water conditions. Future stewardship of the river will allow the landowner to implement land management practices that further buffer the stream from ag land uses and land use practices that have the potential to contribute NPS; this will include increasing a vegetated buffer between the river and adjacent fields, proper nutrient management, road improvements, and irrigation management. Balancing agricultural production and environmental protection can and does work, it requires a well develop restoration plan and subsequent sound stewardship practices that protect the improvements from future impacts.

GWC is the right organization to further the impact of the DEQ 319 program. In preparation for the DEQ Priority Watershed Designation, GWC has ramped up its outreach with local landowners that will help us all engage in restoration at a scale that will have long term positive impacts.

Since 1990, the Gallatin Valley Land Trust has partnered with 115 families to conserve over 49,000 acres of working farms and ranches, wildlife habitat and river corridors in the Gallatin Valley and surrounding communities. We have also partnered with the City of Bozeman, Gallatin County and dozens of other organizations to create over 80 miles of trails in the *Main Street to the Mountains* trail system around Bozeman. Our work is based in watershed principles and our partnership with GWC and others has been critical to our collective success to conserve community values in our home watershed.

Sincerely,

Peter Bonny

Peter Brown Stewardship Director



Jeff Dunn

Project Manager, Upper Missouri and Yellowstone Western Water & Habitat Project

November 12, 2020

Mr. Mark Oakey Watershed Protection Section Department of Environmental Quality P.O. Box 200901 Helena, MT 59620-0901

RE: East Gallatin River Preserve

Dear Mr. Oakey,

Trout Unlimited supports the Gallatin Watershed Council's proposal for restoration of the East Gallatin River in the East Gallatin River Preserve. Trout Unlimited firmly believes that reconnecting floodplains and enhancing the riparian vegetative buffer along the East Gallatin River, along with limiting development within the channel migration zone, are critical to restoring our cherished local stream. Trout Unlimited and the Gallatin Watershed Council are working together to promote the use of native materials appropriate to the landscape setting and encouraging natural channel migration processes, as proposed in this project, which is situated in an ideal location for floodplain reconnection, overflow channel re-activation, and riparian buffer enhancements since it is located away from any built infrastructure. Funding of this project will help us pilot this approach on the East Gallatin River, which we hope to showcase to other landowners along the river.

Thank you for considering this request for funding.

Sincerely,

Jeff Dunn

THE **OUTSIDE** IS IN US ALL.





MT Fish, Wildlife & Parks Region 3 Headquarters 1400 S 19th Avenue Bozeman, MT 59718

Watershed Protection Section Montana Department of Environmental Quality Attn: Mark Ockey 1520 E. Sixth Avenue Helena, MT 59620

RE: Gallatin Watershed Council 319 Application

Mr. Ockey,

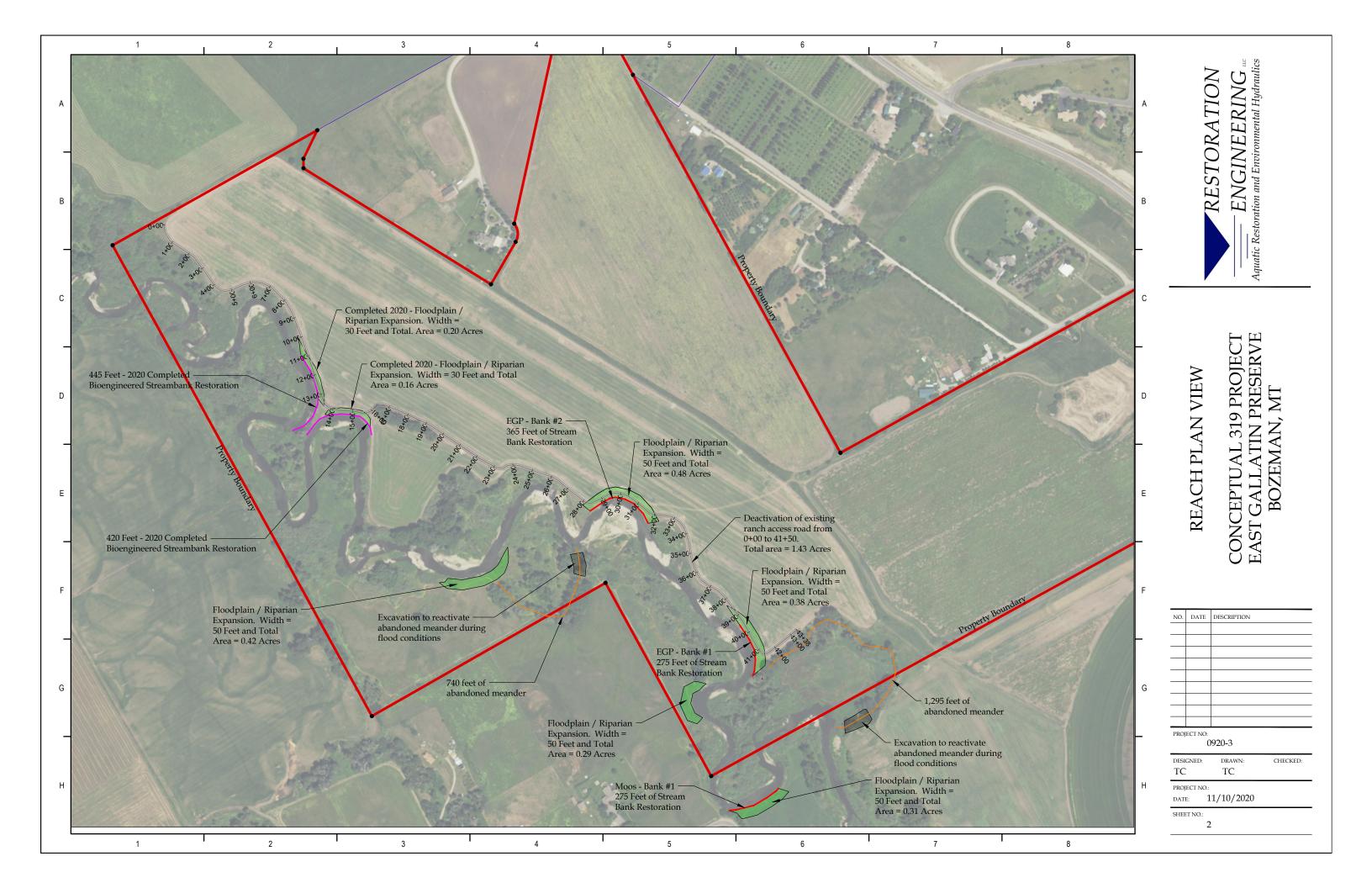
Montana Department of Fish, Wildlife, & Parks welcomes the opportunity to provide our support for the Gallatin Watershed Council's (GWC) East Gallatin Preserve design application. The East Gallatin River supports a popular recreational fishery and important wildlife corridors. However, agriculture and residential development have increased streambank erosion and sedimentation because of degraded riparian habitats. Additionally, requests to implement bank stabilization measures such as riprap are becoming more common as surrounding landowners and developers attempt to restrict channel migration. These factors coupled with increased nutrient loads and water use in the Gallatin Valley will further compromise the integrity of streams and fisheries in the East Gallatin watershed.

We welcome any improvements that can be made to habitats in and around the East Gallatin River. This is especially true of the area surrounding the East Gallatin Preserve as proposed development immediately adjacent to the river will further exacerbate existing conditions unless proactive measures are taken to restore stream function. The work proposed by the GWC will improve stream and riparian habitats as well as showcase the importance of taking comprehensive restoration efforts to help conserve the East Gallatin River and the services it provides.

Thank you for considering the GWC's 319 grant application. Please feel free to reach out to me with any questions or concerns you may have.

Sincerely, Mike Duncan Madison-Gallatin Fisheries Biologist (406) 224-2656 mike.duncan@mt.gov November 12, 2020

Supplemental Attachments



Sources and Solutions of Nonpoint Source Pollution

East Gallatin Restoration Assessment and Design

The Project is located where there are sources of impairments to water quality, and the tools on the landscape to play a role in addressing them. The project planning and design process will consider several restoration elements that have the potential to address all pollutant and non-pollutant impairments identified by MTDEQ on the East Gallatin River.

Total Nitrogen and Total Phosphorus: The project is located approximately four river-miles downstream of the discharge from the Bozeman Water Reclamation Facility (WRF), which contributes approximately 149 lbs/day of TN and 20 lbs/day of TP to the East Gallatin River, according to the Lower Gallatin Planning Area TMDLs & Framework Water Quality Improvement Plan. Design elements will be considered that will provide opportunities for the river to reconnect with floodplain benches and wetlands. Because of the EGP's proximity to the WRF, these features have a high potential for nutrient load reduction.

Additionally, the extent and management of the agricultural field running along the length of the river will be considered in the design. This could decrease or eliminate fertilizer application, include the creation of depressional wetlands and/or bioretention treatment areas, and provide at least a 100' riparian buffer to intercept and reduce nutrient runoff to the river system.

Flow Regime Modification: The property is associated with a 3.3 cfs water right for the irrigation of 120 acres, and the future use of this water will be a consideration of the project. The water is conveyed by the Beck-Nelson-Flannery ditch, which has its point of diversion approximately 300yrs upstream of discharge from the Bozeman WRF. A portion of this water right could be considered for in-stream use and help to dilute the effluent from the WRF. Alternatively, the water right could be used to support developed wetlands, and ultimately contribute to late season instream flows.

Abandoned floodplain and meander reactivation are also elements that will be considered for the design that could contribute to flood water storage and late season flow augmentation.

Alteration in Stream-Side Vegetative Covers (and Sediment): Due to farming pressure, the right bank of the river is almost entirely lacking in riparian vegetation. With nothing to stop it, the river has eroded 640 ft of sheer cutbanks and is migrating at an accelerated rate. Portions of this field will be considered for renaturalization, and could include features such as revegetated floodplain benches, wetlands, and a riparian buffer of at least 100'.

Algae: Techniques considered to address nutrient loading, low flows, and lack of stream side vegetation will all help to address excess algal growth in the East Gallatin River.

Conceptual Treatments and Site Photos

East Gallatin Restoration Assessment and Design

The following is a list of conceptual treatments, activities, and management actions that have been identified as ways to reduce and prevent nonpoint source pollution, improve water quality, and restore natural stream processes throughout the East Gallatin Preserve project area.

- Bioengineered Streambank Stabilization (Restoration) and Revegetation Would reduce sediment supply from the existing unnaturally high erosion rates, would convert actively farmed upland terrace areas into additional floodplain / riparian / wetland area, and provides a fully functioning riparian / floodplain area for natural stream processes to occur. Two banks totaling 640 feet have been identified as candidate areas for this treatment (Sheet 2).
- Floodplain / Riparian Expansion The creation of bankfull bench floodplain / riparian areas would provide additional flood capacity, filtration and water storage, and riparian habitat and buffer areas. This element would occur both behind the bioengineered bank restorations and in two additional areas identified on Sheet 2 where bank heights are moderate to high, riparian vegetation is lacking, and there is bank instability and erosion (Photo 5). This treatment would tie into and connect areas with active, functioning floodplains and riparian zones. This treatment would create 1.57 acres of additional floodplain / riparian area based on the 4 candidate treatment locations identified in the project area (Sheet 2).
- Floodplain / Abandoned Meander Bend Reactivation Two areas have been identified as candidate locations for reactivating abandoned meander bends (Sheet 2). This treatment would provide additional flood capacity, filtration and water storage, and enhanced riparian / wetland habitat. This treatment would reactivate approximately 2000 feet of floodplain / meander bend in two initially identified areas.
- Unpaved Road Improvements There are over 4100 feet of existing ranch access roads that are unimproved dirt roads that often are located within feet of the East Gallatin River (Photo 1 & 2, Sheet 2). These roads would be decommissioned and revegetated, and new access roads would be located away from the river and paved to eliminate erosion / sedimentation issues.
- **Debris Removal** While no concrete, steel, or other foreign debris has been identified on site in the preliminary stages, this type of debris will be removed from the river and/or floodplain if any is identified during the stream assessment and survey activities.
- Riparian / Upland Buffers Between River and Agriculture / Tilled Fields Actively farmed and tilled agricultural fields currently encroach within 0-10 feet of the river, floodplain, and riparian zone throughout much of the north side of the property. Agricultural practices would be setback a minimum of 100 feet from the river to reduce sedimentation from tilled fields and nutrient loading associated with fertilizer application. A minimum 100' upland and/or riparian buffer would exist between the agricultural lands and the river. Agricultural setbacks would also reduce / eliminate impacts to aquatic ecosystems associated with herbicide and/or pesticide application.
- Created wetlands / Bioretention Treatment Areas The creation of depressional wetlands / bioretention treatment areas on the terrace surface on the northeast side of the project area would provide stormwater treatment areas to filter and store runoff from the agricultural areas that stay in production and from impervious surfaces such as roads. Exact locations and design details will need to be developed in the planning phase of the project.

- **Conservation Easement** The establishment of a conservation easement, which is in development with the Gallatin Valley Land Trust, will eliminate high-density subdivision development potential, thus preventing / reducing nitrogen pollution from septic tanks and other pollution sources associated with high-density residential property development.
- Weed Control An active weed control program would be implemented throughout the East Gallatin Preserve property to control noxious and invasive weeds. In addition, an aggressive, well planned and implemented revegetation program for all newly disturbed areas would be implemented to help prevent the establishment and spread of weeds.
- **Proper fertilizer application** Assessment of existing practices and development of a sustainable fertilizer application program, including application rates and timing, would reduce associated nutrient loading to the East Gallatin River. In conjunction with the setback of agricultural practices from the river corridor, the nutrient load to the East Gallatin River on this parcel of land would be reduced significantly or even eliminated.

The photos below provide a visual perspective of the existing conditions at the East Gallatin Preserve project area. Historic agricultural practices have encroached upon the East Gallatin River, floodplain, and riparian zone, eliminating much of the riparian vegetation on the northeast (river right) side of the river, and little to no upland or riparian buffer exists between much of the tilled agricultural fields and the river corridor. Sediment and nutrients associated with the agricultural activities impact the river, the floodplain and riparian zones are very limited, and streambanks have become unstable and are eroding at unnaturally high rates.



Photo 1. Looking upstream at Bank 2 (see Sheet 2), showing the agricultural encroachment on the river right bank, the exisiting unimproved road on the bank, and the vertical, unstable, poorly vegetated bank with an unnaturally high erosion rate. This is a candidate bank for bioengineered bank restoration and revegetation, and floodplain / riparian expansion.



Photo 2. Looking downstream at Bank 2 (see Sheet 2), showing the agricultural encroachment on the river right bank, the exisiting unimproved road on the bank, and the vertical, unstable, poorly vegetated bank with an unnaturally high erosion rate.



Photo 3. Looking downstream at Bank 1 (see Sheet 2), showing the agricultural encroachment on the river right bank, and the vertical, unstable, actively eroding bank. There is also an unimproved road immediately next to this bank.



Photo 4. Looking downstream at the lower end of Bank 1 (see Sheet 2), again showing the agricultural encroachment on the river right bank, and the vertical, unstable, poorly vegetated, actively eroding bank. Note the transition to a stable bank downstream where the bank height is lower and there is vigorous riparian vegetation.



Photo 5. Looking across the channel at a potential floodplain / riparian expansion area on the river left bank. Note the lack of riparian vegetation and dominant upland vegetation on the bank, moderatley high bank height, and vertical, actively eroding bank face.



Photo 6. Aerial photo of the East Gallatin Preserve project location showing the historical extent of the agricultural encroachment on the East Gallatin River on the northeast side of the property.

The following is the estimated budget for Restoration Engineering, LLC's activities related to the East Gallatin Preserve project, as described above. The tasks are divided into; 1) assessment and surveying 2) design and plant set development, and 3) permitting. The cost does not include creation of bid documents as we are uncertain if that is a necessary component of the project.

TASK	COST
Site Assessment & Surveying	\$11,000
Design & Plan Set Development	\$25,000
Permitting	\$13,000
TOTAL	\$49,000

ATTACHMENT E – GOVERNOR'S EXECUTIVE ORDER NO. 15-2018

Applicants for 319 Project Funding must comply with Governor's Executive Order No. 15-2018. A copy of the Order, along with a copy of the Declaration Form and a link to the Disclosure Template are provided below.

STATE OF MONTANA OFFICE OF THE GOVERNOR EXECUTIVE ORDER No. 15-2018

EXECUTIVE ORDER REQUIRING DISCLOSURE OF DARK MONEY SPENDING FOR ENTITIES DOING BUSINESS WITH THE STATE OF MONTANA

WHEREAS, in 2010, the U.S. Supreme Court's *Citizens United* decision allowed unlimited direct spending by corporations in elections;

WHEREAS, two years later, the Supreme Court invalidated Montana's own Corrupt Practices Act, which had banned direct corporate spending in elections;

WHEREAS, following *Citizens United*, there was an explosion in corporate spending in elections, much of which was funneled through so-called "dark money" organizations that conceal the source of funds used to influence an election;

WHEREAS, at the same time, the Supreme Court has endorsed the salving power of transparency in elections, holding that public disclosure can increase public confidence in government decision-making and prevent corruption from taking hold;

WHEREAS, since *Citizens United*, states—including Montana through its Disclose Act—have created innovative disclosure programs to shine light on dark money in elections;

WHEREAS, the Supreme Court in *Citizens United* observed that "[w]ith the advent of the Internet, prompt disclosure of expenditures can provide shareholders and citizens with the information needed to hold corporations and elected officials accountable for their positions and supporters. Shareholders can determine whether their corporation's political speech advances the corporation's interest in making profits, and citizens can see whether elected officials are "in the pocket" of so-called moneyed interests." 558 U.S. 310, 370-71 (2010) (citing *McConnell v. FEC*, 540 U.S. 93, 259 (2003) (opinion of Scalia, J.); *FEC v. Mass. Citizens for Life, Inc.*, 479 U.S. 238, 261 (1986));

WHEREAS, the Supreme Court also praised the role of commercial relationships in promoting disclosure, noting that shareholder objections "can be more effective today because modern technology makes disclosures rapid and informative," and that "[t]he First Amendment protects political speech; and disclosure permits citizens and shareholders to react to the speech of corporate entities in a proper way. This transparency enables the electorate to make informed decisions and give proper weight to different speakers and messages." *Id*.;

WHEREAS, disclosure promotes First Amendment values by keeping the public informed and enabling the public to make informed assessments of their government, and at the same time disclosure fights corruption in government;

WHEREAS, Montanans also enjoy a constitutional right to know, which entitles Montanans to examine both the decisions of government and the forces brought to bear on those decisions;

WHEREAS, while the Montana legislature has a set of lobbying rules, there are fewer pay-toplay restrictions for entities seeking to do business with state government;

WHEREAS, disclosure rules for state procurement are essential to secure Montanans' right to know surrounding these important government functions;

WHEREAS, disclosure rules for state procurement prevent corruption, promote confidence in government, and inform the public of the operations of government;

WHEREAS, the public has an interest in comprehensive, aggregate information about government contractors' participation in elections;

WHEREAS, federal courts have routinely upheld anti-corruption measures, including contribution prohibitions and disclosure requirements, for entities doing business in front of the government;

WHEREAS, both before and after *Citizens United*, the Supreme Court has endorsed the importance of strong disclosure rules and questioned whether "uninhibited, robust, and wide-open' speech can occur when organizations hide themselves from the scrutiny of the voting public"—rather, the Court has stated that disclosure favors the "First Amendment interests of individual citizens seeking to make informed choices in the political marketplace." *McConnell*, 540 U.S. at 197;

WHEREAS, it is the responsibility of government to ensure the integrity of its institutions;

WHEREAS, the public must have confidence that decisions made by government are not subject to undue political influence;

WHEREAS, the government of Montana purchases millions of dollars in services each year with public dollars; and

WHEREAS, as Governor, I have a responsibility to oversee executive branch procurement, I have an obligation to the public to ensure procurement decisions are freely and fairly made without any undue influence, and I have a duty to supervise the official conduct of all executive and ministerial officers.

NOW, THEREFORE, I, STEVE BULLOCK, Governor of the State of Montana, pursuant to the authority vested in me under the Constitution and the laws of the State of Montana, including Title 2, Chapter 15 and Title 18, Chapter 4, do hereby order and direct the implementation of disclosure rules for executive branch contracting as follows:

I. POLICY

It is the policy of the executive branch that entities seeking to do business with the State of Montana must disclose contributions or expenditures they have made in elections, as detailed in this Executive Order.

II. DEFINITIONS

As used in this Executive Order, the following definitions apply:

- "electioneering communication" means a paid communication that is publicly distributed by radio, television, cable, satellite, internet website, mobile device, newspaper, periodical, billboard, mail, or any other distribution of printed or electronic materials, that is made within 60 days of the initiation of voting in an election in Montana, that can be received by more than 100 recipients in the district in Montana voting on the candidate or ballot issue, and that:
 - a. refers to one or more clearly identified candidates in that election in Montana;
 - b. depicts the name, image, likeness, or voice of one or more clearly identified candidates in that election in Montana; or
 - refers to a political party, ballot issue, or other question submitted to the voters in that election in Montana.

The term does not mean:

- a bona fide news story, commentary, blog, or editorial distributed through the facilities of any broadcasting station, newspaper, magazine, internet website, or other periodical publication of general circulation unless the facilities are owned or controlled by a candidate or political committee;
- a communication by any membership organization or corporation to its members, stockholders, or employees;
- a commercial communication that depicts a candidate's name, image, likeness, or voice only in the candidate's capacity as owner, operator, or employee of a business that existed prior to the candidacy; or
- d. a communication that constitutes a candidate debate or forum or that solely promotes a candidate debate or forum and is made by or on behalf of the person sponsoring the debate or forum.
- "covered expenditure" means:
 - a. A contribution, expenditure, or transfer made by the contracting entity, any of its parent entities, or any affiliates or subsidiaries within the entity's control, that:
 - is to or on behalf of a candidate for office, a political party, or a party committee in Montana; or
 - is to another entity, regardless of the entity's tax status, that pays for an electioneering communication, or that makes contributions, transfers, or expenditures to another entity, regardless of its tax status, that pays for electioneering communications; and
 - b. The term does not include an expenditure made by the contracting entity, any of its parent entities, or any affiliates or subsidiaries within the entity's control made in the ordinary course of business conducted by the entity making the

expenditure; or investments; or expenditures or contributions where the entity making the expenditure or contribution and the recipient agree that it will not be used to contribute to candidates, parties, or electioneering communications.

 "executive branch" refers to the departments and agencies subject to the Governor's executive authority as described in Article VI, Section 4 of the Montana Constitution and § 2-15-103, MCA.

III. DISCLOSURE REQUIREMENT

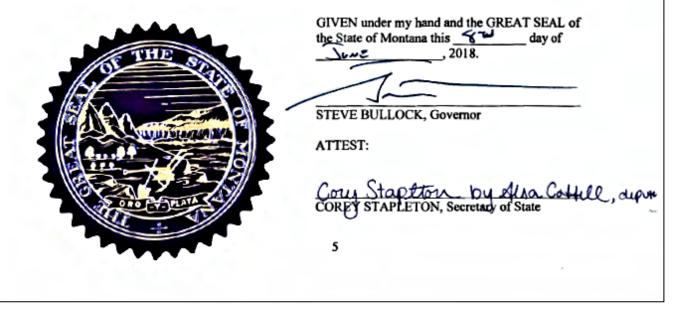
- When soliciting for state procurement contracts, every contracting department and agency shall require all entities submitting offers for state government contracts with a total contract value of over \$25,000 for services or \$50,000 for goods to disclose "covered expenditures" that the contracting entity has made within two years prior to submission of their bid or offer. Certification that disclosure of this information has been made in a manner consistent with Department of Administration policies shall be required as a condition of submitting a bid or offer.
- The disclosure of "covered expenditures" shall only be required whenever the aggregate amount of "covered expenditures" made within a 24-month period by the bidding or applying entity, any parent entities, or any affiliates or subsidiaries within the entity's control exceeds \$2,500.
- The final form of the disclosure required by this Executive Order shall be defined by the Department of Administration, but must include at a minimum:
 - the full name and address of the person or entity to whom each expenditure is made;
 - b. the date and amount of each expenditure;
 - c. the purpose and description of each expenditure;
 - d. in the case of an expenditure made for a direct campaign expenditure for express advocacy, if known at the time that the expenditure is reported, the name of each candidate, including the office held and office sought as applicable, whose election or defeat the expenditure advocates, or each ballot measure the passage or defeat of which the expenditure advocates; and
 - e. in the case of an expenditure made to an entity that purchases electioneering communications, if known at the time that the expenditure is reported, the name of each candidate, including the office held and office sought as applicable, to whom the communication refers or each ballot measure to which the communication refers.
- 4. Any disclosure under this Executive Order must be made to the Department of Administration, or to the contracting department or agency, at the time of the contract bid or offer. If the disclosure is made to a department or agency other than the Department of Administration, the recipient department or agency must forward the disclosure to the Department of Administration. The Department of Administration will compile this

information and make it available in a searchable database on a public website, such as transparency.mt.gov.

- For contracts that are 24 months or longer, the Department of Administration or the contracting department or agency will require an updated disclosure form from successful contracting entities every 12 months.
- 6. No contracting department or agency may discriminate between bidding or applying entities because of the content of an entity's expenditures or contributions disclosed under this Executive Order; however, departments or agencies may not award a contract with a total contract value of more than \$25,000 for services or \$50,000 for goods to any entity that does not complete the required certification under this Executive Order.
- 7. By September 1, 2018, the Department of Administration shall prepare such policies and issue such orders as are deemed necessary and appropriate to carry out this Executive Order. Such policies and orders must minimize the costs of compliance for contractors and shall not interfere with the ability of contractors, or their officers, or employees to engage in political activities to the extent otherwise permitted by law.
- Each contracting department or agency shall cooperate with the Department of Administration in implementing this Executive Order and provide such information and assistance as the Department of Administration may require in the performance of its functions under this Executive Order.

Severability: if any provision, clause, or implementing policy ("provisions") of this Executive Order or application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the Executive Order which can be given effect without the invalid provision or application, and to this end the provisions of this Executive Order are declared to be severable.

This Order is effective immediately and its disclosure provisions shall apply to contracts resulting from solicitations and applications received on or after October 1, 2018.



ATTACHMENT F – DECLARATION FORM

I	Declaration Form Dark Money Spending Disclosure Requirements
	shall comply with the State of Montana <u>Executive Order No. 15-2018</u> sure of dark money spending.
Definitions.	As used in this declaration form, the following definitions apply:
distrik devic printe of vot	ioneering Communication: A paid communication that is publicly buted by radio, television, cable, satellite, internet website, mobile e, newspaper, periodical, billboard, mail, or any other distribution of d or electronic materials, that is made within 60 days of the initiation ing in an election in Montana, that can be received by more than 100 ents in the district in Montana voting on the candidate or ballot issue, mat:
a.	refers to one or more clearly identified candidates in that election in Montana;
b.	depicts the name, image, likeness, or voice of one or more clearly identified candidates in that election in Montana; or
C .	refers to a political party, ballot issue, or other question submitted to the voters in that election in Montana.
The term do	es not mean:
a.	a bona fide news story, commentary, blog, or editorial distributed through the facilities of any broadcasting station, newspaper, magazine, internet website, or other periodical publication of general circulation unless the facilities are owned or controlled by a candidate or political committee;
b.	a communication by any membership organization or corporation to its members, stockholders, or employees;
C.	a commercial communication that depicts a candidate's name, image, likeness, or voice only in the candidate's capacity as owner, operator, or employee of a business that existed prior to the candidacy; or
d.	a communication that constitutes a candidate debate or forum or that solely promotes a candidate debate or forum and is made by or on behalf of the person sponsoring the debate or forum.
In this definition, th election" means:	e phrase "made within 60 days of the initiation of voting in an
а.	in the case of mail ballot elections, the initiation of voting occurs when official ballot packets are mailed to qualified electors pursuant to <u>13-19-206</u> , MCA; or
Montana Dark Mono	y Spending Disclosure Declaration Form

in other elections the initiation of voting occurs when absentee ballot packets are mailed to or otherwise delivered to qualified electors pursuant to <u>13-13-214</u>, MCA.

Contracting Entity: A bidder, offeror, or contractor.

Covered Expenditure means:

- A contribution, expenditure, or transfer made by the Contracting Entity, any of its parent entities, or any affiliates or subsidiaries within the entity's control, that:
 - i. is to or on behalf of a candidate for office, a political party, or a party committee in Montana; or
 - ii. is to another entity, regardless of the entity's tax status, that pays for an Electioneering Communication, or that makes contributions, transfers, or expenditures to another entity, regardless of its tax status, that pays for Electioneering Communication; and
- b. The term excludes an expenditure made by the Contracting Entity, any of its parent entities, or any affiliates or subsidiaries within the entity's control made in the ordinary course of business conducted by the entity making the expenditure; investments; or expenditures or contributions where the entity making the expenditure or contribution and the recipient agree that it will not be used to contribute to candidates, parties, or Electioneering Communication.

<u>Solicitation Requirements.</u> The Contracting Entity shall disclose Covered Expenditures that the Contracting Entity has made within two years prior to submission of its bid or offer.

The disclosure of Covered Expenditures is only required by the bidder/offeror whenever the aggregate amount of Covered Expenditures made within a 24-month period by the bidder/offeror, any parent entities, or any affiliates or subsidiaries within the bidder/offeror's control exceeds \$2,500.

If the bidder/offeror meets the disclosure requirements, the bidder/offeror shall submit this signed declaration form indicating "Yes" <u>AND</u> the required disclosure form with its bid/proposal.

If the bidder/offeror does <u>NOT</u> meet the disclosure requirements, the bidder/offeror shall submit this signed declaration form with its bid/proposal indicating "No".

<u>Annual Contract Requirements.</u> The Contracting Entity agrees that if awarded a contract and the contract term exceeds, or has the potential to exceed 24

Montana Dark Money Spending Disclosure Declaration Form

disclosure form, if necess	review and complete a new declaration form and ary.
24 months immediate	erstand, and meet the disclosure requirements for the ly preceding the submission of this form. I will complete ure form and submit it with this form.
Company Name (Clearly	Printed):
Gallatin Watershed Counc	il
Authorized Signature:	Tom Michalek
11/13/2020	
Date:	
Company Name (Clearly	Printed):
Company Name (Clearly Authorized Signature:	Printed):
Authorized Signature:	

ATTACHMENT G – DISCLOSURE TEMPLATE

The Disclosure template only exists as a Microsoft Excel spreadsheet, compatible with a database operated by the Montana Department of Administration. To obtain a copy of the template, please visit the NPS Program website at http://deq.mt.gov/Water/SurfaceWater/NonpointSources. You may also contact Kristy Fortman (406-444-7425, kristy.fortman@mt.gov) for assistance.