

# Submit your comments: Increased CD funding

Updated August 9, 2022

Please reach out to [rebecca@macdnet.org](mailto:rebecca@macdnet.org) with any comments or questions.

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## Background:

CD Funding Study - Comment Period Open | [Aug 24](#)

The Environmental Quality Council (EQC) is [considering a draft bill](#) that would provide conservation districts up to \$6 million a year (the current CD account budget is \$3.1 million). Whatever portion of that amount doesn't come from coal taxes, would be filled with taxes on marijuana. Tax revenue on adult sales of marijuana tax, which went into effect in 2022, is exceeding expectations. For more information on efforts to stabilize and increase CD funding starting with the 2021 session, visit the [MACD policy blog](#). Please submit comments on this draft via the [EQC Public Comment Form](#) by August 24, 2022. Or email [jkolman@mt.gov](mailto:jkolman@mt.gov) Subject: HJ27 CD Funding. [Learn More or Comment](#)

If your district is not able to submit a comment by the deadline, please email [rebecca@macdnet.org](mailto:rebecca@macdnet.org) ASAP.

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## Key Talking Points:

### Big Picture

- Despite a relatively small statewide investment in conservation districts, they serve as hubs of local leadership and have a significant conservation impact across Montana.
- Districts need a stable, long-term funding source that covers the *current budget* for district activities and *increases the baseline funding* for district operations as well as projects.

### The Ask (\$)

- **(Name of your district) supports the draft bill to increase funding in the CD account to \$6 million.**

This would allow for necessary operational funding for conservation districts, as well as an increase in funding for projects and emergency/special projects (ex. Capacity for districts to assist with 2022 flood recovery.)

### **Why we need more funding:**

- Districts were in a funding crisis during the 2021 due to the decline in coal tax revenues. We need a [portfolio](#) of funding options to create a sustainable funding stream.
- Operational funding is critical for basic district operations and for districts to be able to pursue and manage program and project funding to support their communities and locally-led conservation projects.
- The annual attrition rate is over 25% for CD staff for a variety of reasons, including low wages, ability to have
- There are increasing demands on conservation districts due to land use changes, increasing population, and increased development, communities are asking more of districts in terms of services and 310 permits.
- Districts provide a critical role in responding to natural disasters and helping communities recover (Ex. 2017 fires in Eastern MT and 2022 floods)]
- As a state mandated program with specific duties, adequate operational funding through mills and increased state funding is absolutely necessary.

### **What would increased funding in the CD Account mean for YOUR district:**

- Specific focus, programs, and projects of *your district*
- Show vs. tell - stories and anecdotes
- Smaller districts: Consider benefits from stable operational funding + access to project funding (better staff pay, board travel, etc).
- Larger districts: Consider benefits of increased project and emergency/special project funding
- All districts: Consider what a stronger statewide network of CDs with more capacity would be able to do for conservation and local communities. greater capacity to bring in grants and outside funding.

### ***Other talking points to consider including:***

#### **What do districts do?**

- Districts work shoulder to shoulder with landowners and communities to conserve and promote wise use of natural resources. Supervisors are locally elected officials that serve on CD boards.
- Districts serve local communities and are part of a larger community/ecosystem/infrastructure of districts across the state. They work together, support each other, share knowledge and resources.
- Conservation Districts are critical to both our small, rural communities as well as our larger towns and cities that are undergoing rapid growth.
- Montana's top industries are agriculture and tourism, which both depend on healthy natural resources.

#### **Current Challenges for Conservation Districts**

- Districts are funded primarily through local mill levies and admin (operational) grants through DNRC. The main funding source for these admin (operational) grants is coal Severance tax, which has been in decline the past several years and remains a volatile funding source according to the state. In recent years, the funding for districts has been short nearly \$2 million dollars. This gap is currently filled by money from the general fund through HB374. However, this only provides funding through summer 2023.
- District Mill Levies range from \$2k to around \$400k, with only a few districts in more densely populated areas having large amounts of funding through local mill levies. Many districts cannot function without operational funding from DNRC.
- In districts with smaller populations, it is not feasible for an increase in mill levies to cover a significant increase in operational funding. As a state mandated program with specific duties, adequate operational funding through mills and increased state funding is absolutely necessary.

#### **Operational budgets**

- For example, the River Councils operate with a board and single employee for \$110k, which is still a very tight budget and supervisors still end up paying for some travel.
- Comparable state positions are paid \$28.03/hr with a \$0.50 raise after a year. That would be a total of \$77,500 with basic fringe and benefits for one, full time employee at a CD. This figure does not include rent, office space, employee or board travel, other overhead, or equipment.