

1 HOUSE BILL NO. 645

2 INTRODUCED BY M. CUFFE

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FUNDING AND AUTHORIZATION FOR
5 INFRASTRUCTURE PROJECTS STATEWIDE; CREATING STATE AND LOCAL INFRASTRUCTURE
6 ACCOUNTS; PROVIDING ADDITIONAL FUNDING FOR PROJECTS LISTED IN HOUSE BILLS 6, 7, AND 11;
7 APPROPRIATING MONEY TO THE DEPARTMENTS OF COMMERCE AND NATURAL RESOURCES AND
8 CONSERVATION FOR GRANTS TO STATE AND LOCAL ENTITIES FOR PROJECTS AND IMPROVEMENTS;
9 PRIORITIZING PROJECT GRANTS; AUTHORIZING PROJECT GRANTS AMOUNTS; ESTABLISHING
10 CONDITIONS FOR GRANTS; PROVIDING FOR OTHER MATTERS RELATING TO THE APPROPRIATIONS;
11 AUTHORIZING THE CREATION OF STATE DEBT THROUGH THE ISSUANCE OF GENERAL OBLIGATION
12 BONDS; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

13

14 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

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16 NEW SECTION. **Section 1. Local infrastructure accounts -- use.** (1) There is a state and local
17 infrastructure account in the state special revenue fund to provide grants as authorized in House Bills 6 and 7.
18 The department of natural resources and conservation shall administer the account.

19 (2) There is a state and local infrastructure account in the state special revenue fund to provide grants
20 as authorized in House Bill 11 and in [section 3]. The department of commerce shall administer the account.

21

22 NEW SECTION. **Section 2. Authorization of bonds -- appropriations -- conditions.** (1) The board
23 of examiners is authorized to issue and sell general obligation bonds in one or more series and from time to time
24 for the purposes described in subsection (3) in addition to the amount of general obligation bonds outstanding
25 on January 1, 2017.

26 (2) The bonds under this section must be issued in accordance with the terms and in the manner
27 required by Title 17, chapter 5, part 8. The authority granted to the board of examiners by this section is in
28 addition to any other authorization to the board of examiners to issue and sell general obligation bonds.

29 (3) On [the effective date of this act], the board of examiners is authorized to issue and sell up to \$33.4
30 million in general obligation bonds and deposit the proceeds as follows:

1 (a) \$9.6 million of the proceeds from the bonds sold under this section must be deposited in the state
 2 and local infrastructure account provided for in [section 1(1)] and \$8.2 million is appropriated from the account,
 3 for the biennium beginning July 1, 2017, to the department of natural resources and conservation for projects
 4 listed in House Bill 6 and \$1.4 million is appropriated from the account, for the biennium beginning July 1, 2017,
 5 to the department of natural resources and conservation for projects listed in House Bill 7; and

6 (b) \$23.8 million of the proceeds from the bonds sold under this section must be deposited in the state
 7 and local infrastructure account provided for in [section 1(2)]. A total of \$8.8 million is appropriated, for the
 8 biennium beginning July 1, 2017, from the account to the department of commerce for projects listed in House
 9 Bill 11. The remaining \$15 million is for the quality schools facility grant program grants as set forth in [section
 10 3].

11 (4) Any outstanding authorization to bond in subsection (3) expires June 30, 2019.

12
 13 **NEW SECTION. Section 3. Quality schools facility grant program -- appropriation.** (1) The
 14 department of commerce is appropriated up to \$15 million from the state and local infrastructure account
 15 established in [section 1(2)] to be used to fund quality schools facility program grants authorized by this section
 16 for the biennium beginning July 1, 2017.

17 (2) The funds appropriated in subsection (1) must be used by the department to make grants to the
 18 public school districts listed in subsection (3) for the described purposes and in amounts not to exceed the
 19 amounts set out in subsection (3). The appropriation is subject to the conditions set forth in 90-6-812 and
 20 described in the quality schools facility grant program 2019 biennium report to the 65th legislature. The
 21 department shall commit funds to projects listed in subsection (3), up to the amounts authorized, based on the
 22 manner of disbursement set forth in subsections (4) and (5), until the funds appropriated to finance grants in
 23 subsection (1) are expended.

24 (3) The following applicants and projects are authorized for grants and are listed in the order of their
 25 priority:

Applicant/Project	Grant Amount
27 1. St. Ignatius K-12 (building repair)	\$680,511
28 2. Grass Range ELE (asbestos abatement)	\$55,631
29 3. Miles City ELE (fire system upgrades)	\$352,834
30 4. Libby K-12 (heating and ventilation repair)	\$1,075,000

1	5. Custer County HS (drainage and roof upgrades)	\$953,576
2	6. Grass Range HS (fire system upgrades)	\$77,183
3	7. Wolf Point HS (storm drain system upgrades)	\$918,600
4	8. Polson ELE (replace boiler and system)	\$1,224,679
5	9. Geraldine K-12 (replace unsafe seating)	\$75,000
6	10. Arlee ELE (replace boiler)	\$694,157
7	11. Livingston ELE (energy and infrastructure improvement)	\$665,000
8	12. Rosebud K-12 (water system improvements)	\$174,300
9	13. Park City ELE (replace roof)	\$562,396
10	14. Cascade ELE (heating system repairs)	\$421,120
11	15. Noxon ELE (heating and ventilation replacement and deferred maintenance)	\$490,011
12	16. Ashland ELE (replace roof)	\$1,013,000
13	17. Troy ELE (heating and ventilation upgrades)	\$395,000
14	18. Troy HS (heating and ventilation upgrades)	\$395,000
15	19. Lodge Grass HS (electrical system improvements)	\$459,000
16	20. Billings HS (heating, ventilation, and lighting repairs and replacement)	\$1,558,988
17	21. Trout Creek ELE (foundation and flooring repairs)	\$102,600
18	22. Superior K-12 (heating and ventilation upgrades)	\$526,851
19	23. Lockwood ELE (repair and replace roofing)	\$542,003
20	24. Centerville ELE (security upgrades)	\$770,603
21	25. Kalispell ELE (infrastructure and energy upgrades)	\$483,680
22	26. Shields Valley ELE (replace boiler)	\$458,311
23	27. Lavina K-12 (replace boiler)	\$365,126
24	28. Belt ELE (ventilation system upgrades)	\$531,550
25	29. St. Regis K-12 (safety and security improvements)	\$538,196
26	30. Stevensville ELE (replace boilers and system upgrades)	\$879,801
27	31. Havre HS (ventilation system upgrades)	\$525,000
28	32. Anaconda HS (replace boilers and system upgrades)	\$1,800,738
29	33. Forsyth HS (heating and ventilation upgrades)	\$263,073
30	34. Stevensville HS (replace boilers and system upgrades)	\$1,064,057

1	35. Sun River Valley (Simms HS) (addition and remodel)	\$898,262
2	36. Kalispell HS (infrastructure and energy upgrades)	\$1,574,235
3	37. Drummond HS (retaining wall improvements)	\$193,600
4	38. Rocky Boy HS (replace air handler)	\$763,620
5	39. Frenchtown K-12 (window replacement and improvements)	\$426,408
6	40. Laurel ELE (heating and ventilation upgrades)	\$632,000
7	41. Stanford K-12 (ventilation system upgrades)	\$413,040
8	42. Hamilton K-12 (building envelope improvements)	\$833,216
9	43. Hays Lodge Pole K-12 (life safety, health compliance, electrical, and mechanical improvements)	
10		\$4,025,500
11	44. Roundup HS (replace boiler)	\$503,500
12	45. Wibaux K-12 (demolish and construct new building)	\$3,729,823
13	46. Power HS (kitchen and cafeteria remodel)	\$600,650
14	47. Butte ELE (ventilation system upgrades)	\$374,751
15	48. Fort Benton HS (technology upgrades)	\$67,472
16	49. Clinton ELE (energy conservation improvements)	\$313,784
17	50. Terry K-12 (deferred maintenance and improvements to schools)	\$120,000

18 (4) The maximum amount of a grant for a project under this section is \$1.225 million.

19 (5) A grant recipient's entitlement to receive funds is dependent on the grant recipient's compliance with
20 the conditions set forth in 90-6-812 and on the availability of funds.

21 (6) Grants to recipients listed in subsection (3) that have not completed all of the conditions described
22 in 90-6-812 by September 30, 2018, will be reconsidered by the department of commerce. The department of
23 commerce may withdraw the grant.

24
25 **NEW SECTION. Section 4. Approval of grants -- completion of biennial appropriation.** The
26 legislature, pursuant to 90-6-809 and 90-6-810, approves the quality schools facility grants listed in [section 3].
27 The authorization of these grants constitutes a biennial appropriation from the state and local infrastructure
28 account established in [section 1(2)].

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30 **NEW SECTION. Section 5. Condition of grants -- disbursement of funds.** The disbursement of grant

1 funds for the projects specified in [section 3(3)] is subject to the conditions set forth in 90-6-812.

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3 **NEW SECTION. Section 6. Notification to tribal governments.** The secretary of state shall send a
4 copy of [this act] to each tribal government located on the seven Montana reservations and to the Little Shell
5 Chippewa tribe.

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7 **COORDINATION SECTION. Section 7. Coordination instruction.** (1) If House Bill 6 is not passed
8 and approved, then the total amount of bonding authorized in [section 2(3) of this act] is reduced by \$8.2 million
9 and [section 2(3)(a) of this act] must be replaced with the following language:

10 "(a) \$1.4 million of the proceeds from the bonds sold under this section must be deposited in the state
11 and local infrastructure account provided for in [section 1(1)] and this amount is appropriated from the account,
12 for the biennium beginning July 1, 2017, to the department of natural resources and conservation for projects
13 listed in House Bill 7."

14 (2) If House Bill 7 is not passed and approved, then the total amount of bonding authorized in [section
15 2(3) of this act] is reduced by \$1.4 million and [section 2(3)(a) of this act] must be replaced with the following
16 language:

17 "(a) \$8.2 million of the proceeds from the bonds sold under this section must be deposited in the state
18 and local infrastructure account provided for in [section 1(1)] and this amount is appropriated from the account,
19 for the biennium beginning July 1, 2017, to the department of natural resources and conservation for projects
20 listed in House Bill 6."

21 (3) If neither House Bill 6 nor House Bill 7 is passed and approved, then the total amount of bonding
22 authorized in [section 2(3) of this act] is reduced by \$9.6 million and [section 2(3)(a) of this act] must be stricken.

23 (4) If House Bill 11 is not passed and approved, then the total amount of bonding authorized in [section
24 2(3) of this act] is reduced by \$8.8 million and [section 2(3)(b) of this act] must be replaced with the following
25 language:

26 "(b) \$15 million of the proceeds from the bonds sold under this section must be deposited in the state
27 and local infrastructure account provided for in [section 1(2)] and this amount is appropriated from the account,
28 for the biennium beginning July 1, 2017, to the department of commerce for the quality schools facility grant
29 program grants as set forth in [section 3]."

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