

## HOUSE BILL NO. 586

INTRODUCED BY D. LENZ, V. RICCI

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4 A BILL FOR AN ACT ENTITLED: "AN ACT APPROPRIATING GRANT FUNDS TO THE DEPARTMENT OF  
5 NATURAL RESOURCES AND CONSERVATION FOR THE CITY OF LAUREL WATER INTAKE PROJECT;  
6 TEMPORARILY REDUCING THE GOVERNOR'S FUNDING AUTHORITY FOR DISASTERS BY A LIKE  
7 AMOUNT; PROVIDING CONDITIONS FOR THE GRANT; PROVIDING FOR A TRANSFER OF FUNDS;  
8 PROVIDING FOR THE REVERSION OF FUNDS; AMENDING SECTION 10-3-312, MCA; AND PROVIDING AN  
9 EFFECTIVE DATE AND A TERMINATION DATE."

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

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13 ~~Section 1.~~ Section 10-3-312, MCA, is amended to read:  
14 ~~"10-3-312. Maximum expenditure by governor -- appropriation.~~ (1) Whenever a disaster or an  
15 emergency, including an energy emergency as defined in 90-4-302 or an invasive species emergency declared  
16 under 80-7-1013, is declared by the governor, there is statutorily appropriated to the office of the governor, as  
17 provided in 17-7-502, and, subject to subsection (2), the governor is authorized to expend from the general fund  
18 an amount not to exceed \$16 ~~\$13.5 million~~ \$13,457,944.87 in any biennium, minus any amount appropriated  
19 pursuant to 10-3-310 in the same biennium. The statutory appropriation in this subsection may be used by any  
20 state agency designated by the governor.  
21 ~~(2) In the event of the recovery of money expended under this section, the spending authority must be~~  
22 ~~reinstated to a level reflecting the recovery.~~  
23 ~~(3) If a disaster is declared by the president of the United States, there is statutorily appropriated to the~~  
24 ~~office of the governor, as provided in 17-7-502, and the governor is authorized to expend from the general fund~~  
25 ~~an amount not to exceed \$500,000 during the biennium to meet the state's share of the individuals and~~  
26 ~~households grant programs as provided in 42 U.S.C. 5174. The statutory appropriation in this subsection may~~  
27 ~~be used by any state agency designated by the governor.~~  
28 ~~(4) At the end of each biennium, an amount equal to the unexpended and unencumbered balance of the~~  
29 ~~\$16~~ \$13,457,944.87 ~~million~~ ~~statutory appropriation in subsection (1), minus any amount appropriated~~  
30 ~~pursuant to 10-3-310 in the same biennium, must be transferred by the state treasurer from the state general fund~~

1 to the fire suppression account provided for in 76-13-150."

2

3 ~~NEW SECTION. Section 2. Transfer of funds.~~ By July 15, 2017, the state treasurer shall transfer  
4 \$2,542,055.13 from the general fund to the natural resources projects state special revenue account established  
5 in 15-38-302.

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7 NEW SECTION. Section 1. Appropriation. (1) For the biennium beginning July 1, 2017, there is  
8 appropriated \$2,542,055.13 to the department of natural resources and conservation from the natural resources  
9 projects state special revenue account from the transfer authorized by [section 2] for a grant to the city of Laurel  
10 for a water intake project pursuant to 85-1-602: (1) IF A BONDING BILL IS PASSED AND APPROVED THAT CREATES A  
11 STATE AND LOCAL INFRASTRUCTURE ACCOUNT TO BE ADMINISTERED BY THE DEPARTMENT OF NATURAL RESOURCES AND  
12 CONSERVATION AND PROVIDES FOR BONDING PROCEEDS TO BE DEPOSITED IN THAT ACCOUNT THAT ARE DEDICATED FOR  
13 A GRANT TO THE CITY OF LAUREL FOR A WATER INTAKE PROJECT PURSUANT TO 85-1-602, THE AMOUNT DEDICATED TO  
14 THE PROJECT IS APPROPRIATED TO THE DEPARTMENT FROM THAT ACCOUNT FOR THAT PURPOSE IN THE BIENNIUM  
15 BEGINNING JULY 1, 2017.

16 (2) This appropriation constitutes a valid obligation of these funds for purposes of encumbering funds  
17 during the biennium beginning July 1, 2017, pursuant to 17-7-302.

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19 NEW SECTION. Section 2. Approval of grant. The legislature, pursuant to 85-1-605, approves the  
20 grants listed in [section 3] [SECTION 1].

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22 NEW SECTION. Section 3. Condition of grants. Disbursement of funds under [sections 2 through 4]  
23 [SECTIONS 1 AND 2] for the grant is subject to the following conditions that must be met by the project sponsor:

24 (1) approval of a scope of work and budget for the project by the department of natural resources and  
25 conservation;

26 (2) completion of conditions specified at the time of written notification of approved grant authority;

27 (3) execution of a grant agreement with the department; and

28 (4) accomplishment of other specific requirements considered necessary by the department to meet the  
29 purpose of the grant as evidenced from the application to the department or from the proposal to the legislature.

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1            NEW SECTION. **Section 4. Notification -- reversion of funds.** If the grant sponsor listed in ~~section~~  
2 ~~3~~ [SECTION 1] determines that the project identified in ~~[section 3]~~ [SECTION 1] will not begin before June 30, 2019,  
3 the sponsor shall notify the department of natural resources and conservation. Any unencumbered funds for the  
4 project must revert to the general fund.

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6            NEW SECTION. **Section 5. Effective date.** [This act] is effective July 1, 2017.

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8 ~~NEW SECTION. Section 8. Termination. [Section 1] terminates June 30, 2019.~~

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