

1 HOUSE BILL NO. 14

2 INTRODUCED BY G. HOLLENBAUGH

3 BY REQUEST OF THE OFFICE OF BUDGET AND PROGRAM PLANNING

4
5 A BILL FOR AN ACT ENTITLED: "AN ACT AUTHORIZING THE CREATION OF STATE DEBT THROUGH THE
6 ISSUANCE OF GENERAL OBLIGATION BONDS; APPROPRIATING THE PROCEEDS OF THE BONDS FOR
7 CAPITAL PROJECTS FOR JOBS AND OPPORTUNITY BY BUILDING SCHOOLS AND OTHER FACILITIES FOR
8 THE BIENNIUM ENDING JUNE 30, 2015; AUTHORIZING THE USE OF AUXILIARY FUNDS, GRANTS,
9 DONATIONS, AND HIGHER EDUCATION FUNDS FOR CAPITAL PROJECTS; PROVIDING FOR MATTERS
10 RELATING TO APPROPRIATIONS; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

11

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

13

14 NEW SECTION. Section 1. Definitions. For the purposes of [sections 1 through 8 9], the following
15 definitions apply:

16 (1) "Capital project" means the acquisition of land or improvements or the planning, capital construction,
17 renovation, equipping, furnishing, or major repair projects authorized in [sections 2 through 8 9].

18 (2) "Other funding sources" means money other than capital projects fund money, state special revenue
19 fund money, or general fund money that accrues to an agency under the provisions of the law. Other funding
20 sources may include auxiliary fund, donations, grants, and higher education funds.

21

22 NEW SECTION. Section 2. Appropriations. The following money is appropriated to the department
23 of administration from the capital projects account from the proceeds of the bonds authorized by [section 4] for
24 the indicated capital projects:

25 (1) Montana state university-Bozeman, Romney Hall classroom renovation, \$20 million;

26 (2) Montana state university-Billings, science and instructional tech building addition, \$10 million;

27 (3) Montana state university-Great Falls college of technology, roof replacement, \$1 million;

28 (4) Montana state university-northern, automotive technology center, ~~\$2.9~~ \$4.9 million;

29 (5) University of Montana, Missoula college of technology, ~~\$22~~ \$29 million;

30 (6) University of Montana-western, main hall renovation phase 3, \$4 million;

1 (7) Montana tech of the university of Montana, natural resource research center addition, \$5 million; and

2 ~~—— (8) Montana heritage center, Helena, \$23 million.~~

3 (8) BUTTE JUSTICE CENTER, BUTTE, \$1.6 MILLION.

4

5 NEW SECTION. **Section 3. Authorizations of other funding sources.** The department of
6 administration is authorized to expend money for the indicated capital projects from other funding sources as
7 follows:

8 (1) Montana state university-Bozeman, Jabs hall, ~~\$25~~ \$20 million of grants, donations, and higher
9 education funds;

10 (2) Montana state university-Billings, science and instructional tech building addition, \$5 million;

11 (3) Montana state university-northern, automotive technology center, ~~\$5~~ \$3 million;

12 (4) University of Montana, Missoula college of technology, ~~\$25~~ \$3 million;

13 (5) University of Montana-Missoula, athlete academic center, \$2.5 million;

14 (6) University of Montana-Missoula, Gilkey executive education center, \$9.3 million;

15 (7) University of Montana-western, main hall renovation phase 3, \$0.5 million;

16 (8) Montana tech of the university of Montana, natural resource research center addition, \$5 million; ~~and~~

17 ~~—— (9) Montana heritage center, Helena, \$5.5 million.~~

18 (9) BUTTE JUSTICE CENTER, BUTTE, \$1.6 MILLION;

19 (10) MONTANA STATE UNIVERSITY-BOZEMAN, CONSTRUCT AND RENOVATE SPACE FOR PROGRAMS DISPLACED
20 BY ROMNEY HALL CLASSROOM RENOVATION, \$5 MILLION; AND

21 (11) UNIVERSITY OF MONTANA-MISSOULA, MANSFIELD LIBRARY STUDENT SUCCESS, \$3.2 MILLION.

22

23 NEW SECTION. **Section 4. Authorization for bonds -- conditions.** (1) The board of examiners is
24 authorized to issue and sell general obligation bonds in an amount not exceeding ~~\$87.9~~ \$75.5 million for the
25 capital projects described in [section 2] in addition to the amount of general obligation bonds outstanding on
26 January 1, 2013.

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

30 (3) The proceeds from the bonds sold under this section must be deposited in the capital projects

1 account provided for in 17-5-804.

2

3 **NEW SECTION. Section 5. Planning and design.** The department of administration may proceed with
4 the planning and design of capital projects prior to the receipt of the other funding sources. The entities receiving
5 funds pursuant to [sections 1 through 8 9] may use interentity loans in accordance with 17-2-107 to pay planning
6 and design costs incurred before the receipt of the funding sources in [sections 2 and 3].

7

8 **NEW SECTION. Section 6. Agreement with department of environmental quality.** The department
9 of environmental quality shall review capital projects authorized in [section 2] for potential inclusion in the state
10 building energy conservation program. When a review shows that a capital project will result in energy
11 improvements, that capital project must be submitted to the energy conservation program for consideration of
12 receiving funding under that program. Funding provided under the energy conservation program guidelines must
13 be used to offset or add to the authorized funding for the capital project, and the amount must be dependent on
14 the annual utility savings resulting from the facility improvement. Agencies must be notified of potential funding
15 after the review.

16

17 **NEW SECTION. Section 7. Capital projects -- contingent funds.** If a capital project is financed in
18 whole or in part with funding from other funding sources, the department of administration may not let the projects
19 for bid until the agency has submitted a financial plan for approval by the director of the department. A financial
20 plan may not be approved by the director if:

21 (1) the level of funding provided under the financial plan deviates substantially from the funding level
22 provided in [section 3] for that project; or

23 (2) the scope of the capital project is substantially altered or revised from the capital project presented
24 to the 63rd legislature.

25

26 **NEW SECTION. SECTION 8. CONDITIONS OF PROJECTS.** THE LEGISLATURE AUTHORIZES CONSTRUCTION OF
27 THE BUTTE-SILVER BOW EMERGENCY OPERATIONS CENTER, TO BE OCCUPIED AND OPERATED BY THE CONSOLIDATED
28 GOVERNMENT OF BUTTE-SILVER BOW IN CONJUNCTION WITH THE BUTTE JUSTICE CENTER, IF A LONG-TERM LEASE
29 AGREEMENT IS SIGNED BETWEEN THE STATE OF MONTANA AND THE CONSOLIDATED GOVERNMENT OF BUTTE-SILVER BOW
30 ENSURING PAYMENT OF ALL OPERATING AND MAINTENANCE COSTS OF THE CONSOLIDATED GOVERNMENT OF

1 BUTTE-SILVER BOW FOR ITS PORTION OF THE FACILITY FOR THE LIFE OF THE BUILDING, UNTIL THE TERM OF THE LEASE
2 IS ALTERED, OR UNTIL THE BUILDING IS SOLD.

3
4 NEW SECTION. Section 9. Legislative consent. The appropriations authorized in [sections 2 and 3]
5 constitute legislative consent for the capital projects contained in [sections 2 and 3] within the meaning of
6 18-2-102.

7
8 NEW SECTION. SECTION 10. COORDINATION. IF THE AUDITED ENDING FUND BALANCE OF THE GENERAL FUND
9 FOR JUNE 30, 2013, AS PROVIDED BY THE STATE ACCOUNTANT IN THE COMPREHENSIVE ANNUAL FINANCIAL REPORT
10 EXCEEDS \$150 MILLION BY MORE THAN THE AMOUNT OF THE BOND AUTHORIZATION IN [SECTION 4], THE PROJECTS
11 APPROVED IN [THIS ACT] MUST BE PAID FOR OUT OF THE GENERAL FUND RATHER THAN BEING PAID WITH BOND PROCEEDS
12 AND ALL BONDING AUTHORITY PROVIDED IN [THIS ACT] IS VOID.

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14 COORDINATION SECTION. SECTION 11. COORDINATION INSTRUCTION. IF HOUSE BILL NO. 5 IS NOT PASSED
15 AND APPROVED WITH AN APPROPRIATION TO THE MONTANA HISTORICAL SOCIETY FOR THE CONSTRUCTION OF THE
16 MONTANA HERITAGE CENTER IN HELENA, THEN [SECTION 2] IS AMENDED TO INCLUDE AN APPROPRIATION OF \$23 MILLION
17 TO THE MONTANA HISTORICAL SOCIETY FOR THE CONSTRUCTION OF THE MONTANA HERITAGE CENTER AND THE AMOUNT
18 OF GENERAL OBLIGATION BONDS AUTHORIZED TO BE ISSUED PURSUANT TO [SECTION 4] IS INCREASED BY \$23 MILLION.

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20 NEW SECTION. Section 12. Two-thirds vote required. Because [section 4] authorizes the creation
21 of state debt, Article VIII, section 8, of the Montana constitution requires a vote of two-thirds of the members of
22 each house of the legislature for passage.

23
24 NEW SECTION. Section 13. Effective date. [This act] is effective on passage and approval.

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