



AN ACT IMPLEMENTING THE AMERICAN RESCUE PLAN ACT; PROVIDING APPROPRIATIONS AND ALLOCATIONS OF FEDERAL FUNDS AND OTHER FUNDS AVAILABLE BECAUSE OF THE RECEIPT OF FEDERAL FUNDS FOR THE FISCAL YEAR ENDING JUNE 30, 2021; ALLOWING APPROPRIATIONS TO CONTINUE INTO THE 2023 AND 2025 BIENNIUMS; PROVIDING CONDITIONS AND RESTRICTIONS ON THE USE OF FUNDS; CREATING ADVISORY COMMISSIONS RELATED TO INFRASTRUCTURE, COMMUNICATIONS, ECONOMIC TRANSFORMATION AND STABILIZATION AND WORKFORCE DEVELOPMENT, AND HEALTH; PROVIDING DEADLINES AND OTHER CONDITIONS RELATED TO THE GRANT PROCESS; REQUIRING THE USE OF MATCHING FUNDS FOR CERTAIN GRANTS; PROVIDING FOR A TECHNICAL ASSISTANCE TEAM TO ASSIST LOCAL GOVERNMENTS IN THE GRANT PROCESS; PROVIDING FOR FUNDING FOR STATE CAPITAL PROJECTS AND GRANTS FOR WATER AND SEWER INFRASTRUCTURE PROJECTS; PROVIDING MINIMUM ALLOCATION GRANTS TO LOCAL GOVERNMENTS FOR QUALIFYING PROJECTS; PROVIDING FOR A GRANT PROCESS FOR ECONOMIC TRANSFORMATION AND STABILIZATION PROJECTS AND WORKFORCE DEVELOPMENT; PROVIDING GRANTS TO REGIONAL WATER AUTHORITIES; REQUIRING PERFORMANCE MEASURES AND REPORTING ON PROJECTS; PROVIDING COORDINATION INSTRUCTIONS TO FUND QUALIFYING LONG-RANGE PROJECTS WITH FEDERAL FUNDS; PROVIDING THE EXECUTIVE THE AUTHORITY TO MODIFY AND REPORT MODIFICATIONS TO APPROPRIATIONS AND PARAMETERS OF PROGRAMS TO THE LEGISLATIVE FINANCE COMMITTEE; PROVIDING FOR A REDUCTION TO CERTAIN GRANT AWARDS TO LOCAL GOVERNMENTS BASED ON HEALTH REGULATIONS THAT ARE MORE STRICT THAN THOSE OF THE STATE; PROVIDING FOR ADMINISTRATION AND AUDIT COSTS; ESTABLISHING EDUCATIONAL MAINTENANCE OF EFFORT AND EQUITY PAYMENTS AND PARAMETERS FOR THEIR USE; PROHIBITING THE USE OF AMERICAN RESCUE PLAN ACT FUNDS FOR LOBBYING ACTIVITIES; PROVIDING RULEMAKING AUTHORITY; AMENDING SECTION 2-17-603, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.

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

(Refer to Introduced Bill)

Strike everything after the enacting clause and insert:

**Section 1. Infrastructure advisory commission.** (1) There is an American Rescue Plan infrastructure advisory commission.

(2) The commission consists of nine members, who must be appointed as follows:

(a) three senators, two from the majority party and one from the minority party, appointed by the senate president;

(b) three representatives, two from the majority party and one from the minority party, appointed by the speaker of the house; and

(c) three members appointed by the governor.

(3) The commission shall review applications for funding for state capital projects and state and local government water and sewer infrastructure projects and shall provide recommendations to the executive on which projects should be funded. Projects approved by the 67th legislature for funding in House Bill No. 5, 6, 7, 11, or 14 are not submitted to the commission.

(4) Appointed members of the commission must be compensated and receive travel expenses as provided for in 2-15-124 for each day in attendance at commission meetings or in the performance of any duty or service as a commission member.

(5) The department of natural resources and conservation shall serve as lead staff with the departments of administration and commerce assisting.

(6) Funding for the commission is allocated from the administrative costs allowed in [section 3].

(7) The commission shall hold its first meeting no later than June 11, 2021.

(8) The commission shall set its future meeting dates.

(9) The commission shall elect a chair from the legislative branch and a vice chair from the executive branch.

**Section 2. Appropriation for water and sewer infrastructure projects -- matching funds. (1)**

There are federal funds received pursuant to the American Rescue Plan Act of 2021, Public Law 117-2, appropriated to the office of budget and program planning for state and local water and sewer infrastructure grants as follows:

Amount	ARPA Section
462,689,925	602

(2) For any water or sewer infrastructure grant awarded to a local government with these funds, a local government must provide matching funds.

(3) For the purposes of [this act], "local government" means any city, county, consolidated city-county, school district, or other political subdivision or local government body of the state, including an authority as defined in 75-6-304, water district, sewer district, irrigation district, water users association, conservation district, or tribal government.

(4) For the purposes of [this act], state water and sewer infrastructure projects includes projects for state-owned buildings and facilities and associated infrastructure, as well as within the Montana university system, including community colleges in the state.

(5) References to "ARPA Section" mean references to section 9901 of the American Rescue Plan Act of 2021, Public Law 117-2, which amends Title VI of the Social Security Act to include section 602.

(6) Funds appropriated under this section that are not otherwise allocated are allocated to the office of budget and program planning to provide grants pursuant to [section 3].

**Section 3. Competitive grant program. (1)** For the first round of grants, state and local governments shall submit grant requests and supporting materials, including the amount of matching funds available for water and sewer infrastructure projects, to the department of natural resources and conservation by July 15, 2021, in order to be eligible for funding under [section 2]. Applicants shall certify that each project submitted is a necessary investment in water or sewer infrastructure as defined in the American Rescue Plan Act and all applicable guidance. Subsequent submissions, if any, will be due by the dates established by the commission. The agency will review grant applications, rank projects, and issue a list of recommended projects

to the advisory commission by August 15, 2021.

(2) The advisory commission shall review the lists of recommended water and sewer infrastructure projects and issue a list of recommended projects to the executive by the dates established by the commission.

(3) The department of natural resources and conservation shall certify that each project submitted is a necessary investment in water and sewer infrastructure as defined in the American Rescue Plan Act and all applicable guidance.

(4) The department of natural resources and conservation is authorized to present additional rounds of grant proposals to the commission as needed.

(5) For local government water and sewer infrastructure grants, preference may ~~also~~ be given to projects that provide a higher match rate.

(6) The advisory commission shall certify that each project submitted is a necessary investment in water and sewer infrastructure as defined in the American Rescue Plan Act and all applicable guidance.

(7) The recommendations of the advisory commission must be considered by the governor and reviewed to comply with the American Rescue Plan Act and all applicable guidance. The governor may modify recommendations and shall provide the list of approved projects to the advisory commission and to the legislative finance committee by the dates established by the governor. If the governor modifies the list of recommended projects submitted by the commission, the department of natural resources and conservation shall report and explain the changes to the advisory commissions and the legislative finance committee at its next scheduled meeting.

(8) If the governor later determines that a project cannot be completed, the governor may authorize a different project and provide a report to the advisory commission and the legislative finance committee. If the governor determines at any time that a project is identified not to be eligible based on the American Rescue Plan Act and all applicable guidance and, if completed, may result in a reduction in funds from the American Rescue Plan Act or require the state to repay or refund money to the federal government pursuant to the American Rescue Plan Act, the governor may authorize a different project and provide a report to the advisory commission and the legislative finance committee.

(9) No project may receive more than \$25 million in grant proceeds from this section.

(10) Up to 2.5% of the funds allocated in [section 2(6)] may be allocated for administrative costs.

**Section 4. Minimum allocation grants to local governments.** (1) The amount of \$150 million of the coronavirus state fiscal recovery funds appropriated in [section 2] must be used to provide minimum allocation grants to local governments for water and sewer infrastructure projects eligible for funding under the American Rescue Plan Act.

(2) The amount a local government is eligible to receive in water and sewer infrastructure grants under this section is in the same proportion and using the same ratios provided for in 15-70-101(2)(b), (2)(c), and (3).

(3) (a) To receive a grant under this section, a local government shall submit an application for a qualifying water or sewer infrastructure project and pledge matching funds.

(b) A qualifying water or sewer infrastructure project is a project that complies with the uses authorized for the coronavirus state fiscal recovery funds.

(c) The local government shall pledge the lesser of:

(i) one-to-one matching funds; or

(ii) 25% of the amount that the local government received in coronavirus local fiscal recovery funds provided for in the American Rescue Plan Act.

(d) A local government may use coronavirus local fiscal recovery funds as matching funds.

(4) Grant funds not applied for and awarded or in a pending status by January 1, 2023, are transferred to the competitive grant program administered by the department of natural resources and conservation for distribution through the competitive grant program established in [section 3].

**Section 5. Grants to regional water authorities -- matching funds -- uses.** (1) Of the appropriation made in [section 2] of coronavirus state fiscal recovery funds, \$10 million is allocated to the department of natural resources and conservation to provide each regional water authority a grant of \$2.5 million.

(2) For a grant under this section, a regional water authority must provide one-to-one matching funds.

(3) The regional water authority may use grant funds and loans secured by bonds to serve as matching funds for federal grants.

**Section 6. Technical assistance team -- grant application and engineering assistance.** (1) The

department of commerce shall assemble a technical assistance team to notify local governments, with an emphasis on rural local governments, of the funding opportunities provided for in this bill related to water and sewer infrastructure projects.

(2) The technical assistance team shall also assist local governments in the application process and offer limited engineering assistance.

(3) The department may hire modified FTE or contract to create the technical assistance team.

(4) There is allocated \$750,000 from the funds appropriated in [section 2] for the technical assistance team.

**Section 7. Appropriation for capital projects.** (1) There are federal funds received pursuant to the American Rescue Plan Act of 2021, Public Law 117-2, appropriated to the office of budget and program planning for state capital projects as follows:

Amount	ARPA Section
119,300,000	604

(2) For the purposes of [this act], "state capital projects" includes projects for state-owned buildings and facilities and associated infrastructure as well as within the Montana university system, including community colleges in the state. Project requests and supporting materials must be submitted to the department of administration in the manner prescribed by the department. Each applicant shall certify that each project submitted is a qualifying capital project as defined in the American Rescue Plan Act and all applicable guidance.

(3) The department of administration shall submit a list of recommended state capital projects to the advisory commission. If properly submitted and certified by the department of justice, the list must contain up to \$1 million for Freezer, Morgue and Refrigeration Space, and up to \$1 million for Crime Lab Facility Space at the department of justice, if eligible.

(4) The department of administration shall certify that each project submitted is a qualifying capital project as defined in the American Rescue Plan Act and all applicable guidance.

(5) The advisory commission shall review the lists of recommended capital projects and issue a list of recommended projects to the executive. The commission shall certify that each project submitted is a qualifying

capital project as defined in the American Rescue Plan Act and all applicable guidance.

(6) The department of administration is authorized to present additional rounds of proposals to the commission as needed.

(7) In preparing recommendations for capital projects, preference must be given to projects that are geographically dispersed throughout the state. Projects must carry out critical capital projects directly enabling work, education, or health monitoring, including remote options, in response to the public health emergency with respect to COVID-19.

(8) The recommendations of the advisory commission must be considered by the governor and reviewed to comply with the American Rescue Plan Act and all applicable guidance. The governor may modify recommendations and shall provide the list of approved projects to the infrastructure advisory commission and the legislative finance committee. If the governor modifies the list of recommended projects submitted by the commission, the department of administration shall report and explain the changes to the infrastructure advisory commission and the legislative finance committee at its next scheduled meeting.

(9) If the governor later determines that a project cannot be completed, the governor may authorize a different project and provide a report to the infrastructure advisory commission and the legislative finance committee. If the governor determines at any time that a project is identified not to be eligible based on the American Rescue Plan Act guidance and, if completed, may result in a reduction in funds from the American Rescue Plan Act or require the state to repay or refund money to the federal government pursuant to the American Rescue Plan Act, the governor may authorize a different project and provide a report to the infrastructure advisory commission and the legislative finance committee.

(10) References to "ARPA Section" mean references to section 9901 of the American Rescue Plan Act of 2021, Public Law 117-2, which amends Title VI of the Social Security Act to include section 604.

(11) Up to 2% of the funds appropriated in this section may be allocated for administrative costs.

(12) Consent to construct as required by 18-2-102(1) is granted for projects funded with the appropriation provided in this section.

(13) If a project constructed with the funds appropriated in this section requires additional operations and maintenance budget authority as defined in 17-7-210, the requirements of 17-7-210 are considered to have been met if the funding for any additional operations and maintenance expenses are included in the executive

budget in the next legislative session.

**Section 8. Communications advisory commission.** (1) There is an American Rescue Plan communications advisory commission.

(2) The commission consists of nine members, who must be appointed as follows:

(a) three senators, two from the majority party and one from the minority party, appointed by the senate president;

(b) three representatives, two from the majority party and one from the minority party, appointed by the speaker of the house; and

(c) three members, appointed by the governor.

(3) The commission shall review recommendations for funding communications projects and provide recommendations to the executive on which projects should be funded.

(4) Appointed members of the commission shall be compensated and receive travel expenses as provided for in 2-15-124 for each day in attendance at commission meetings or in the performance of any duty or service as a commission member.

(5) The department of commerce shall staff the commission.

(6) Funding for the commission is allocated from the administrative costs allowed in [section 9].

(7) The commission shall hold its first meeting no later than June 11, 2021.

(8) The commission shall set its future meeting dates.

(9) The commission shall elect a chair from the legislative branch and a vice chair from the executive branch.

**Section 9. Appropriation for communications projects.** (1) There are federal funds received pursuant to the American Rescue Plan Act of 2021, Public Law 117-2, appropriated to the office of budget and program planning and allocated to the department of commerce for the fiscal year beginning July 1, 2020, for communications projects. The appropriation is authorized to continue through the biennium beginning July 1, 2023.

Amount

ARPA Section



275,000,000

9901, 602

- (2) Communication projects are those related to broadband infrastructure, including cell towers, or public safety, if eligible.
- (3) For projects awarded with these funds, a local government or private entity must provide matching funds.
- (4) References to "ARPA Section" mean references to section 9901 of the American Rescue Plan Act of 2021, Public Law 117-2, which amends Title VI of the Social Security Act to include section 602.
- (5) Up to 3% of the funds appropriated in this section may be allocated for administrative costs.

**Section 10. Eligibility -- submission deadline -- preference -- approval of recommendations.**

- (1) The department of commerce shall certify that the projects listed in the recommendations are necessary investments in compliance with the American Rescue Plan Act and all applicable guidance.
- (2) (a) The advisory commission shall review the lists of recommended projects and issue a list of recommended projects.
- (b) The commission shall certify that the projects listed in the recommendations are necessary investments in compliance with the American Rescue Plan Act and all applicable guidance.
- (3) In preparing recommendations, preference must be given to projects that provide broadband access to frontier, unserved, and underserved areas as designated by the department of commerce. Preference may also be given to projects that provide a higher match rate.
- (4) The recommendations of the advisory commission must be considered by the governor and reviewed to comply with the American Rescue Plan Act and all applicable guidance. The governor may modify recommendations and shall provide the list of approved projects to the communications advisory commission and the legislative finance committee. If the governor modifies the list of recommended projects submitted by the commission, the department of commerce shall report and explain the changes to the communications advisory commission and the legislative finance committee at its next scheduled meeting.
- (5) If the governor later determines that a project cannot be completed, the governor may authorize a different project and provide a report to the communications advisory commission and the legislative finance committee. If at any time the governor determines that a project is identified not to be eligible based on the

American Rescue Plan Act guidance and, if completed, may result in a reduction in funds from the American Rescue Plan Act or require the state to repay or refund money to the federal government pursuant to the American Rescue Plan Act, the governor may authorize a different project and provide a report to the communications advisory commission and the legislative finance committee.

**Section 11. Economic transformation and stabilization and workforce development advisory commission.** (1) There is an American Rescue Plan economic transformation and stabilization and workforce development advisory commission.

(2) The commission consists of nine members, who must be appointed as follows:

(a) three senators, two from the majority party and one from the minority party, appointed by the senate president;

(b) three representatives, two from the majority party and one from the minority party, appointed by the speaker of the house; and

(c) three members appointed by the governor.

(3) The commission shall review proposals for economic transformation and stabilization and workforce development programs from the department of commerce, department of agriculture, and department of labor and industry and provide a list of recommendations to the executive.

(4) The commission shall certify that each proposal submitted qualifies for funding pursuant to the American Rescue Plan Act and all applicable guidance.

(5) Appointed members of the commission must be compensated and receive travel expenses as provided for in 2-15-124 for each day in attendance at commission meetings or in the performance of any duty or service as a commission member.

(6) Except for landlords receiving emergency rental assistance and entities receiving mortgage assistance payments, the economic transformation and stabilization and workforce development advisory commission shall require business and other organization applicants to disclose whether they received money administered by the state from the Coronavirus Aid, Relief, and Economic Security Act of 2020 (CARES Act) or the Coronavirus Response and Relief Supplemental Appropriations Act of 2020 (CRRSA) and, if so, the amount received and the basis and purpose of the award. In making its recommendations, the advisory

commission shall take into account the fact that the applicant has already benefited from federal assistance provided in response to COVID-19, but a previous CARES Act or CRRSA award does not preclude consideration of an application.

(7) The department of commerce shall staff the commission.

(8) Funding for the commission is allocated from the administrative costs allowed in [section 12].

(9) The commission shall hold its first meeting no later than June 11, 2021.

(10) The commission shall set its future meeting dates.

(11) The commission shall elect a chair from the legislative branch and a vice chair from the executive branch.

**Section 12. Appropriation for economic transformation and stabilization and workforce development.** (1) There are federal funds received pursuant to the American Rescue Plan Act of 2021, Public Law 117-2, appropriated to the office of budget and program planning for the fiscal year beginning July 1, 2020, for economic transformation and stabilization grants and workforce development grants as follows. The appropriation is authorized to continue through the biennium beginning July 1, 2023.

Amount	ARPA Section
150,000,000	9901, 602

(2) \$10 million of the funds appropriated in this section must be used for rapid retraining jobs training.

(3) The appropriation in this section may be used for eligible business transformation and stabilization and workforce development programs, including but not limited to workforce training including rapid retraining, return-to-work bonuses, or short-term wage subsidies, business assistance for hiring or rehiring employees, business assistance for training or retraining employees, business technology grants, agricultural resiliency, and business transformation or stabilization grants.

(4) Up to 3% of the funds appropriated in this section may be allocated for administrative costs.

**Section 13. Eligibility -- preference -- approval of recommendations.** (1) Applicable agencies shall recommend programs and funding amounts to the advisory commission for review and comment for funding under [section 12].

(2) Within the programs established by the applicable agencies, businesses or other organizations shall submit grant requests and supporting materials to the applicable state in order to be eligible for funding under [section 12]. Applicants shall certify that each grant request is eligible under the American Rescue Plan Act and all applicable guidance. The agency will review grant applications, rank grant applications, and issue a list of recommended grants to the advisory commission established in [section 11].

(3) The advisory commission shall review the lists of recommended grants and other proposed uses of the funds and issue a list of recommended grants and uses of funds to the executive.

(4) The applicable agency shall certify that each grant request is eligible under the American Rescue Plan Act and all applicable guidance.

(5) The applicable agency is authorized to present multiple rounds of grant proposals to the commission as needed.

(6) The advisory commission shall provide recommendations on the use of funds appropriated pursuant to [section 16]. The department of commerce shall report to the advisory commission on loans made in accordance with the federal requirements of the state small business credit initiative in [section 15].

(7) The recommendations of the advisory commission must be considered by the governor and reviewed to comply with the American Rescue Plan Act and all applicable guidance. The governor may modify recommendations and shall provide the list of approved programs and business and other organization grantees to the legislative finance committee. If the governor modifies the list of recommended grants submitted by the commission, the applicable agency shall report and explain the changes to the advisory commission and to the legislative finance committee at its next scheduled meeting.

(8) If the governor later determines that a program or grant cannot be completed, the governor may authorize a different program or grant and provide a report to the advisory commission and the legislative finance committee. If at any time the governor determines that a program or grant is identified not to be eligible based on the American Rescue Plan Act guidance and, if completed, may result in a reduction in funds from the American Rescue Plan Act or require the state to repay or refund money to the federal government pursuant to the American Rescue Plan Act, the governor may authorize a different program or grant and provide a report to the advisory commission and the legislative finance committee.

**Section 14. Appropriations for housing and workforce training programs.** (1) There are federal funds received pursuant to the American Rescue Plan Act of 2021, Public Law 117-2, appropriated to the office of budget and program planning and allocated to the department of commerce as follows for the fiscal year beginning July 1, 2020. Appropriation authority is intended to be allocated to the following items. Appropriations are authorized to continue through the biennium beginning July 1, 2023.

Amount	Purpose	ARPA Section
50,000,000	Mortgage Assistance	3206
11,459,768	HOME Program Supplemental Allocation	3205
152,400,000	Emergency Rental Assistance	3201

(2) For Emergency Rental Assistance, funds may be used to pay rent or rental arrears to any place where someone pays on a periodic basis for shelter, including but not limited to nursing homes, senior assisted living, group homes, low-income housing, workforce housing, transitional housing, and correctional facilities, if eligible. If the American Rescue Plan Act and all applicable guidance allows for other uses of emergency rental assistance funds, these funds may be used for those additional eligible purposes.

(3) The advisory commission established in [section 11] may provide recommendations to the department on the use of funds in this section.

(4) The department of commerce is encouraged to use existing programs, where feasible, to implement the programs provided for in this section.

**Section 15. State Small Business Credit Initiative.** There is appropriated to the department of commerce \$65 million in federal funds received pursuant to section 3301 of the American Rescue Plan Act of 2021, Public Law 117-2, for the State Small Business Credit Initiative. Funds are to be distributed in accordance with the American Rescue Plan Act and applicable guidelines. The appropriation is for the fiscal year beginning July 1, 2020, and is authorized to continue through the biennium beginning July 1, 2031.

**Section 16. Appropriations to department of labor and industry.** (1) There are federal funds received pursuant to the American Rescue Plan Act of 2021, Public Law 117-2, appropriated to the department of labor and industry for the fiscal year beginning July 1, 2020, that are authorized to continue through the

biennium beginning July 1, 2023. Appropriation authority is intended to be allocated to the following items.

Amount	Purpose	ARPA Section
5,500,000	Office of Community Service	2206
5,200,000	Unemployment Administration	9031, 9032

(2) References to "ARPA Section" mean references to sections of the American Rescue Plan Act of 2021, Public Law 117-2.

**Section 17. Appropriations to department of transportation -- grants.** (1) There are federal funds received pursuant to the American Rescue Plan Act of 2021, Public Law 117-2, appropriated to the department of transportation for the fiscal year beginning July 1, 2020, that are authorized to continue through the biennium beginning July 1, 2023. Appropriation authority is intended to be allocated to the following items.

Amount	Purpose	ARPA Section
600,000	Grants for State-Owned Airports	7102
2,777,812	Grants for Rural Transit	3401

(2) References to "ARPA Section" mean references to sections of the American Rescue Plan Act of 2021, Public Law 117-2.

**Section 18. Health advisory commission.** (1) There is an American Rescue Plan health advisory commission.

(2) (a) The commission consists of:

(i) three senators, two from the majority party and one from the minority party, appointed by the senate president;

(ii) four representatives, three from the majority party and one from the minority party, appointed by the speaker of the house; and

(iii) three members appointed by the governor.

(b) For legislative appointments, legislators serving as members of the joint appropriations subcommittee for health and human services from the 67th legislature are given preference.

(3) The commission shall recommend how funds allocated to the department of public health and

human services are to be used.

(4) Appointed members of the commission must be compensated and receive travel expenses as provided for in 2-15-124 for each day in attendance at commissions meetings or in the performance of any duty or service as a commission member.

(5) The department of public health and human services shall staff the commission.

(6) Funding for the commission is allocated from the administrative costs allowed in [section 20].

(7) The commission shall hold its first meeting no later than June 11, 2021.

(8) The commission shall set its future meeting dates.

(9) The commission shall elect a chair from the legislative branch and a vice chair from the executive branch.

**Section 19. Deadlines -- meetings -- recommendations -- approval.** (1) The commission shall meet on or before June 11, 2021, and shall report its recommended programs and amounts for which funds are appropriated in [section 20] to the director of the department of public health and human services. The commission shall certify that each program recommended is for an eligible use under the American Rescue Plan Act and all applicable guidance. The department shall also certify that each program recommended is for an eligible use under the American Rescue Plan Act and all applicable guidance.

(2) The department shall provide, as requested, to the commission and to the office of budget and program planning on implementation of programs funded in [section 20], including reporting on the expenditure of funds and measurable outcomes of the programs.

(3) The recommendations of the advisory commission must be considered by the governor and reviewed to comply with the American Rescue Plan Act and all applicable guidance. The governor may modify recommendations and shall provide the list of approved programs and amounts to the health advisory commission and to the legislative finance committee. If the governor modifies the list of recommended programs and amounts submitted by the commission, the department of public health and human services shall report and explain the change to the advisory commission and to the legislative finance committee at its next scheduled meeting.

(4) If the governor later determines that a program cannot be completed, the governor, or the budget

director under the direction of the governor, may authorize a different program and provide a report to the health advisory commission and the legislative finance committee. If at any time the governor determines that a program is identified not to be eligible based on the American Rescue Plan Act guidance and, if completed, may result in a reduction in funds from the American Rescue Plan Act or require the state to repay or refund money to the federal government pursuant to the American Rescue Plan Act, the governor, or the budget director under the direction of the governor, may authorize a different program and provide a report to the health advisory commission and the legislative finance committee.

**Section 20. Appropriations to department of public health and human services.** (1) There are federal funds received pursuant to the American Rescue Plan Act of 2021, Public Law 117-2, appropriated to the department of public health and human services for the fiscal year beginning July 1, 2020, and continuing into the biennium beginning July 1, 2021. Appropriations are authorized to continue through the biennium beginning July 1, 2023. Appropriation authority is intended to be allocated to the following items. References to "ARPA Section" mean references to sections in the American Rescue Plan Act of 2021, Public Law 117-2.

Amount	Program	ARPA Section
11,000,000	SNAP	1101,1102
200,000	Commodity Supplemental Food Program	1104
900,000	Family Violence Prevention	2204
1,111,000	Child Abuse Prevention	2205
22,500,000	Vaccine Distribution and Supply	2301
143,400,000	Testing and Contact Tracing	2401
112,500,000	Child Care Block Grants	2201, 2202
1,700,000	State Veterans' Homes	8004
23,000,000	Public Health Workforce	2501
10,500,000	SAMHSA/Mental Health and Substance Use Disorder	
	Mental Health Block Grant	2701, 2702, 2703, 2705, 2706, 2707
31,775,000	LIHEAP/Water Assistance	2911, 2912



1,000,000	Supporting Older Americans and Families	2921
930,000	Emergency Food and Shelter Program	4007, 4008
2,726,000	Pandemic Emergency Assistance	9201
1,130,000	WIC	1105
1,223,000	IDEA Infants and toddlers	2014

(2) There are federal funds received pursuant to section 9901 of the American Rescue Plan Act of 2021, Public Law 117-2, which amends Title VI of the Social Security Act to include section 602, appropriated to the office of budget and program planning and allocated to the department of public health and human services, if eligible, as follows:

- (a) up to \$15 million for nursing home and hospital-based swing bed payments; and
- (b) up to \$2.75 million for a provider rate study.

(3) For SNAP, the appropriation is to be used for the 15% benefit extension, for administration, and for workforce training through existing programs in the department of labor and industry or through contracted private sector vendors.

(4) For SAMHSA, it is the intent of the legislature that the executive consider use of the SAMHSA funds above for the purposes of the HEART fund and for suicide prevention, including the use of the Utah model for suicide prevention that includes social media outreach, and for potential use in the department of corrections.

(5) For Child Care block grants provided for in section 2201 of the American Rescue Plan Act of 2021, Public Law 117, the department shall prioritize the use of funds on child care deserts for one-time equipment and necessary infrastructure, property improvements, worksite child care, licensing, and employee training and professional development.

(6) For nursing home and hospital-based swing bed payments, the department of public health and human services will allocate \$15 million to nursing home facilities and facilities with hospital-based swing beds by the later of May 31, 2021, or 15 days after the receipt of federal funds from the American Rescue Plan Act. The allocation will be made based on the number of medicaid patient days each facility had from January 1, 2020, through December 31, 2020. It is the intent of the legislature that no additional supplemental funds be allocated to nursing homes and facilities with hospital-based swing beds.

(7) For the provider rate study, the department of public health and human services will study the

impact of COVID-19 on providers and make recommendations to adjust rates, if necessary, to reflect impacts to providers in an effort to maintain services.

**Section 21. Allocation to the judicial branch.** (1) There is appropriated \$944,721 in federal funds received pursuant to the American Rescue Plan Act of 2021, Public Law 117-2 (602), to the office of budget and program planning and allocated to the judicial branch to support court operations impacted by the pandemic by streamlining the resolution of family law cases through early mediation and simplified proceedings in judicial districts with heavy caseloads or in remote areas of the state, if eligible.

(2) Prior to implementation, the judicial branch shall submit a program plan to the office of budget and program planning and the legislative finance committee, including effectiveness measures for the program and information and explanation demonstrating that the program qualifies for funds under the American Rescue Plan Act. The judicial branch shall also certify that the program is eligible under the American Rescue Plan Act and all applicable guidance.

(3) The judicial branch shall provide quarterly reports to the office of budget and program planning, the legislative finance committee, and, if House Bill No. 497 is passed and approved, to the judicial branch, law enforcement, and justice budget committee, on the implementation of the program, the expenditure of funds, and measurable outcomes of the program.

**Section 22. Appropriations to office of public instruction and office of budget and program planning.** (1) There are federal funds received pursuant to the American Rescue Plan Act of 2021, Public Law 117-2, appropriated to the office of public instruction for the fiscal year beginning July 1, 2020. Appropriation authority is intended to be allocated to the following items. Appropriations are authorized to continue through the biennium beginning July 1, 2023. References to "ARPA Section" mean references to sections in the American Rescue Plan Act of 2021, Public Law 117-2.

Amount	Purpose	ARPA Section
343,817,312	Basic Allocation to School Districts	2001
3,400,000	Supplemental Allocation to School Districts	2001
120,000	Allocation to Other Educational Institutions	2001

555,234	Education Leadership in Montana	2001
5,475,248	OPI Database Modernization	2001
1,910,096	Administration	2001
19,100,962	State Learning Loss	2001
3,820,192	State Summer Enrichment	2001
3,820,192	State Afterschool Programs	2001
9,241,420	Individuals with Disabilities Education Act	2014

(2) The appropriations to the office of public instruction in subsection (1) are restricted as follows:

(a) For Basic Allocation to School Districts, the amount allocated by the office of public instruction to school districts must be as required by federal law. The office of public instruction shall distribute funds via grants for expenses that are consistent with section 2001(e) of ESSER III.

(b) For Supplemental Allocation to School Districts, the office of public instruction shall allocate the funds as follows:

(i) a school district with fewer than 6 quality educators receives \$10,000;

(ii) a school district with 6 or more quality educators that receives less than an amount equal to \$10,000 times the number of the district's quality educators in the basic allocation receives an amount for every quality educator plus an additional \$50 for every quality educator that the district is below the statewide average of quality educators for each district;

(iii) the amount for every quality educator must be calculated to use the \$3.4 million appropriation; and

(iv) the office of public instruction shall distribute the funds in the same manner as used for the basic allocation.

(c) For Allocation to Other Educational Institutions, an allocation to the school for the deaf and blind, Pine Hills youth correctional facility, and the youth academy must be made on a per-quality-educator basis. The office of public instruction shall distribute the funds in the same manner as used for the basic allocation.

(d) For Education Leadership in Montana, the office of public instruction shall create a system to build the capacity of principals, teachers, and other leaders to ensure recovery of each school from the effects of the covid-19 pandemic in a model that addresses the learning opportunities missed and needed by each person to reach their full educational potential.

(e) For OPI Database Modernization, funds must be used by the office of public instruction to repair, improve, or replace existing data systems to respond to learning loss associated with the pandemic. Actions taken must be consistent with 20-7-104.

(f) For Administration, funds must be used by the office of public instruction for administration of ESSER III activities.

(g) For State Learning Loss, State Summer Enrichment, and State Afterschool Programs, funds may be used at the discretion of the office of public instruction for purposes allowed by federal law and may include grants to school districts. A school district may use these funds to provide allowable support to a special education cooperative of which it is a member. Any funds granted to school districts must be distributed in the same manner as used for the basic allocation.

(3) There is appropriated \$12.1 million to the office of budget and program planning for assistance to nonpublic schools from the funds received pursuant to section 2002 of the American Rescue Plan Act, Public Law 117-2.

(4) The office of public instruction shall provide quarterly status reports on the implementation of programs, the expenditure of funds, and measurable outcomes of the program to the office of budget and program planning, to the legislative finance committee, and if House Bill No. 497 is passed and approved, to the education budget committee.

**Section 23. Appropriations to state library, and Montana arts council.** (1) There are federal funds received pursuant to section 2021 of the American Rescue Plan Act of 2021, Public Law 117-2, in the amount of \$764,000 appropriated to the Montana arts council for the fiscal year beginning July 1, 2020. Appropriations are authorized to continue through the biennium beginning July 1, 2023.

(2) There are federal funds received pursuant to the American Rescue Plan Act of 2021, Public Law 117-2, appropriated to the state library for the fiscal year beginning July 1, 2020. Appropriation authority is intended to be allocated to the following items. Appropriations are authorized to continue through the biennium beginning July 1, 2023.

1,235,444	Hot Spot Lending Program and broadband infrastructure in libraries	2023
1,000,000	E-Learning Digital Content	2023

(3) There is allocated \$120,000 to the state library for newslines from the funds appropriated in [section 20] for Supporting Older Americans and Families, if eligible.

(4) Applicable agencies in this section shall provide quarterly status reports on the implementation of programs, the expenditure of funds, and measurable outcomes of the program to the office of budget and program planning, to the legislative finance committee, and if House Bill No. 497 is passed and approved, to the education budget committee.

**Section 24. Appropriation -- coronavirus local fiscal recovery fund.** There is appropriated to the office of budget and program planning \$81.8 million to distribute pursuant to section 9901 of the American Rescue Plan Act of 2021, Public Law, 117-2, which amends Title VI of the Social Security Act to include section 603.

**Section 25. Audit appropriations.** (1) Of the federal funds appropriated to the office of budget and program planning in [sections 9 and 14] and appropriated to the department of commerce in [section 15], the amount of \$32,800 is reserved for the legislative audit division as a restricted and biennial appropriation for the 2023 biennium.

(2) Of the federal funds appropriated to the office of budget and program planning in [sections 2, 7, 12, 22, 24, and 27], the amount of \$34,850 is reserved for the legislative audit division as a restricted and biennial appropriation for the 2023 biennium as follows:

- (a) American Rescue Plan Act testing, \$24,600; and
- (b) single audit administration and reporting, \$10,250.

(3) Of the federal funds appropriated to the office of public instruction in [section 22], the amount of \$20,500 is reserved for the legislative audit division as a restricted and biennial appropriation for the 2023 biennium.

(4) Of the federal funds appropriated to the department of public health and human services in [section 20], the amount of \$12,300 is reserved for the legislative audit division as a restricted and biennial appropriation for the 2023 biennium.

(5) The legislative audit division will include estimated audit costs associated with [this act] in the

estimated audit costs provided for in 5-13-402 for the 2025 biennium.

(6) As provided for in 17-7-141, agencies appropriated funds through [this act] will reserve enough money from these federal funds to pay associated audit costs in the 2025 biennium.

**Section 26. Modifications to appropriations and authorizations -- report of modifications or changes.** (1) The governor, or the budget director under the direction of the governor, is authorized to redirect appropriations to other projects or appropriations or modify provisions within [this act] to ensure conformity with the American Rescue Plan Act and applicable guidance.

(2) (a) If a proposed line-item transfer or a fund switch in [this act] exceeds \$100,000, the budget director shall submit an explanation and detailed description of the requested line-item transfer or fund switch to the legislative fiscal analyst 30 days prior to the next scheduled meeting of the legislative finance committee.

(b) For the purposes of this section, the following definitions apply:

(i) "Line-item transfer" means the transfer of appropriation authority from one line-item appropriation to a different line-item appropriation within the same section of [this act] or between any appropriations made in [sections 14 through 25] of [this act].

(ii) "Fund switch" means a change in a line-item fund source or account to another fund source or account.

(3) As federal guidance becomes available related to the use of "reduction in revenue" funds pursuant to section 9901 of the American Rescue Plan Act of 2021, Public Law 117-2, amending Title VI of the Social Security Act to include section 602(c)(1)(C), otherwise known as "revenue replacement funds", the office of budget and program planning may calculate the amount of funds available pursuant to that section 602 and recommend to the governor and the legislative finance committee an amount to be allocated among the appropriations of 602 funds in [this act].

(4) The legislative finance committee shall review the proposed line-item transfer or fund switch or the recommendation on the use of revenue replacement funds as provided in subsection (3), at the next meeting. A representative of the office of budget and program planning shall be present at the meeting to discuss the proposal or recommendation. The legislative finance committee may take up to 15 days following its meeting to review and provide written comment on the proposal or recommendation. The office of budget and program

planning may provide a response to the comments within 15 days of receiving the committee's comments.

(5) The governor, or the budget director at the direction of the governor, is authorized to adjust the parameters of a program or service appropriated in [this act] to ensure conformity with applicable federal laws, regulations, and guidance issued by federal agencies. If the parameters of a program are adjusted, the office of budget and program planning shall notify the legislative finance committee of the change at its next scheduled meeting. The legislative finance committee may take up to 15 days following its meeting to review and provide written comment on the proposal. The office of budget and program planning may provide a response to the comments within 15 days of receiving the committee's comments.

(6) If a proposed line-item transfer or a fund switch or a modification to the parameters of a program or service is of an urgent nature, the budget director shall notify the legislative fiscal analyst as soon as possible and the 30-day notice is not required. The legislative finance committee shall convene as soon as possible to review the proposal and provide comment. The meeting may be held in a virtual setting.

(7) If additional funds are received by the state from the federal government above the levels appropriated in [this act], House Bill No. 3, or House Bill No. 630, the approving authority as defined in 17-7-102 may authorize a budget amendment as defined in Title 17, chapter 7, part 4, and the requirements of 17-7-402(1)(e) do not apply. If a federal appropriation is not included in [this act], House Bill No. 3, or House Bill No. 630, for a specific grant authorized by the federal government or in an amount sufficient to appropriate the entire amount received from a federal agency to deploy funds authorized by the federal government, the requirements of 17-7-402(1)(e) do not apply.

(8) Except as provided in subsection (6), the governor may not take any of the following actions until 15 days after the legislative finance committee has met to address a:

- (a) line-item transfer or fund switch in excess of \$100,000; or
- (b) recommendation for the use of revenue replacement funds.

**Section 27. Performance measures -- dissemination of information.** (1) Agencies administering programs funded by the American Rescue Plan Act shall develop plans to measure the effectiveness of the programs.

(2) Agencies administering programs funded by the American Rescue Plan Act shall require grant

applicants to state what they intend to accomplish if selected to receive funding. To the extent that the agencies are able to determine generally applicable outcomes to determine the effectiveness of proposals submitted by applicants, agencies shall require applicants to state how they will achieve those outcomes. Agencies may also require applicants to state the outcomes that should be used to determine the effectiveness of their proposals and how they will achieve those outcomes. Individual applicants who are not sole proprietorships, such as individuals who participate in training programs or are recipients of benefits administered by the department of public health and human services or the department of labor and industry, and business applicants that are landlords only participating in one or both of the Emergency Rental Assistance Program and the Mortgage Assistance Program or entities receiving mortgage payments, are exempt from the requirements in this subsection.

(3) Agencies administering programs funded by the American Rescue Plan Act shall require periodic reports from the applicants identified in the prior section to provide information necessary for the state to comply with its federal and other compliance obligations, as well as any additional information necessary for the agencies to confirm that applicants completed their proposals and achieved the intended outcomes. Where feasible, quantitative data should be required.

(4) The office of budget and program planning shall promote the funding opportunities afforded in [this act] and offer an online portal that directs prospective grantees to the various grant programs available pursuant to [this act]. The online portal must also provide data and information on the website to provide transparency in how funds were spent and identify grant recipients for businesses, local or tribal governments, or nonprofit organizations.

(5) The office of budget and program planning shall provide quarterly reports to the legislative finance committee throughout the interim on the implementation of [this act].

(6) (a) The office of budget and program planning is appropriated \$3.7 million to provide oversight, public interaction, reporting, transparency, and other services from funds received pursuant to the American Rescue Plan Act of 2021, Public Law 117-2, which amends Title VI of the Social Security Act to include section 602.

(b) \$200,000 of the amount appropriated in this subsection (6) is allocated to the legislative services division for coordinating remote and hybrid meetings in the state capitol for state government in response to the



increased demand for virtual meetings resulting from the COVID-19 pandemic.

**Section 28. Reduction in funding -- health regulations.** If a local government is awarded grant funds appropriated in [section 2], the amount of the grant is reduced by 20% if that local government or any of its authorized agents have health regulations related to COVID-19 that are more strict than those imposed by the state in effect at the time the grant is awarded.

**Section 29.** Section 2-17-603, MCA, is amended to read:

**"2-17-603. Government competition with private internet services providers prohibited -- exceptions.** (1) Except as provided in subsection (2)(a) or (2)(b), an agency or political subdivision of the state may not directly or through another agency or political subdivision be an internet services provider.

(2) (a) An agency or political subdivision may act as an internet services provider if:

(i) no private internet services provider is available within the jurisdiction served by the agency or political subdivision; or

(ii) the agency or political subdivision provided services prior to July 1, 2001.

(b) An agency or political subdivision may act as an internet services provider when providing advanced services that are not otherwise available from a private internet services provider within the jurisdiction served by the agency or political subdivision.

(c) If a private internet services provider elects to provide internet services in a jurisdiction where an agency or political subdivision is providing internet services, the private internet services provider shall inform the agency or the political subdivision in writing at least 30 days in advance of offering internet services.

(3) Upon receiving notice pursuant to subsection (2)(c), the agency or political subdivision shall notify its subscribers within 30 days of the intent of the private internet services provider to begin providing internet services and may choose to discontinue providing internet services within 180 days of the notice.

(4) Nothing in this section may be construed to prohibit an agency or political subdivision from:

(a) offering electronic government services to the general public; ~~or~~

(b) acquiring access to the internet from a private internet services provider in order to offer electronic government services to the general public; or

(c) providing funding for broadband service infrastructure projects consistent with the provisions of [this act]."

**Section 30. Maintenance of effort and equity for educational programs under the American Rescue Plan Act of 2021.** (1) (a) For fiscal years 2022 and 2023, if the budget director determines that the state will not be in compliance with maintenance of effort requirements for higher education under section 317 of the Coronavirus Response and Relief Supplemental Appropriations Act of 2021 or section 2004 of the American Rescue Plan Act of 2021, then the budget director shall:

(i) if the noncompliance is for fiscal year 2022:

(A) request that the approving authority transfer appropriation authority for the "appropriation distribution" line in section E of House Bill No. 2 from fiscal year 2023 to fiscal year 2022 in an amount sufficient to address the maintenance of effort requirements; and

(B) request a supplemental appropriation from the 2023 legislature to replace the transferred fiscal year 2023 authority; and

(ii) if the noncompliance is for fiscal year 2023, request a supplemental appropriation from the 2023 legislature sufficient to address the maintenance of effort requirements.

(b) Increased appropriations pursuant to subsection (1)(a) must be distributed to units of the Montana university system at the discretion of the board of regents of higher education.

(2) (a) For fiscal years 2022 and 2023, if the budget director determines that the state will not be in compliance with either maintenance of effort or maintenance of equity requirements or both for elementary and secondary education under section 317 of the Coronavirus Response and Relief Supplemental Appropriations Act of 2021 or section 2004 of the American Rescue Plan Act of 2021, then the budget director shall direct the superintendent of public instruction to provide either a maintenance of effort or maintenance of equity payment or both to school districts in a manner and amount that minimizes the total amount of additional funding provided by the state under this subsection (2).

(b) If in fiscal year 2022, the budget director determines that the state will not be in compliance with either maintenance of effort or maintenance of equity as provided in subsection (2)(a), the superintendent of the office of public instruction may move funds from program 09 "local activities" appropriations for the fiscal year

beginning July 1, 2022, for distribution as provided for in subsection (2)(c).

(c) The superintendent of public instruction shall distribute the following payments from program 09 "local education activities" appropriations to the office of superintendent of public instruction in section E of House Bill No. 2 as directed by the budget director:

(i) a maintenance of equity payment to specific school districts only as necessary and in the minimum amount required to ensure compliance; and

(ii) a maintenance of effort payment to each school district based on the ratio that the sum of the district's BASE budget and any maintenance of equity payment made to the district bears to the sum of statewide BASE budget amount and the statewide total of any maintenance of equity payments made to school districts.

(d) A school district receiving a payment under this subsection (2) shall deposit the money in the district's miscellaneous programs fund and may use the money for general operations and instruction as determined by the board of trustees.

(e) The budget director shall request a supplemental appropriation from the 2023 legislature to replace or augment authority as necessary for the purposes of this section.

(3) The superintendent shall report to the legislative finance committee on:

(a) any calculations, determinations, authority transfers, and payments made pursuant to this section;

(b) the status of any waivers sought by the state to the maintenance of effort or maintenance of equity requirements under section 317 of the Coronavirus Response and Relief Supplemental Appropriations Act of 2021 or section 2004 of the American Rescue Plan Act of 2021; and

(c) the need for supplemental appropriations due to payments made under this section.

**Section 31. Notification to tribal governments.** The secretary of state shall send a copy of [this act] to each federally recognized tribal government in Montana.

**Section 32. Notification of reduction or repayment of federal funds -- action for declaratory judgment.** If the budget director receives written notification from the federal government that a provision in [this act] may result in a reduction in federal funds or require the state to pay or refund money to the federal

government pursuant to the American Rescue Plan Act of 2021, the governor's office shall file an action for declaratory judgment to determine the validity of the provision.

**Section 33. Restrictions on use of funds for lobbying activities.** The governing body of a state, county, or municipality may not spend funds received in [this act] to influence or attempt to influence the outcome of any legislation pending before the legislature.

**Section 34. Long-range projects funding.** (1) If any of the allocations for projects outlined in [sections 35 through 38] are determined to be ineligible for funding through the American Rescue Plan Act, funding for each ineligible project is appropriated for the project from the source of funding designated in the introduced version of the respective long-range bill.

(2) If any portion of the allocations for projects outlined in [section ~~37~~ 39] are determined to be ineligible for funding through the American Rescue Plan Act, a like portion of funding for those projects shall be:

(a) appropriated from the capital developments long-range building program account provided for in 17-7-209 for projects funded through [section 1] of House Bill No. 14;

(b) appropriated from the treasure state endowment special revenue account provided for in 17-5-703(3)(a) funded through [section 5] of House Bill No. 14; and

(c) appropriated from the natural resources projects state special revenue account provided for in 15-38-302 funded through [section 9] of House Bill No. 14.

**Section 35. Coordination instruction -- House Bill No. 5.** (1) If both House Bill No. 5 and [this act] are passed and approved, then the appropriations for the OPI MT Learning Center Civil Infrastructure Upgrades and the UM FLBS Sewer Treatment Plant in [section 2(1)] of House Bill No. 5 are void and there is allocated to the department of administration \$2,050,000 for those projects from the funds appropriated in [section 2].

(2) If both House Bill No. 5 and [this act] are passed and approved, then the appropriations for the following projects in [section 2(1)] of House Bill No. 5 are void and there is allocated to the department of administration \$6,710,000 for the following projects from the funds appropriated in [section 7]:

(a) MSU Haynes Hall Lab Ventilation Upgrades;

- (b) MSU BLGS Art Annex Safety and System Upgrades;
- (c) UM-HC Donaldson Building HVAC Upgrades;
- (d) MSU-N Auto Tech Building System Improvements;
- (e) MSDB Card Lock System;
- (f) MSU-N Brockmann Center HVAC and Energy Project; and
- (g) COVID-19 remote and office workspace study and planning.

**Section 36. Coordination instruction -- House Bill No. 6.** (1) If both House Bill No. 6 and [this act] are passed and approved, then [the introductory paragraph of section 1(1)] of House Bill No. 6 must read:

"(1) For the biennium beginning July 1, 2021, there is allocated to the department of natural resources and conservation ~~from federal funds received pursuant to the American Rescue Plan Act of 2021, Public Law 117-2, section 9901 (amending Title VI of the Social Security Act to include section 602),~~ from funds appropriated in [section 2] of House Bill No. 632, up to:".

(2) If both House Bill No. 6 and [this act] are passed and approved, then [section 1(2)] of House Bill No. 6 must read:

"(2) The amount of \$4,500,000 is ~~appropriated to the office of budget and program planning and allocated to the department of natural resources and conservation from federal funds received pursuant to the American Rescue Plan Act of 2021, Public Law 117-2, section 9901 (amending Title VI of the Social Security Act to include section 602),~~ the funds appropriated in [section 2] of House Bill No. 632, for the biennium beginning July 1, 2021. The funds referred to in this subsection must be awarded by the department to the named entities for the described purposes and in the grant amounts listed in subsection (4), subject to the conditions set forth in [sections 2 and 3] and the contingencies described in the renewable resource grant and loan program January 2021 report to the 67th legislature titled: "Governor's Executive Budget Fiscal Years 2021-2023 Volume 6"."

**Section 37. Coordination instruction -- House Bill No. 7.** If both House Bill No. 7 and [this act] are passed and approved, then [section 1(2)] of House Bill No. 7 must read:

"(2) The amount of \$3,273,833 is ~~appropriated to the office of budget and program planning and~~

~~allocated~~ to the department of natural resources and conservation from the natural resources projects state special revenue account established in 15-38-302 and the amount of \$429,000 is ~~appropriated to the office of budget and program planning and~~ allocated to the department of natural resources and conservation from federal funds received pursuant to the American Rescue Plan Act of 2021, Public Law 117-2, section 9901 ~~(amending Title VI of the Social Security Act to include section 602,~~ the funds appropriated in [section 2] of House Bill No. 632 for grants to political subdivisions and local governments during the biennium beginning July 1, 2021. The funds in this subsection must be awarded by the department to the named entities for the described purposes and in the grant amounts set out in subsection (4) subject to the conditions set forth in [sections 2 and 3] and the contingencies described in the reclamation and development grants program report to the 67th legislature titled: "Governor's Executive Budget Fiscal Years 2021-2023 Volume 5".

**Section 38. Coordination instruction -- House Bill No. 11.** (1) If both House Bill No. 11 and [this act] are passed and approved, then [section 1(1)] of House Bill No. 11 must read:

"(1) There is ~~appropriated to the office of budget and program planning and~~ allocated to the department of commerce \$9,869,800 for the biennium beginning July 1, 2021, from ~~federal funds received pursuant to the American Rescue Plan Act of 2021, Public Law 117-2, section 9901 (amending Title VI of the Social Security Act to include section 602,~~ the funds appropriated in [section 2] of House Bill No. 632 to finance treasure state endowment program grants authorized by subsection (2)."

(2) If both House Bill No. 11 and [this act] are passed and approved, then [section 5] of House Bill No. 11 must read:

"There is ~~appropriated~~ allocated \$100,000 ~~from federal funds received pursuant to the American Rescue Plan Act of 2021, Public Law 117-2, section 9901 (amending Title VI of the Social Security Act to include section 602), to the office of budget and program planning and allocated~~ from the funds appropriated in [section 2] of House Bill No. 632 to the department of commerce for the biennium beginning July 1, 2021, for the purpose of providing local governments, as defined in 90-6-701, with emergency grants for infrastructure projects, as defined in 90-6-701."

(3) If both House Bill No. 11 and [this act] are passed and approved, then [section 6] of House Bill No. 11 must read:

"There is ~~appropriated~~ allocated \$900,000 from ~~federal funds received pursuant to the American Rescue Plan Act of 2021, Public Law 117-2, section 9901 (amending Title VI of the Social Security Act to include section 602), to the office of budget and program planning and allocated~~ from the funds appropriated in [section 2] of House Bill No. 632 to the department of commerce for the biennium beginning July 1, 2021, for the purpose of providing local governments, as defined in 90-6-701, with the infrastructure planning grants for infrastructure projects, as defined in 90-6-701."

(4) If both House Bill No. 11 and [this act] are passed and approved, then [section 7(1)] of House Bill No. 11 must read:

"There is ~~appropriated~~ allocated \$5,000,000 from ~~federal funds received pursuant to the American Rescue Plan Act of 2021, Public Law 117-2, section 9901 (amending Title VI of the Social Security Act to include section 602), to the office of budget and program planning and allocated~~ from the funds appropriated in [section 2] of House Bill No. 632 to the department of natural resources and conservation for the biennium beginning July 1, 2021, to finance the state's share of regional water system projects authorized in subsection (2) and as set forth in 90-6-715."

**Section 39. Coordination instruction -- House Bill No. 14.** (1) If both House Bill No. 14 and [this act] are passed and approved, then there is ~~appropriated from federal funds received pursuant to the American Rescue Plan Act of 2021, Public Law 117-2, section 9901 (amending Title VI of the Social Security Act to include section 602), to the office of budget and program planning and allocated~~ from the funds appropriated in [section 7] to the department of administration:

~~(a) \$26,200,000 for the MT Veterinarian Diagnostic & Ag Analytical Labs;~~

~~(b)(a) \$6,500,000 for Liquor Warehouse Expansion; and~~

~~(c)(b) \$4,800,000 for the UM-W Block Hall Renovation.~~

(2) (a) If both House Bill No. 14 and [this act] are passed and approved, then there is allocated \$26,200,000 from the funds appropriated in [section 20] to the department of administration for the MT Veterinarian Diagnostic & Ag Analytical Labs.

(b) If it determined that the project identified in (2)(a) is ineligible for funding from the appropriations in [section 20], the allocation in (2)(a) is void and there is allocated \$26,200,000 from the funds appropriated in

[section 7] to the department of administration for the MT Veterinarian Diagnostic & Ag Analytical Labs.

~~(2)~~(3) If both House Bill No. 14 and [this act] are passed and approved, then [section 5(1)] of House Bill No. 14 must read:

"(1) There is ~~appropriated to the office of budget and program planning and~~ allocated to the department of commerce \$13,707,898 for the biennium beginning July 1, 2021, ~~from federal funds received pursuant to the American Rescue Plan Act of 2021, Public Law 117-2, section 9901 (amending Title VI of the Social Security Act to include section 602),~~ from the funds appropriated in [section 2] of House Bill No. 632 to finance treasure state endowment program grants authorized by subsection (2)."

~~(3)~~(4) If both House Bill No. 14 and [this act] are passed and approved, then [section 9(1)] of House Bill No. 14 must read:

"(1) There is ~~appropriated from federal funds received pursuant to the American Rescue Plan Act of 2021, Public Law 117-2, section 9901 (amending Title VI of the Social Security Act to include section 602), to the office of budget and program planning and~~ allocated to the department of natural resources and conservation from the funds appropriated in [section 2] of House Bill No. 632 up to \$4,720,788 for grants to political subdivisions and local governments for the biennium beginning July 1, 2021. The funds referred to in this subsection must be awarded by the department to the named entities for the described purposes and in the grant amounts listed in subsection (3), subject to the conditions set forth in [sections 11 and 12] and the contingencies described in the renewable resource grant and loan program January 2021 report to the 67th legislature titled: "Governor's Executive Budget Fiscal Years 2021-2023 Volume 6"."

**Section 40. Coordination instruction.** If both Senate Bill No. 297 and [this act] are passed and approved:

(1) [Section 2(11) of Senate Bill No. 297] must read as follows:

"(11) "Underserved area" means an area where at least 10% of the delivery points have no access to broadband service offered with a download speed range of at least 100 megabits per second and an upload speed of at least 20 megabits per second or less with low latency."

(2) [Section 7 of Senate Bill No. 297] must be amended to include subsection (5)(n) which reads:

"(n) broadband service providers who have broadband service infrastructure already deployed in the



project area."

**Section 41. Coordination instruction – Senate Bill No. 297.** If both Senate Bill No. 297 and [this act] are passed and approved, the appropriation in [section 9] shall be used for the purposes set forth in Senate Bill No. 297.

**Section 42. Coordination instruction.** If House Bill No. 630 and [this act] are passed and approved, then [section 1 of House Bill No. 630], regarding a maintenance of equity payment, is void.

**Section 43. Rulemaking authority.** Applicable agencies may adopt rules to implement the grant programs funded in [this act].

**Section 44. Severability.** If a part of [this act] is invalid, all valid parts that are severable from the invalid part remain in effect. If a part of [this act] is invalid in one or more of its applications, the part remains in effect in all valid applications that are severable from the invalid applications.

**Section 45. Effective date.** [This act] is effective on passage and approval.

- END -

I hereby certify that the within bill,  
HB 632, originated in the House.

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Chief Clerk of the House

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Speaker of the House

Signed this \_\_\_\_\_ day  
of \_\_\_\_\_, 2021.

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President of the Senate

Signed this \_\_\_\_\_ day  
of \_\_\_\_\_, 2021.

HOUSE BILL NO. 632

INTRODUCED BY F. GARNER, E. BUTTREY

AN ACT IMPLEMENTING THE AMERICAN RESCUE PLAN ACT; PROVIDING APPROPRIATIONS AND ALLOCATIONS OF FEDERAL FUNDS AND OTHER FUNDS AVAILABLE BECAUSE OF THE RECEIPT OF FEDERAL FUNDS FOR THE FISCAL YEAR ENDING JUNE 30, 2021; ALLOWING APPROPRIATIONS TO CONTINUE INTO THE 2023 AND 2025 BIENNIUMS; PROVIDING CONDITIONS AND RESTRICTIONS ON THE USE OF FUNDS; CREATING ADVISORY COMMISSIONS RELATED TO INFRASTRUCTURE, COMMUNICATIONS, ECONOMIC TRANSFORMATION AND STABILIZATION AND WORKFORCE DEVELOPMENT, AND HEALTH; PROVIDING DEADLINES AND OTHER CONDITIONS RELATED TO THE GRANT PROCESS; REQUIRING THE USE OF MATCHING FUNDS FOR CERTAIN GRANTS; PROVIDING FOR A TECHNICAL ASSISTANCE TEAM TO ASSIST LOCAL GOVERNMENTS IN THE GRANT PROCESS; PROVIDING FOR FUNDING FOR STATE CAPITAL PROJECTS AND GRANTS FOR WATER AND SEWER INFRASTRUCTURE PROJECTS; PROVIDING MINIMUM ALLOCATION GRANTS TO LOCAL GOVERNMENTS FOR QUALIFYING PROJECTS; PROVIDING FOR A GRANT PROCESS FOR ECONOMIC TRANSFORMATION AND STABILIZATION PROJECTS AND WORKFORCE DEVELOPMENT; PROVIDING GRANTS TO REGIONAL WATER AUTHORITIES; REQUIRING PERFORMANCE MEASURES AND REPORTING ON PROJECTS; PROVIDING COORDINATION INSTRUCTIONS TO FUND QUALIFYING LONG-RANGE PROJECTS WITH FEDERAL FUNDS; PROVIDING THE EXECUTIVE THE AUTHORITY TO MODIFY AND REPORT MODIFICATIONS TO APPROPRIATIONS AND PARAMETERS OF PROGRAMS TO THE LEGISLATIVE FINANCE COMMITTEE; PROVIDING FOR A REDUCTION TO CERTAIN GRANT AWARDS TO LOCAL GOVERNMENTS BASED ON HEALTH REGULATIONS THAT ARE MORE STRICT THAN THOSE OF THE STATE; PROVIDING FOR ADMINISTRATION AND AUDIT COSTS; ESTABLISHING EDUCATIONAL MAINTENANCE OF EFFORT AND EQUITY PAYMENTS AND PARAMETERS FOR THEIR USE; PROHIBITING THE USE OF AMERICAN RESCUE PLAN ACT FUNDS FOR LOBBYING ACTIVITIES; PROVIDING RULEMAKING AUTHORITY; AMENDING SECTION 2-17-603, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.