



AN ACT PROVIDING FOR CAPITAL PROJECTS; PROVIDING FUNDING FOR WORKFORCE HOUSING AND WORKFORCE INFRASTRUCTURE; PROVIDING FOR CONTINGENT VOIDNESS; PROVIDING APPROPRIATIONS; PROVIDING DEFINITIONS; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.

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

Section 1. Definitions. As used in [sections 1 through 5], unless the context clearly indicates otherwise, the following definitions apply:

- (1) "Authority only" means approval provided by the legislature to expend money that does not require an appropriation, including grants, donations, auxiliary funds, proprietary funds, nonstate funds, and university funds.
- (2) "Capital development" means capital projects provided for in 17-7-201(2).
- (3) "Capital project" means the planning, design, renovation, construction, alteration, replacement, furnishing, repair, improvement, site, utility, or land acquisition project provided for in [sections 1 through 5].
- (4) "LRBP capital development" or "LRBP CD" means the long-range building program capital developments account in the capital projects fund type provided for in 17-7-209.
- (5) "LRBP major repair" or "LRBP MR" means the long-range building program major repair account in the capital projects fund type provided for in 17-7-221.
- (6) "Major repair" means capital projects provided for in 17-7-201(7).
- (7) "Other funding sources" means money other than LRBP money, state special revenue, or federal special revenue that accrues to an agency under the provisions of law.

Section 2. Appropriations and project prioritization. (1) (a) For the biennium beginning July 1, 2023, the following money is appropriated to the department of administration for the indicated major repair

projects from the indicated sources. Funds not requiring legislative appropriation are included for the purpose of authorization. The department of administration is authorized to transfer the appropriations, authority, or both among the necessary fund types for these projects:

Agency/Project	LRBP	State	Federal	Authority	Total
	MR	Special	Special	Only	
	Fund	Revenue	Revenue	Sources	
DOC MSP Perimeter Fence Enhancement					
	1,500,000				1,500,000
DOC MSP Red/Light Emergency Notification System					
	1,000,000				1,000,000

(b) For the biennium beginning July 1, 2023, the following money is appropriated to the department of administration for the indicated capital development projects from the indicated sources. Funds not requiring legislative appropriation are included for the purpose of authorization. The department of administration is authorized to transfer the appropriations, authority, or both among the necessary fund types for these projects:

Agency/Project	LRBP	State	Federal	Authority	Total
	CD	Special	Special	Only	
	Fund	Revenue	Revenue	Sources	
DOC MSP Replace Low-Side Housing					
	156,000,000				156,000,000
DOC MSP Water Line Replacement					
	3,000,000				3,000,000
DOC MSP Unit F Water Supply Upgrade					
	600,000				600,000
DOC MSP Unit D Renovation					
	18,840,831				18,840,831

(c) The department of administration shall prioritize the projects in this section at the Montana state prison as to priority and shall move at all deliberate speed to have each project under contract by

September 30, 2023.

(d) The department of administration may adjust the funding among these projects within the legislative intent on approval of the office of budget and program planning.

(2) To expedite construction of new low-side housing units at the Montana state prison, the department of administration, in consultation with the department of corrections, is authorized to purchase plans for prison housing that was constructed in another state, provided the plans can be made to comply with the professional services requirements of Title 18, chapter 2, and Title 37, chapters 65 and 67.

(3) (a) Pursuant to 17-7-210, if construction of a new facility requires an immediate or future increase in state funding for program expansion or operations and maintenance, the legislature may not authorize the new facility unless it also appropriates funds for the increase in state funding for program expansion and operations and maintenance. To the extent allowed by law, at the end of each fiscal year following approval of a new facility but prior to receipt of its certificate of occupancy, the appropriation made in this subsection (3) reverts to its originating fund. The appropriation is not subject to the provisions of 17-7-304.

(b) It is the legislature's intent that the appropriations in this subsection (3) become part of the respective agency's base budget for the biennium beginning July 1, 2025.

(c) The following money is appropriated for the biennium beginning July 1, 2023, to the department of corrections from the indicated sources for program expansion or operations and maintenance for the indicated new facility:

Agency/Project	General Fund	State Special Revenue	Federal Special Revenue	Authority Only Sources	Total
DOC MSP Replace Low-Side Housing	176,560				176,560

Section 3. Planning and design. The department of administration may proceed with the planning and design of capital projects in [section 2] prior to the receipt of other funding sources. The department may use interentity loans in accordance with 17-2-107 to pay planning and design costs incurred before the receipt of other funding sources.

Section 4. Capital projects -- contingent funds. (1) If a capital project is financed in whole or in part with appropriations contingent on the receipt of other funding sources, the department of administration may not let the project for bid until a financial plan and agreement with the agency has been approved by the director of the department of administration. A financial plan and agreement may not be approved by the director if:

(a) the level of funding and authorization provided under the financial plan and agreement deviates substantially from the funding level provided in [section 2] for that project; or

(b) the scope of the project is substantially altered or revised from the concept and intent for that project as presented to the 68th legislature.

(2) This section does not limit or restrict 17-7-211.

Section 5. Review by department of environmental quality. The department of environmental quality shall review capital projects authorized in [section 2] for potential inclusion in the state building energy conservation program under Title 90, chapter 4, part 6. When a review shows that a capital project will result in energy or utility savings and improvements, that project must be submitted to the energy conservation program for funding consideration by the state building energy conservation program. Funding provided under the energy conservation program guidelines must be used to offset or add to the authorized funding for the project, and the amount must be dependent on the annual utility savings resulting from the capital project. Agencies must be notified of potential funding after the review and are obligated to utilize the state building energy conservation program funding, if available.

Section 6. Legislative consent. The appropriations authorized in [sections 1 through 5] constitute legislative consent for the capital projects contained in [sections 1 through 5] within the meaning of 18-2-102.

Section 7. Workforce housing appropriations -- eligible uses of funds. There is appropriated \$13 million from the general fund to the board of investments for the biennium beginning July 1, 2023. The purpose of the funds is to advance the construction of workforce housing of employees who work at facilities that house state inmates or behavioral health patients.

(2) Funds must be distributed to those living in counties that have a population of less than 15,000 inhabitants that are located within a 30-mile radius of a state-owned facility that, on an annual average, houses at least 100 state inmates or behavioral health patients, and the facility is located in a county that has a population that does not exceed 15,000 inhabitants. The distribution must be made pro rata based on the annual average facility population for the fiscal year beginning July 1, 2021, and the number of workers residing in each eligible county.

(3) Eligible uses of the funds include:

- (a) buying down construction interest on employee housing; or
- (b) providing funds to discount housing costs to employees who work in facilities that house, on an annual average, at least 100 state inmates or behavioral health patients, and the facility is located in a county that has a population that does not exceed 15,000 inhabitants.

Section 8. Workforce housing appropriations for infrastructure. (1) There is appropriated \$12 million from the general fund to the board of investments for the biennium beginning July 1, 2023. The purpose of the funds is to make loans or other financial arrangements for the construction of infrastructure for workforce housing of employees who work at state-owned facilities that house state inmates or behavioral health patients.

(2) The board of investments may make loans from the appropriations to an eligible government unit as defined in 17-5-1604 or an applicant for residential development located within an area that meets the criteria of subsection (4) to cover the costs of demolition or expanding or extending water, wastewater, storm water, street, road, curb, gutter, and sidewalk infrastructure to serve new or rehabilitated residential development.

(3) For the costs of an infrastructure project to be eligible to be paid by the proceeds of a loan or bonds or other securities of an eligible government unit as defined in 17-5-1604, the infrastructure project must provide for residential development at a minimum gross density of 10 units for each acre.

(4) Funds must be loaned to those living in counties that have a population of less than 15,000 inhabitants that are located within a 30-mile radius of a state-owned facility that, on an annual average, houses at least 100 state inmates or behavioral health patients, and the facility is located in a county that has a population that does not exceed 15,000 inhabitants.

Section 9. Appropriations. There is appropriated \$3,942,000 from the general fund to the department of corrections in each fiscal year of the biennium beginning July 1, 2023, to contract for 120 prison beds.

Section 10. Coordination instruction. (1) If both House Bill No. 5 and [this act] are passed and approved and any project in [this act] is also fully funded by an appropriation in House Bill No. 5, then the appropriation for the project in House Bill No. 5 is void.

(2) If both House Bill No. 819 and [this act] are passed and approved and House Bill No. 819 contains at least \$25 million targeted to workforce housing, then [sections 7 and 8 of this act] are void.

Section 11. 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 12. Contingent voidness. If both [this act] and Senate Bill No. 95 are passed and approved and [this act] does not provide for an appropriation of at least \$3,942,000 from the general fund in each fiscal year of the biennium beginning July 1, 2023, to the department of corrections to contract for 120 prison beds, then Senate Bill No. 95 is void.

Section 13. Effective date. [This act] is effective on passage and approval.

- END -

I hereby certify that the within bill,
HB 817, originated in the House.

Chief Clerk of the House

Speaker of the House

Signed this _____ day
of _____, 2023.

President of the Senate

Signed this _____ day
of _____, 2023.

HOUSE BILL NO. 817

INTRODUCED BY J. FITZPATRICK

BY REQUEST OF THE (H) APPROPRIATIONS

AN ACT PROVIDING FOR CAPITAL PROJECTS; PROVIDING FUNDING FOR WORKFORCE HOUSING AND WORKFORCE INFRASTRUCTURE; PROVIDING FOR CONTINGENT VOIDNESS; PROVIDING APPROPRIATIONS; PROVIDING DEFINITIONS; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.