



HB 235

Jodi Medlar, Program Director
Montana Community Foundation

Esteemed Chair and members of the committee:

I rise in support of HB 235. The Montana Community Foundation's mission is to cultivate philanthropy to build permanent wealth for Montana and our communities.

This new corporate classification will make it easier for foundations and community foundations like the Montana Community Foundation to make investments in companies that are providing charitable services.

It is not uncommon for foundations to make what are called Project Related Investments in for-profit companies; however the current process requires a private letter ruling from the IRS and compliance with regulations. This makes Project Related Investments time and resource intensive.

Low Income Limited Liability Companies will create another tool for building communities in Montana by allowing foundations to make Project Related Investments. Creating this new corporate structure will not cost the state money and cause no harm, whether it is used or not.