



AN ACT AUTHORIZING THE CREATION OF STATE DEBT THROUGH THE ISSUANCE OF GENERAL OBLIGATION BONDS FOR WATER-RELATED INFRASTRUCTURE PROJECTS WITHIN THE EXTERIOR BOUNDARIES OF THE BLACKFEET INDIAN RESERVATION AND FOR BOND ISSUANCE COSTS; PROVIDING A STATUTORY APPROPRIATION TO THE DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION FROM THE BLACKFEET TRIBE WATER RIGHTS COMPACT INFRASTRUCTURE ACCOUNT FOR WATER-RELATED INFRASTRUCTURE PROJECTS WITHIN THE EXTERIOR BOUNDARIES OF THE BLACKFEET INDIAN RESERVATION; CONDITIONING THE ISSUANCE OF THE BONDS AND THE APPROPRIATION ON RATIFICATION OF A WATER RIGHTS COMPACT BY THE BLACKFEET TRIBE, THE LEGISLATURE, AND THE CONGRESS OF THE UNITED STATES; AMENDING SECTIONS 17-7-502 AND 85-20-1505, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.

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

**Section 1. Authorization of bonds -- condition.** (1) Subject to subsection (3) and upon request of the director of the department of natural resources and conservation, the board of examiners may issue and sell general obligation bonds in a principal amount not exceeding \$16.15 million, of which \$16 million is to pay the state's costs for water-related infrastructure projects within the exterior boundaries of the Blackfeet Indian reservation as provided for in 85-20-1505 and no more than \$150,000 is to pay bond issuance costs.

(2) (a) Except as provided in subsection (2)(b), the proceeds from the bonds authorized under this section must be deposited in a bond proceeds subaccount created in the Blackfeet Tribe water rights compact infrastructure account provided for in 85-20-1505.

(b) The proceeds to pay bond issuance costs must be deposited into a state special revenue account.

(3) The bonds must be sold and issued pursuant to the provisions of Title 17, chapter 5, part 8.

(4) The bonds may not be issued or sold unless a water rights compact among the Blackfeet Tribe, the state, and the United States has been finally ratified by the Blackfeet Tribe, the legislature, and the Congress of the United States.

**Section 2.** Section 17-7-502, MCA, is amended to read:

**"17-7-502. Statutory appropriations -- definition -- requisites for validity.** (1) A statutory appropriation is an appropriation made by permanent law that authorizes spending by a state agency without the need for a biennial legislative appropriation or budget amendment.

(2) Except as provided in subsection (4), to be effective, a statutory appropriation must comply with both of the following provisions:

(a) The law containing the statutory authority must be listed in subsection (3).

(b) The law or portion of the law making a statutory appropriation must specifically state that a statutory appropriation is made as provided in this section.

(3) The following laws are the only laws containing statutory appropriations: 2-17-105; 5-11-120; 5-11-407; 5-13-403; 7-4-2502; 10-1-108; 10-1-1202; 10-1-1303; 10-2-603; 10-3-203; 10-3-310; 10-3-312; 10-3-314; 10-4-301; 15-1-121; 15-1-218; 15-31-906; 15-35-108; 15-36-332; 15-37-117; 15-39-110; 15-65-121; 15-70-101; 15-70-369; 15-70-601; 16-11-509; 17-3-106; 17-3-112; 17-3-212; 17-3-222; 17-3-241; 17-6-101; 18-11-112; 19-3-319; 19-6-404; 19-6-410; 19-9-702; 19-13-604; 19-17-301; 19-18-512; 19-19-305; 19-19-506; 19-20-604; 19-20-607; 19-21-203; 20-8-107; 20-9-534; 20-9-622; 20-26-1503; 22-3-1004; 23-4-105; 23-5-306; 23-5-409; 23-5-612; 23-7-301; 23-7-402; 37-43-204; 37-51-501; 39-71-503; 41-5-2011; 42-2-105; 44-4-1101; 44-12-206; 44-13-102; 50-4-623; 53-1-109; 53-9-113; 53-24-108; 53-24-206; 60-11-115; 61-3-415; 69-3-870; 75-1-1101; 75-5-1108; 75-6-214; 75-11-313; 77-1-108; 77-2-362; 80-2-222; 80-4-416; 80-11-518; 81-10-103; 82-11-161; 85-20-1505; 87-1-230; 87-1-603; 87-1-621; 90-1-115; 90-1-205; 90-1-504; 90-3-1003; 90-6-331; and 90-9-306.

(4) There is a statutory appropriation to pay the principal, interest, premiums, and costs of issuing, paying, and securing all bonds, notes, or other obligations, as due, that have been authorized and issued pursuant to the laws of Montana. Agencies that have entered into agreements authorized by the laws of Montana to pay the state treasurer, for deposit in accordance with 17-2-101 through 17-2-107, as determined by the state treasurer, an amount sufficient to pay the principal and interest as due on the bonds or notes have statutory appropriation authority for the payments. (In subsection (3): pursuant to sec. 10, Ch. 360, L. 1999, the inclusion of 19-20-604 terminates when the amortization period for the teachers' retirement system's unfunded liability is 10 years or less; pursuant to sec. 10, Ch. 10, Sp. L. May 2000, secs. 3 and 6, Ch. 481, L. 2003, and sec. 2, Ch.

459, L. 2009, the inclusion of 15-35-108 terminates June 30, 2019; pursuant to sec. 17, Ch. 593, L. 2005, and sec. 1, Ch. 186, L. 2009, the inclusion of 15-31-906 terminates January 1, 2015; pursuant to sec. 73, Ch. 44, L. 2007, the inclusion of 19-6-410 terminates upon the death of the last recipient eligible under 19-6-709(2) for the supplemental benefit provided by 19-6-709; pursuant to sec. 14, Ch. 374, L. 2009, the inclusion of 53-9-113 terminates June 30, 2015; pursuant to sec. 8, Ch. 427, L. 2009, the inclusion of 87-1-230 terminates June 30, 2013; and pursuant to sec. 5, Ch. 442, L. 2009, the inclusion of 90-6-331 terminates June 30, 2019.)"

**Section 3.** Section 85-20-1505, MCA, is amended to read:

**"85-20-1505. Blackfoot Tribe water rights compact infrastructure account -- use.** (1) There is an account within the state special revenue fund called the Blackfoot Tribe water rights compact infrastructure account. The department shall administer the account.

(2) The Blackfoot Tribe water rights compact infrastructure account may be used only for water-related infrastructure projects within the exterior boundaries of the Blackfoot Indian reservation.

(3) Funds from this account may not be disbursed unless a water rights compact among the Blackfoot Tribe, the state, and the United States has been finally ratified by the legislature, the Congress of the United States, and the Blackfoot Tribe.

(4) All interest and other income earned on money in the account must be deposited in the account.

(5) All proceeds of the bonds authorized in [section 1] must be deposited in a bond proceeds subaccount established in the Blackfoot Tribe water rights compact infrastructure account.

(6) Subject to subsection (3), money in the Blackfoot Tribe water rights compact infrastructure account, including the proceeds of the bonds authorized in [section 1] deposited in the bond proceeds subaccount, are statutorily appropriated, as provided in 17-7-502, to the department of natural resources and conservation for the purpose of funding the state's portion of the cost of the Four Horns Project as provided for in the agreement between the Blackfoot Tribe of the Blackfoot Indian reservation and the state of Montana regarding Birch Creek water use, dated January 31, 2008, as may be amended."

**Section 4. Notification to tribal governments.** The secretary of state shall send a copy of [this act] to the Blackfoot Tribe.

**Section 5. Codification instruction.** [Section 1] is intended to be codified as an integral part of Title 85, chapter 20, part 15, and the provisions of Title 85, chapter 20, part 15, apply to [section 1].

**Section 6. 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 7. Two-thirds vote required.** Because [section 1] authorizes the creation of state debt, Article VIII, section 8, of the Montana constitution requires a vote of two-thirds of the members of each house of the legislature for passage.

**Section 8. Effective date.** [This act] is effective on passage and approval.

- END -

I hereby certify that the within bill,  
HB 0049, 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 \_\_\_\_\_, 2011.

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President of the Senate

Signed this \_\_\_\_\_ day  
of \_\_\_\_\_, 2011.

HOUSE BILL NO. 49

INTRODUCED BY B. HANDS

BY REQUEST OF THE OFFICE OF BUDGET AND PROGRAM PLANNING

AN ACT AUTHORIZING THE CREATION OF STATE DEBT THROUGH THE ISSUANCE OF GENERAL OBLIGATION BONDS FOR WATER-RELATED INFRASTRUCTURE PROJECTS WITHIN THE EXTERIOR BOUNDARIES OF THE BLACKFEET INDIAN RESERVATION AND FOR BOND ISSUANCE COSTS; PROVIDING A STATUTORY APPROPRIATION TO THE DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION FROM THE BLACKFEET TRIBE WATER RIGHTS COMPACT INFRASTRUCTURE ACCOUNT FOR WATER-RELATED INFRASTRUCTURE PROJECTS WITHIN THE EXTERIOR BOUNDARIES OF THE BLACKFEET INDIAN RESERVATION; CONDITIONING THE ISSUANCE OF THE BONDS AND THE APPROPRIATION ON RATIFICATION OF A WATER RIGHTS COMPACT BY THE BLACKFEET TRIBE, THE LEGISLATURE, AND THE CONGRESS OF THE UNITED STATES; AMENDING SECTIONS 17-7-502 AND 85-20-1505, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.