

Unofficial Draft Copy

As of: October 5, 2006 (1:09pm)

LC0185

**** Bill No. ****

Introduced By *****

By Request of the Legislative Finance Committee

A Bill for an Act entitled: "An Act revising the laws relating to state long-range building; creating a long-range building deferred maintenance trust fund; providing for the funding of the long-range building deferred maintenance trust fund; providing for the use of the interest and earnings on the long-range building deferred maintenance trust fund; defining a major capital project; providing a fund transfer from the state general fund to the long-range building deferred maintenance trust fund; amending sections 17-7-201, and 17-7-206, MCA; and providing an immediate effective date and an applicability date."

Be it enacted by the Legislature of the State of Montana:

NEW SECTION. **Section 1. Long-range building deferred maintenance expendable trust.** (1) There is a long-range building deferred maintenance trust fund. The principal of the trust fund must be invested pursuant to Title 17, chapter 6, part 2. The principal of the trust fund may not be appropriated. Interest and earnings on the trust fund must be deposited in an account in the state special revenue fund.

(2) Deposits to the principal of the long-range building deferred maintenance trust fund must be made pursuant to 17-7-206. The legislature may deposit other available funds in the

trust fund. Gifts, grants, and donations may be deposited in the trust fund.

(3) Appropriations of the interest and earnings of the long-range building deferred maintenance trust fund may be made only for the purpose of maintenance of buildings and state-owned property.

Section 2. Section 17-7-201, MCA, is amended to read:

"17-7-201. Definitions of building and construction. In this part the following definitions apply:

(1) (a) "Building" includes a:

(a)(i) building, facility, or structure constructed or purchased wholly or in part with state moneys;

(b)(ii) building, facility, or structure at a state institution;

(c)(iii) building, facility, or structure owned or to be owned by a state agency, ~~including the department of transportation.~~

(2)(b) "Building" does not include a:

(a)(i) building, facility, or structure owned or to be owned by a county, city, town, school district, or special improvement district; or

(b)(ii) facility or structure used as a component part of a highway or water conservation project.

(3)(2) "Construction" includes construction, repair, alteration, and equipping and furnishing during construction, repair, or alteration.

(3) "Major capital project" means a building costing more than \$150,000.

(4) "Major maintenance project" means any repairs or improvements to a building costing more than \$150,000."

{ Internal References to 17-7-201:
20-15-403x }

Section 3. Section 17-7-206, MCA, is amended to read:

"17-7-206. Maintenance for state buildings. (1) (a) Subject to legislative determination as provided in subsection (2), a major capital project appropriation by the legislature may include an amount for maintenance as a part of the appropriation. The amount appropriated for maintenance must be deposited in the long-range building account for use in future maintenance.

(b) An appropriation for a major capital project or major maintenance project funded by cash or donations must include a fund transfer to the long-range building deferred maintenance trust.

(2) A state building recommended for construction in the report to the legislature required by 17-7-203 may also be recommended as appropriate for the inclusion of an amount for maintenance. For those buildings recommended for construction, the legislature may allocate an amount not to exceed 2% of the appropriated cost for use in maintenance.

(3) This section does not preclude additional funds, including separate appropriations, donations, grants, or other available funds, from being used for the construction or

maintenance of state buildings.

(4) Legislation containing an authorization or appropriation for a major capital project or major maintenance project funded by an existing fund balance or by donations must contain a provision requiring that an amount equal to 1% of the appropriation must be deposited in the long-range building deferred maintenance expendable trust. The deposit must be made prior to the completion of the major capital project or major maintenance project."

{Internal References to 17-7-206: None.}

NEW SECTION. Section 4. Fund transfer. The amount of \$30 million is transferred from the state general fund to the long-range building deferred maintenance trust fund established in [section 1].

NEW SECTION. Section 5. {standard} Codification instruction. [Section 1] is intended to be codified as an integral part of Title 17, chapter 7, part 2, and the provisions of Title 17, chapter 7, part 2, apply to [section 1].

NEW SECTION. Section 6. {standard} Effective date. [This act] is effective on passage and approval.

NEW SECTION. Section 7. Applicability. [This act] applies to appropriations for major capital projects and major maintenance projects made after July 1, 2007.

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