

HOUSE BILL NO. 431  
INTRODUCED BY B. LAWSON

A BILL FOR AN ACT ENTITLED: "AN ACT REMOVING THE REQUIREMENT THAT THE WHITEFISH NATIONAL GUARD ARMORY BE SOLD TO COVER GENERAL OBLIGATION DEBT SERVICE ON NEW ARMORY CONSTRUCTION; PROVIDING LOCAL GOVERNMENTS WITH THE RIGHT OF FIRST REFUSAL ON CERTAIN LANDS BEING SOLD BY THE STATE; AMENDING SECTION 77-2-306, MCA, AND SECTION 2, CHAPTER 518, LAWS OF 1999; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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

**Section 1.** Section 77-2-306, MCA, is amended to read:

**"77-2-306. Who may purchase.** (1) State lands ~~shall~~ may be sold only to citizens of the United States, persons who have declared their intentions to become citizens, corporations organized under the laws of this state, or towns, cities, counties, or consolidated local governments of this state. ~~No~~ A person ~~shall be~~ is not qualified to purchase state land who has not reached the age of 18 years. As far as possible to determine, the lands ~~shall~~ must be sold only to actual settlers or to persons who will improve the ~~same~~ lands and not to persons who are likely to hold ~~such~~ the lands for speculative purposes, intending to resell the ~~same~~ lands at a higher price without having added anything to their value.

(2) State lands may be sold to any sovereign state of the United States or to any board of trustees or public corporation or agency of ~~such~~ any state created by ~~such~~ that state as an agency or political subdivision ~~thereof of that state~~. ~~Said State~~ lands may be purchased in the quantities set forth in 77-2-307 for use by ~~such~~ a state, board of trustees, public corporation, agency, or political subdivision for educational or scientific purposes.

(3) State lands located wholly within the exterior boundaries of the tribal government's reservation as recognized by the federal government may be sold to a tribal government, as defined in 18-11-102.

(4) ~~No~~ A sale involving land in excess of ~~the acreage limitations in 77-2-307~~ 160 acres may ~~not~~ be made under this section without first consulting with the board of county commissioners of the county or counties in which the lands to be sold are located.

(5) Prior to a sale of land purchased by the state from a local government for a nominal price, the state shall offer right of first refusal to the local government that provided the land to the state for the nominal price."

**Section 2.** Section 2, Chapter 518, Laws of 1999, is amended to read:

**"Section 2. Appropriation of bond proceeds and other funds.** (1) The following money is appropriated from the CPF and other funding sources to the department of administration for the capital projects described in this section, contingent upon the respective authorization of general obligation long-range building program bonds by the 56th legislature and the sale of the bonds by the board of examiners:

Agency/Project	CPF	Other Funding Sources
DEPARTMENT OF ADMINISTRATION		
Capitol Renovation	\$3,898,750	\$
DEPARTMENT OF CORRECTIONS		
Expand Women's Prison, MWP, Billings	\$2,900,000	
Complete Pine Hills Youth Correctional Facility, Miles City	2,225,000	
Security Improvements and Wallace Expansion, MSP, Deer Lodge	3,000,000	
DEPARTMENT OF LABOR AND INDUSTRY		
Havre Job Service Supplemental		210,000
DEPARTMENT OF MILITARY AFFAIRS		
Montana National Guard, Veterans' Affairs and Emergency Operations Center, Fort Harrison, Helena	3,500,000	
Construct New Armory, Kalispell	1,800,000	
Construct New Armory, Bozeman	2,200,000	
MONTANA UNIVERSITIES AND COLLEGES		
Renovate Renne Library, MSU-Bozeman	7,500,000	
Rural Technology Education Center, UM-Dillon	4,170,000	
Lab and Classroom Renovations, UM-All Campuses	2,000,000	

(2) (a) The 56th legislature authorizes four department of corrections' capital construction projects in the 2001 biennium. Funding for the projects is contained in House Bill No. 5 and subsection (1) of this section. The total project cost and the authorized funding for each project are as follows:

(i) \$9,375,000 for the women's prison expansion in Billings, funded by \$2,900,000 of general obligation bond proceeds authorized in subsection (1) and by \$6,475,000 of federal funds appropriated in House Bill No. 5;

(ii) \$2,225,000 for completing the Pine Hills youth correctional facility in Miles City, funded from general

obligation bond proceeds authorized in subsection (1); and

(iii) \$3,000,000 for security improvements and expanding the Wallace building at Montana state prison in Deer Lodge, funded from general obligation bond proceeds authorized in subsection (1).

~~(b) The 56th legislature notes that approximately \$8,714,600 of federal department of justice funds are anticipated to become available for capital construction projects for the department of corrections in the 2001 biennium. It is the intent of the 56th legislature that the federal funds be used in lieu of general obligation bond authority to the maximum extent possible. It is further the intent of the 56th legislature that the priority for using these federal funds is:~~

~~———— (i) up to \$6,475,000 for the women's prison expansion project, line-itemed in House Bill No. 5;~~

~~———— (ii) up to \$5,500,000 for the construction of the reception unit at Montana state prison, line-itemed in House Bill No. 5;~~

~~———— (iii) up to \$2,225,000 for the completion of the Pine Hills youth correctional facility in Miles City, line-itemed in subsection (1); and~~

~~———— (iv) up to \$3,000,000 for the security improvements and Wallace expansion project at Montana state prison, line-itemed in subsection (1).~~

(3) It is the intent of the 56th legislature that the security improvements and the Wallace expansion project line-itemed in subsection (1) be used only for the following projects:

(a) a 12,000-square foot expansion of the Wallace building to include a new board of pardons and parole hearing room, a new command post, a consolidated record storage area, a consolidated training area, and office space; and

(b) remodeling the existing business building to provide a centralized area for investigation, business and information services units, and a new safe and secure armory.

(4) The 56th legislature authorizes the construction of the rural technology education center at western Montana college of the university of Montana at a total project cost of \$4,520,000. House Bill No. 5 contains \$350,000 in other revenue authority for this project, and subsection (1) of this section contains \$4,170,000 in general obligation bond authority for this project. In the event that other additional funds become available for this project during its construction, the general obligation bond authority in subsection (1) of this section must be reduced by a like amount and other revenue authority is increased by a like amount in House Bill No. 5 for the same purpose.

(5) All proceeds derived from the sale of the national guard ~~armories~~ armory located in Bozeman ~~and Whitefish~~ must be used to pay the general obligation debt service on the bonds issued for construction of the new

Bozeman and Kalispell armories. The proceeds of the sale must be deposited in the general fund for this purpose. In the event ~~one or both of the facilities are~~ facility is sold prior to issuance of the bonds, then the board of examiners may determine to use all or a portion of the amount deposited in the general fund to reduce the amount of the bond issue required to finance the construction."

NEW SECTION. **Section 3. Effective date.** [This act] is effective on passage and approval.

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