

## HOUSE BILL NO. 5

INTRODUCED BY WELLS

BY REQUEST OF THE OFFICE OF BUDGET AND PROGRAM PLANNING

A BILL FOR AN ACT ENTITLED: "AN ACT APPROPRIATING MONEY FOR CAPITAL PROJECTS FOR THE BIENNIUM ENDING JUNE 30, 2007; PROVIDING FOR OTHER MATTERS RELATING TO THE APPROPRIATIONS; PROVIDING FOR A TRANSFER OF ONE-TIME FUNDS FROM THE GENERAL FUND TO THE LONG-RANGE BUILDING PROGRAM ACCOUNT; PROVIDING FOR THE FACILITATION OF PRIVATE EFFORTS TO CONSTRUCT A CHAPEL AT THE MONTANA STATE HOSPITAL AND ALLOWING THE DEPARTMENT OF ADMINISTRATION TO WAIVE REQUIREMENTS PERTAINING TO BIDDING AND BONDING FOR STATE BUILDING PROJECTS IN TITLE 18, MCA, LABOR REQUIREMENTS IN TITLE 18, MCA, AND CONTRACTOR REGISTRATION IN TITLE 39, MCA; ALLOWING THE DEPARTMENT OF FISH, WILDLIFE, AND PARKS TO WAIVE REQUIREMENTS PERTAINING TO PUBLIC BIDS AND THE DEPOSIT OF STATE LAND SALE PROCEEDS FOR THE SALE OF THE JOCKO FISH HATCHERY; REMOVING THE AUTHORITY FOR THE CONSTRUCTION OF THE LIFE SCIENCES BUILDING AT THE UNIVERSITY OF MONTANA; REMOVING REVERSION REQUIREMENTS RELATED TO THE JOURNALISM BUILDING AT THE UNIVERSITY OF MONTANA; REMOVING RESTRICTIONS RELATING TO THE LAW BUILDING AT THE UNIVERSITY OF MONTANA; REMOVING CERTAIN RESTRICTIONS RELATING TO THE JOURNALISM BUILDING AT THE UNIVERSITY OF MONTANA; AMENDING SECTIONS 87-1-209 AND 87-1-601, MCA, SECTION 2, CHAPTER 557, LAWS OF 1999, AND SECTION 2, CHAPTER 573, LAWS OF 2001; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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

(Refer to Introduced Bill)

Strike everything after the enacting clause and insert:

**NEW SECTION. Section 1. Definitions.** For the purposes of [sections 1 through ~~42~~ 13], unless otherwise stated, the following definitions apply:

(1) "Capital project" means the acquisition of land or improvements or the planning, capital construction, renovation, furnishing, or major repair projects authorized in [sections 1 through ~~42~~ 13].

(2) "LRBP" means the long-range building program account in the capital projects fund type.

(3) "Other funding sources" means money other than LRBP money, including special revenue fund money, that accrues to an agency under the provisions of law.

NEW SECTION. **Section 2. Capital projects appropriations and authorizations.** (1) Subject to [section 8(2) 9(2)], the following money is appropriated for the indicated capital projects from the indicated sources to the department of administration. Funds not requiring legislative appropriation are included for the purpose of authorization. The department of administration is authorized to transfer either or both the appropriations and authority among the necessary fund types for these projects:

Agency/Project	LRBP	Other Funding Sources	
<b>MONTANA SCHOOL FOR THE DEAF AND BLIND</b>			
Facility Improvements, Montana School for the Deaf and Blind	<del>\$400,000</del>		
	<u>\$398,000</u>		
<b>DEPARTMENT OF ADMINISTRATION</b>			
Roof Repair and Replacement, Statewide	<del>3,091,700</del>	\$206,500	Federal Special Revenue
	<u>3,076,242</u>		
Repair/Preserve Building Exteriors, Statewide	<del>500,000</del>		
	<u>497,500</u>		
Window Repairs and Replacement, Statewide	<del>1,275,000</del>		
	<u>1,268,625</u>		
Deferred Maintenance, Montana Law Enforcement Academy	<del>765,000</del>		
	<u>761,175</u>		
Hazardous Materials Abatement, Statewide	<del>500,000</del>		
	<u>497,500</u>		
Code/Deferred Maintenance Projects, Statewide	<del>1,262,300</del>	90,000	Federal Special Revenue
	<u>1,255,989</u>		
Repair Deteriorated Campus Infrastructure, Statewide	<del>550,000</del>		
	<u>547,250</u>		

Major Maintenance and Repairs to State Capitol	<del>500,000</del>	
	<u>497,500</u>	
Upgrade Fire Alarm Systems, Statewide	<del>400,000</del>	
	<u>398,000</u>	
Repair Elevators, Capitol Complex	<del>800,000</del>	
	<u>796,000</u>	
Upgrade 1100 North Last Chance Gulch	<del>1,208,000</del>	
	<u>1,201,960</u>	
DPHHS Commodity Warehouse		
Expansion, Helena	2,000,000	Federal Special Revenue;
		<del>Donations, and Grants</del>
<hr/>		
Public Restrooms, Virginia City and Nevada City	<del>99,950</del>	
	<u>99,450</u>	
Public Safety Learning Center,		
Montana Law Enforcement Academy	3,450,000	Federal Special Revenue;
		<del>Donations, and Grants</del>
<hr/>		
<del>Authority is granted to the department of administration in the indicated amount for the purpose of constructing the Public Safety Learning Center.</del>		
Long-range Building Program Funding Interim Project	8,000	
<u>CAPITOL ANNEX OR ALTERNATIVES FEASIBILITY STUDY</u>	<u>500,000</u>	<u>CAPITOL LAND GRANT FUNDS</u>
MONTANA HISTORICAL SOCIETY		
Montana Historical Society Building, Helena	<del>20,000,000</del>	Donations and Grants
	<u>30,000,000</u>	
Authority is granted to the department of administration in the indicated amount for the construction of a new historical society building.		
DEPARTMENT OF CORRECTIONS		
Improve Water System, Montana State Prison	<del>125,000</del>	
	<u>124,375</u>	
Improve High-Side Kitchen Ventilation,		
Montana State Prison	<del>117,300</del>	
	<u>116,714</u>	

Improve Perimeter Security, Montana State Prison	<del>1,400,000</del>		
	<u>1,393,000</u>		
DEPARTMENT OF FISH, WILDLIFE, AND PARKS			
Hatchery Maintenance, Statewide		575,000	State Special Revenue
		575,000	Federal Special Revenue
Rose Creek Hatchery		1,700,000	State Special Revenue
Fort Peck Storage/Office Space		50,000	State Special Revenue
		150,000	Federal Special Revenue
Administrative Facilities Repair, Maintenance and Improvements		800,000	State Special Revenue
DEPARTMENT OF MILITARY AFFAIRS			
Federal Spending Authority		2,100,000	Federal Special Revenue
Western Montana Veterans' Cemetery, Missoula		3,200,000	Federal Special Revenue
Montana State Veterans' Cemetery Columbarium, Fort Harrison		500,000	Federal Special Revenue
MONTANA UNIVERSITIES AND COLLEGES			
ADA/Code/Deferred Maintenance Projects, Montana University System	<del>1,400,000</del>		
	<u>1,393,000</u>		
Upgrade Steam Distribution System, UM-Missoula	<del>5,935,000</del>	3,060,000	Auxiliary Funds
	<u>5,905,325</u>		
Upgrade HVAC Systems, Pershing and Brockman Halls, MSU-Northern	<del>524,000</del>		
	<u>521,380</u>		
Heating System Improvements, Academic Center and McMullen Halls, MSU-Billings	<del>245,000</del>		
	<u>243,775</u>		
Mining and Geology Building Mechanical System Renovation, UM-Butte	<del>920,000</del>		
	<u>915,400</u>		

Upgrade Health Sciences HVAC System, Phase 2, UM-Missoula	<del>970,000</del> <u>965,150</u>		
Renovate Domestic Water Distribution System, UM-Dillon	<del>183,100</del> <u>182,185</u>		
Classroom/Laboratory Upgrades, Montana University System	<del>1,000,000</del> <u>995,000</u>		
Facility Repairs and Improvements, MSU-Billings	<del>545,000</del> <u>542,275</u>		
Heating Plant Phase 3, MSU-Bozeman	<del>950,000</del> <u>945,250</u>		
Renovate HVAC Systems, Science Complex 3rd and 4th Floors, UM-Missoula	<del>610,000</del> <u>606,950</u>		
Water/Sewer System Repairs and Maintenance, MSU-Bozeman	<del>250,000</del> <u>248,750</u>	250,000	Auxiliary Funds
Upgrade Primary Electrical Distribution, MSU-Bozeman	<del>750,000</del> <u>746,250</u>	750,000	Auxiliary Funds
Facility Repairs and Improvements, MSU-Agricultural Experiment Stations	<del>480,000</del> <u>477,600</u>		
MSU-Agricultural Experiment Station Projects	<del>650,000</del> <u>646,750</u>		
Campus Improvements, MSU-Northern	<del>640,000</del> <u>636,800</u>	300,000	Auxiliary Funds
New Construction, Consolidate Campus, UM-Missoula College of Technology		24,500,000	Federal Special Revenue,

Donations, Grants, and  
Higher Education Funds

Authority is granted to the department of administration in the indicated amount for the purpose of constructing a new university of Montana-Missoula college of technology.

New Native American STUDY Center, UM-Missoula 2,500,000 Federal Special Revenue,  
Donations, Grants, and  
Higher Education Funds

Authority is granted to the department of administration in the indicated amount for the purpose of constructing the Native America center. This authority augments \$3,500,000 of existing authority for this capital improvement.

New Gallery Space, UM-Missoula 6,000,000 Federal Special Revenue,  
Donations, Grants, and  
Higher Education Funds

Authority is granted to the department of administration in the indicated amount for the purpose of constructing new gallery space.

New Forestry Complex, UM-Missoula 20,000,000 Federal Special Revenue,  
Donations, Grants, and  
Higher Education Funds

Authority is granted to the department of administration in the indicated amount for the purpose of constructing the new forestry complex.

MBMG/Petroleum Building, UM-Tech, Butte 5,400,000 Federal Special Revenue,  
Donations, Grants, and  
Higher Education Funds

Authority is granted to the department of administration in the indicated amount for the purpose of constructing the MBMG/petroleum building.

Research Lab Facility, UM-Missoula 3,000,000 Federal Special Revenue,  
Donations, Grants, and  
Higher Education Funds

Authority is granted to the department of administration in the indicated amount for the purpose of constructing the research lab facility. Any increase in costs for the operations and maintenance of the research lab facility must be paid by the university of Montana with nonstate revenue.

LAW BUILDING ADA IMPROVEMENTS/

RENOVATION/EXPANSION, UM-MISSOULA 500,000

THIS STATE MONEY AUGMENTS \$5,000,000 OF EXISTING AUTHORITY FOR THIS PROJECT.

SCHOOL OF JOURNALISM BUILDING, UM-MISSOULA 500,000

THIS STATE MONEY AUGMENTS \$12,000,000 OF EXISTING AUTHORITY FOR THIS PROJECT.

VisComm Black Box Theater,

MSU-Bozeman 2,750,000 Federal Special Revenue,  
Donations, Grants, and  
Higher Education Funds

Authority is granted to the department of administration in the indicated amount for the purpose of constructing the new viscomm black box theater.

Animal Bioscience Building, MSU-Bozeman 7,500,000 Federal Special  
Revenue, Donations,  
Grants, and Higher  
Education Funds

Authority is granted to the department of administration in the indicated amount for the purpose of constructing the new animal bioscience building. This authority augments \$5,000,000 of existing authority for this capital improvement.

Museum of the Rockies, MSU-Bozeman 12,000,000 Federal Special Revenue,  
Donations, Grants, and  
Higher Education Funds

Authority is granted to the department of administration in the indicated amount for the purpose of constructing improvements to the museum of the rockies.

Native American Student Center, MSU-Bozeman 8,000,000 Federal Special Revenue,  
Donations, Grants, and  
Higher Education Funds

Authority is granted to the department of administration in the indicated amount for the purpose of constructing the new Native American student center.

DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES

Facility Improvements, Montana

State Hospital, Warm Springs 595,500

	<u>592,523</u>		
Facility Improvements, Montana			
Developmental Center, Boulder	<del>219,140</del>		
	<u>218,044</u>		
Demolish Abandoned Buildings,			
Public Health and Human Services	<del>4,750,000</del>		
	<u>1,741,250</u>		
Stabilize Old Administration Building, Montana			
Developmental Center, Boulder	<del>480,000</del>		
	<u>179,100</u>		
<del>Secure Housing Unit, Montana</del>			
<del>    Developmental Center, Boulder</del>	<del>2,542,000</del>		
<u>HOUSING FOR HIGH-RISK BEHAVIORS</u>	<u>2,529,290</u>		
Special Care Unit Renovations,			
Eastern Montana Veterans' Home, Glendive	475,000	State Special Revenue	
Facility Renovation and Improvements,			
Montana Veterans' Home, Columbia Falls	465,000	State Special Revenue	
Construct Chapel, Montana State Hospital,			
Warm Springs	350,000	Donations and Grants	
<p>Authority is granted to the department of administration in the indicated amount for the purpose of constructing the chapel at the Montana state hospital in Warm Springs.</p>			
<b>DEPARTMENT OF TRANSPORTATION</b>			
Equipment Storage Buildings, Statewide	635,000	State Special Revenue	
Chiller/Cooling Towers Replacement,			
Helena Headquarters	350,000	State Special Revenue	
Office Addition, Billings	500,000	State Special Revenue	
<b>DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION</b>			
Replace Clearwater Unit Fire Cache	<del>250,000</del>		
	<u>248,750</u>		
<b>OFFICE OF THE GOVERNOR</b>			
Historic and Cultural Properties Interim Study	20,000		



(2) (a) For the purpose of constructing a privately funded chapel at the Montana state hospital in Warm Springs, the department of administration may waive, in whole or in part, the requirements pertaining to:

- (i) bidding and bonding for state building projects in Title 18;
- (ii) labor requirements in Title 18; and
- (iii) contractor registration in Title 39.

(b) The waiver pursuant to subsection (2)(a) may be exercised in the following circumstances:

(i) to obtain the volunteer services and donated materials from members of the public, civic organizations, and other entities;

(ii) to obtain the compensated services of contractors who are donating significant amounts of labor, time, and materials; and

(iii) to meet the terms and conditions for receipt of major sums of money from private or public funding sources, including individual donations.

(3) (a) For the purpose of selling the Jocko fish hatchery to the Confederated Salish and Kootenai tribes and in exchange for constructing and improving the fish hatchery at the Rose Creek hatchery, the department of fish, wildlife, and parks may waive, in whole or in part, the requirements pertaining to:

- (i) public bids for land disposal in 87-1-209(3); and
- (ii) the real property trust fund in 87-1-601.

(b) The waiver pursuant to subsection (3)(a) may be exercised only under the circumstances described in subsection (3)(a). The waiver does not affect the department's requirement to obtain full market value pursuant to Article X, section 11, of the Montana constitution.

**NEW SECTION. Section 3. Fund transfer.** There is transferred from the general fund ~~\$9.9~~ ~~\$9.7~~ \$10.7 million in fiscal year 2006 and \$19.4 million in fiscal year 2007 to the long-range building program account in the capital projects fund type for the projects enumerated in [section 2].

**NEW SECTION. Section 4. Capital improvements.** (1) Subject to [section 47 ~~18~~], the following money is appropriated to the department of fish, wildlife, and parks in the indicated amounts for the purpose of making capital improvements to statewide facilities. Funds not requiring legislative appropriation are included for the purpose of authorization.

Agency/Project	LRBP	Other Funding Sources
Big Springs PCB Cleanup		\$2,375,000 State Special Revenue

	<u>\$1,696,974</u>	
	2,375,000	Federal Special Revenue
Future Fisheries	1,190,000	State Special Revenue
Fishing Access Site Maintenance	350,000	State Special Revenue
Fishing Access Site Protection	800,000	State Special Revenue
Community Fishing Ponds	50,000	Federal Special Revenue
Boat Washing Stations	25,000	State Special Revenue
	75,000	Federal Special Revenue
Fish Cleaning Stations	112,500	Federal Special Revenue
	37,500	Donations and Grants
Upland Game Bird Program	1,220,000	State Special Revenue
Wildlife Habitat Maintenance	750,000	State Special Revenue
Migratory Bird Stamp Program	625,000	State Special Revenue
Motorboat Recreation Site Improvements	2,305,000	State Special Revenue
	2,000,000	Donations
Cultural and Historic Parks Improvements	2,245,000	State Special Revenue
	300,000	Donations and Grants
Grant Programs/Federal Projects	330,000	State Special Revenue
	5,000,000	Federal Special Revenue

(2) (a) Authority is granted to the university of Montana in the indicated amount for the purpose of making capital improvements to campus facilities:

Agency/Project	LRBP	Other Funding Sources
General Spending Authority, UM-All Campuses		\$4,000,000 Federal Special Revenue, Higher Education Funds, Donations, and Grants

(b) All costs for the operations and maintenance of any new improvements constructed under this authorization must be paid by the university of Montana with nonstate revenue.

(3) (a) Authority is granted to Montana state university in the indicated amount for the purpose of making capital improvements to campus facilities:

Agency/Project	LRBP	Other Funding Sources
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General Spending Authority,

MSU-All Campuses	\$7,000,000	Federal Special Revenue, Higher Education Funds, Donations, and Grants
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(b) All costs for the operations and maintenance of any new improvements constructed under this authorization must be paid by Montana state university with nonstate revenue.

(4) The following money is appropriated to the department of transportation in the indicated amount for the purpose of making capital improvements ~~to statewide facilities:~~ AS INDICATED:

Agency/Project	LRBP	Other Funding Sources
Facility Maintenance, Repair, and Small Projects, Statewide		\$3,515,000 State Special Revenue
<u>U.S. HIGHWAY 93 CONSTRUCTION PROJECTS,</u>		
<u>VARO TO POLSON</u>		<u>133,772,453 STATE SPECIAL REVENUE</u>

NEW SECTION. Section 5. Land acquisition appropriations. Subject to [section 47 18], the following money is appropriated to the department of fish, wildlife, and parks in the indicated amounts for purposes of land acquisition, land leasing, easement purchase, or development agreement:

Agency/Project	LRBP	Other Funding Sources
Fishing Access Site Acquisition, Statewide		\$650,000 State Special Revenue 100,000 Federal Special Revenue
Habitat Montana		5,430,000 State Special Revenue

NEW SECTION. Section 6. Dams. (1) The following money is appropriated to the department of fish, wildlife, and parks in the indicated amount for department dams:

Agency/Project	LRBP	Other Funding Sources
FWP Dams Repair		\$264,000 State Special Revenue

(2) In accordance with 85-1-101, the department of natural resources and conservation shall coordinate and manage the projects.

NEW SECTION. Section 7. Transfer of funds. The department of fish, wildlife, and parks and the department of transportation are authorized to transfer either or both the appropriations and authority in [sections

4 through 6] among the necessary fund types for these projects.

NEW SECTION. SECTION 8. CAPITOL LAND GRANT REVENUE. THE APPROPRIATION OF UP TO \$500,000 IN CAPITOL LAND GRANT REVENUE TO THE DEPARTMENT OF ADMINISTRATION FOR THE CAPITOL ANNEX OR ALTERNATIVES FEASIBILITY STUDY IS THE LAST PRIORITY FOR USE OF THESE FUNDS DURING THE 2007 BIENNIUM AND IS DEPENDENT UPON THE AVAILABILITY OF REVENUE. TO THE EXTENT THAT CAPITOL LAND GRANT REVENUE IS NOT SUFFICIENT TO FUND THIS PROJECT, THE BALANCE OF THE APPROPRIATION MAY COME FROM REVERSIONS IN THE LONG-RANGE BUILDING PROGRAM ACCOUNT MADE DURING THE 2006-2007 BIENNIUM. IF NECESSARY, THIS PROJECT MAY BE PHASED IN AS THESE FUNDS BECOME AVAILABLE.

NEW SECTION. Section 9. Planning and design. (1) Subject to subsection (2), the department of administration may proceed with the planning and design of capital projects prior to the receipt of money from other funding sources. The department may use interaccount loans in accordance with 17-2-107 to pay planning and design costs incurred before the receipt of money from other funding sources.

(2) The department may not expend funds appropriated for statewide roof repair in [section 2] or under subsection (1) of this section until after the department has entered into a contract for roof repair at the Pine Hills school in Miles City.

NEW SECTION. Section 10. Capital projects -- contingent funds. If a capital project is financed, in whole or in part, with appropriations contingent upon the receipt of other funding sources, the department of administration may not let the project for bid until the agency has submitted a financial plan for approval by the director of the department of administration. A financial plan may not be approved by the director if:

(1) the level of funding provided under the financial plan deviates substantially from the funding level provided in [sections 2 through 6] for that project; or

(2) the scope of the project is substantially altered or revised from the preliminary plans presented for that project in the 2007 biennium long-range building program presented to the 59th legislature.

NEW SECTION. Section 11. Review by department of environmental quality. The department of environmental quality shall review capital projects authorized in [sections 2 through 6] 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 improvements, that project must be submitted to the energy conservation

program for funding consideration. 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 will be dependent on the annual utility savings resulting from the facility improvement. Agencies must be notified of potential funding after the review.

**NEW SECTION. Section 12. University buildings -- operation and maintenance.** (1) The 59th legislature finds that the operation and maintenance of portions of new building space that supports academic missions of the university system should be funded with current unrestricted university funds. The funding of current unrestricted university funds is shared between state general fund, tuition, and other minor sources.

(2) The office of budget and program planning, the architecture and engineering division of the department of administration, the legislative fiscal division, and the Montana university system are directed to come to an agreement and to recommend to the 60th legislature the portions of new building space that support academic missions of the university system and funding allocations between the general fund and tuition. If the legislative audit division conducts a performance audit of the university system building program, then the office of budget and program planning, the architecture and engineering division of the department of administration, the legislative fiscal division, and the Montana university system shall take the results of the audit into consideration in making a recommendation.

(3) If the university system chooses to build nonacademic buildings, the operation and maintenance costs for the buildings must be funded from nonstate and nontuition sources.

**NEW SECTION. Section 13. Legislative consent.** The appropriations authorized in [sections 1 through 6] constitute legislative consent for the capital projects contained in [sections 1 through 6] within the meaning of 18-2-102.

**Section 14.** Section 87-1-209, MCA, is amended to read:

**"87-1-209. Acquisition and sale of lands or waters.** (1) The department, with the consent of the commission and, in the case of land acquisition involving more than 100 acres or \$100,000 in value, the approval of the board of land commissioners, may acquire by purchase, lease, agreement, gift, or devise and may acquire easements upon lands or waters for the purposes listed in this subsection. The department may develop, operate, and maintain acquired lands or waters:

(a) for fish hatcheries or nursery ponds;

(b) as lands or water suitable for game, bird, fish, or fur-bearing animal restoration, propagation, or protection;

(c) for public hunting, fishing, or trapping areas;

(d) to capture, propagate, transport, buy, sell, or exchange any game, birds, fish, fish eggs, or fur-bearing animals needed for propagation or stocking purposes or to exercise control measures of undesirable species;

(e) for state parks and outdoor recreation;

(f) to extend and consolidate by exchange, lands or waters suitable for these purposes.

(2) The department, with the consent of the commission, may acquire by condemnation, as provided in Title 70, chapter 30, lands or structures for the preservation of historical or archaeological sites that are threatened with destruction or alteration.

(3) (a) ~~The~~ Subject to [section 2(3)], the department, with the consent of the commission, may dispose of lands and water rights acquired by it on those terms after public notice as required by subsection (3)(b) of this section, without regard to other laws that provide for sale or disposal of state lands and with or without reservation, as it considers necessary and advisable. The department, with the consent of the commission, may convey department lands and water rights for full market value to other governmental entities without regard to the requirements of subsection (3)(b) or (3)(c) if the land is less than 10 acres or if the full market value of the interest to be conveyed is less than \$20,000. When the department conveys land or water rights to another governmental entity pursuant to this subsection, the department, in addition to giving notice pursuant to subsection (3)(b), shall give notice by mail to the landowners whose property adjoins the department property being conveyed.

(b) ~~Notice~~ Subject to [section 2(3)], notice of sale describing the lands or waters to be disposed of must be published once a week for 3 successive weeks in a newspaper with general circulation printed and published in the county where the lands or waters are situated or, if a newspaper is not published in that county, then in any newspaper with general circulation in that county.

(c) The notice must advertise for cash bids to be presented to the director within 60 days from the date of the first publication. Each bid must be accompanied by a cashier's check or cash deposit in an amount equal to 10% of the amount bid. The highest bid must be accepted upon payment of the balance due within 10 days after mailing notice by certified mail to the highest bidder. If that bidder defaults on payment of the balance due, then the next highest bidders must be similarly notified in succession until a sale is completed. Deposits must be returned to the unsuccessful bidders except bidders defaulting after notification.

(d) The department shall reserve the right to reject any bids that do not equal or exceed the full market

value of the lands and waters as determined by the department. If the department does not receive a bid that equals or exceeds fair market value, it may then sell the lands or water rights at private sale. The price accepted on any private sale must exceed the highest bid rejected in the bid process.

(4) The department shall convey lands and water rights without covenants of warranty by deed executed by the governor or in the governor's absence or disability by the lieutenant governor, attested by the secretary of state and further countersigned by the director.

(5) The department, with the consent of the commission, is authorized to utilize the installment contract method to facilitate the acquisition of wildlife management areas in which game and nongame fur-bearing animals and game and nongame birds may breed and replenish and areas that provide access to fishing sites for the public. The total cost of installment contracts may not exceed the cost of purchases authorized by the department and appropriated by the legislature.

(6) The department is authorized to enter into leases of land under its control in exchange for services to be provided by the lessee on the leased land."

**Section 15.** Section 87-1-601, MCA, is amended to read:

**"87-1-601. Use of fish and game money.** (1) (a) Except as provided in subsections (7) and (9), all money collected or received from the sale of hunting and fishing licenses or permits, from the sale of seized game or hides, from damages collected for violations of the fish and game laws of this state, or from appropriations or received by the department from any other state source must be turned over to the department of revenue and placed in the state special revenue fund to the credit of the department.

(b) Any money received from federal sources must be deposited in the federal special revenue fund to the credit of the department.

(c) All interest earned on money from the following sources must be placed in the state special revenue fund to the credit of the department:

(i) the general license account;

(ii) the license drawing account;

(iii) accounts established to administer the provisions of 87-1-246, 87-1-258, 87-1-605, 87-2-411, 87-2-722, and 87-2-724; and

(iv) money received from the sale of any other hunting and fishing license.

(2) Except as provided in 87-2-411, the money described in subsection (1) must be exclusively set apart and made available for the payment of all salaries, per diem, fees, expenses, and expenditures authorized to be

made by the department under the terms of this title. The money described in subsection (1) must be spent for those purposes by the department, subject to appropriation by the legislature.

(3) Any reference to the fish and game fund in this code means fish and game money in the state special revenue fund and the federal special revenue fund.

(4) Except as provided in subsections (7) and (8), all money collected or received from fines and forfeited bonds, except money collected or received by a justice's court, that relates to violations of state fish and game laws under Title 87 must be deposited by the department of revenue and credited to the department in a state special revenue fund account for this purpose. Out of any fine imposed by a court for the violation of the fish and game laws, the costs of prosecution must be paid to the county where the trial was held in any case in which the fine is not imposed in addition to the costs of prosecution.

(5) (a) ~~Money~~ Except as provided in [section 2(3)], money must be deposited in an account in the permanent fund if it is received by the department from:

- (i) the sale of surplus real property;
- (ii) exploration or development of oil, gas, or mineral deposits from lands acquired by the department except royalties or other compensation based on production; and
- (iii) leases of interests in department real property not contemplated at the time of acquisition.

(b) The interest derived from the account, but not the principal, may be used only for the purpose of operation, development, and maintenance of real property of the department and only upon appropriation by the legislature. If the use of money as set forth in this section would result in violation of applicable federal laws or state statutes specifically naming the department or money received by the department, then the use of this money must be limited in the manner, method, and amount to those uses that do not result in a violation.

(6) Money received from the collection of license drawing applications is not subject to the deposit requirements of 17-6-105. The department shall deposit license drawing application money within a reasonable time after receipt.

(7) Money collected or received from fines or forfeited bonds for the violation of 77-1-801, 77-1-806, or rules adopted under 77-1-804 must be deposited in the state general fund.

(8) The department of revenue shall deposit in the state general fund one-half of the money received from the fines pursuant to 87-1-102.

(9) (a) The department shall deposit all money received from the search and rescue surcharge in 87-2-202 in a state special revenue account to the credit of the department for search and rescue purposes as provided for in 10-3-801.



(b) Upon certification by the department of reimbursement requests submitted by the department of military affairs for search and rescue missions involving persons engaged in hunting, fishing, or trapping, the department may transfer funds from the special revenue account to the search and rescue account provided for in 10-3-801 to reimburse counties for the costs of those missions as provided in 10-3-801.

(c) Using funds in the department's search and rescue account that are not already committed to reimbursement for search and rescue missions, the department may provide matching funds to the department of military affairs to reimburse counties for search and rescue training and equipment costs up to the proportion that the number of search and rescue missions involving persons engaged in hunting, fishing, or trapping bears to the statewide total of search and rescue missions.

(d) At the end of each fiscal year, any money remaining in the special revenue account after the transfers provided for in this section must be transferred to the general license account of the department."

**Section 16.** Section 2, Chapter 557, Laws of 1999, is amended to read:

**"Section 2. Capital projects appropriations.** (1) Except as provided in subsection (4)(c), the following money is appropriated for the indicated capital projects from the indicated sources to the department of administration, which is authorized to transfer the appropriated money among the necessary fund types for these projects:

Agency/Project	LRBP	Other Funding Sources	
<b>DEPARTMENT OF ADMINISTRATION</b>			
Health and Safety Projects, Statewide	\$730,000	\$250,000	Auxiliary
Hazardous Material Remediation, Statewide	300,000		
Roof Replacements or Repairs, Statewide	521,000		
Facility Assessments, Statewide	100,000	50,000	State Special Revenue
		100,000	Federal Special Revenue
		50,000	Auxiliary
Capital Renovation		1,000,000	Capitol Land Grant Revenue
Renovate Haynes Gallery Area, Historical Society		1,000,000	Donations
<b>DEPARTMENT OF CORRECTIONS</b>			
Expand Women's Prison, MWP		6,475,000	Federal Special Revenue
Missoula Regional Correctional Facility			

Supplemental	526,497		Federal Special Revenue
Construct Reception Unit, MSP	5,500,000		Federal Special Revenue
	170,000		General Fund
 DEPARTMENT OF FISH, WILDLIFE AND PARKS			
Bluewater Hatchery Renovations	200,000		State Special Revenue
Construct Fort Peck Fish Hatchery	14,640,000		Federal Special Revenue
 DEPARTMENT OF MILITARY AFFAIRS			
Construct New Armory, Kalispell	3,900,000		Federal Special Revenue
Construct New Armory, Bozeman	4,600,000		Federal Special Revenue
 MONTANA UNIVERSITY SYSTEM			
Sprinkle Library, UM-Missoula	657,000		
Ventilate and Update Fine			
Arts Building, UM-Missoula	450,000		
Boiler Upgrade and Ventilation, UM-Tech	530,000	120,000	Auxiliary
Maintain HVAC Systems, MSU-Billings			
and COT-Billings	500,000		
Replace Steam Distribution Piping, UM-Dillon	800,000	400,000	Auxiliary
Upgrade Boiler Controls, UM-Missoula	125,000	100,000	Auxiliary
Roof Replacements or Repairs,			
University System	1,591,000		
Maintain Main Hall Exterior, UM-Dillon	225,000		
Renovate Cowan Hall, MSU-Northern	511,000		
Addition to Paxson Gallery, UM-Missoula		2,500,000	Higher Education Funds, Federal, Donations, Grants, Plant Funds
Applied Technology Center Feasibility Study,			
MSU-Northern	50,000		
Construct Nondenominational Chapel, UM-Tech		1,500,000	Donations
Forestry/Journalism Addition, UM-Missoula		10,000,000	Federal, Donations, Grants, Plant Funds
Native American Study Center, UM-Missoula		3,500,000	Higher Education Funds,

		Federal, Donations, Grants, Plant Funds
<del>Life Sciences Building, UM-Missoula</del>	<del>23,000,000</del>	<del>Federal, State, Donations, Grants, Plant Funds</del>
Rural Technology Education Center, UM-Dillon	350,000	Higher Education Funds, Federal, Donations, Grants, Plant Funds

DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION

Lincoln Unit Office/Quarters and

Clearwater Egress 125,000

DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES

Sprinkle MMHNCC, Lewistown 300,000

Construct Special Care Unit,

Montana Veterans' Home 1,179,374 State Special Revenue

Improve Eastern Montana Veterans' Home 290,250 State Special Revenue

Improve Montana Veterans' Home 187,530 State Special Revenue

DEPARTMENT OF TRANSPORTATION

Construct Equipment Storage Buildings

and Roof Replacement at Helena

Headquarters, Statewide 2,100,000 Highways State Special  
Revenue

Construct Core Drilling Building, Helena 1,000,000 Highways State Special  
Revenue

(2) In the event one or both of the national guard armories located in Bozeman and Whitefish, Montana, and approved in House Bill No. 14 for replacement are sold prior to construction of the new Bozeman and Kalispell armories, the proceeds of the sale that were deposited to the general fund are appropriated for replacement construction up to a maximum of \$4,000,000 and the bond authority in House Bill No. 14 is reduced by a like amount.

(3) The department of public health and human services is seeking federal funds for use in the construction of the special care unit, Montana veterans' home. If federal funds become available for this purpose, the department shall reimburse funds from the state special revenue account used to build the new unit. The total

amount approved for the project from all sources is \$1,179,374.

(4) (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. 14 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 House Bill No. 14 and by \$6,475,000 of federal funds appropriated in subsection (1) of this section;

(ii) \$2,225,000 for completing the Pine Hills youth correctional facility in Miles City, funded from general obligation bond proceeds authorized in House Bill No. 14;

(iii) \$5,670,000 to construct a reception unit at Montana state prison in Deer Lodge, funded by \$170,000 of general fund money and by \$5,500,000 of federal funds appropriated in subsection (1) of this section; and

(iv) \$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 House Bill No. 14.

(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 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 subsection (1);

(ii) up to \$526,497 for the Missoula regional correctional facility supplemental; and

(iii) up to \$5,500,000 for the construction of the reception unit at Montana state prison, line-itemed in subsection (1).

(c) (i) It is the intent of the legislature that the department of corrections may not accept federal funds for capital construction unless all conditions necessary to receive the federal dollars have been irrevocably met in advance of the expenditure of the federal funds.

(ii) It is further the intent of the legislature that federal spending authority for a capital construction project may be used only for the project identified in the law authorizing the project and may not be used for any other project.

(5) The appropriation for the Fort Peck fish hatchery in subsection (1) is contingent upon passage and approval of House Bill No. 20.

(6) 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. Subsection (1) of this section

contains \$350,000 in other revenue authority for this project, and House Bill No. 14 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 House Bill No. 14 must be reduced by a like amount and other revenue authority is increased by a like amount in subsection (1) of this section for the same purpose."

**Section 17.** Section 2, Chapter 573, Laws of 2001, is amended to read:

**"Section 2. Capital projects appropriations.** (1) The following money is appropriated for the indicated capital projects from the indicated sources to the department of administration, which is authorized to transfer the appropriated money among the necessary fund types for these projects:

Agency/Project	LRBP	Other Funding Sources	
<b>DEPARTMENT OF ADMINISTRATION</b>			
Life Safety Projects, Statewide	\$400,000	\$	
Hazardous Material Mitigation Fund	350,000		
Roof Replacements or Repairs, Statewide	499,000		
Project Litigation Fund	475,000		
Capitol Complex Land Acquisition		400,000	Capitol Land Grant Revenue
<b>DEPARTMENT OF CORRECTIONS</b>			
Construction of Central Reception Unit		1,000,000	Federal Special Revenue
<b>DEPARTMENT OF FISH, WILDLIFE, AND PARKS</b>			
Administrative Facility Repair and Maintenance		764,000	State Special Revenue
<b>DEPARTMENT OF JUSTICE</b>			
Upgrade Foundations and Boiler, MLEA	200,000		
<b>DEPARTMENT OF MILITARY AFFAIRS</b>			
Construct New Dillon Armory		3,800,000	Federal Special Revenue
Construct New Kalispell Armory		3,700,000	Federal Special Revenue
<b>MONTANA UNIVERSITIES AND COLLEGES</b>			
Replace Primary Power Distribution System, UM-Dillon	162,750	59,375	Auxiliary
Roof Replacements or Repairs,	426,000		

University System

Heating Plant Steam Distribution, Phase II, UM-Tech	438,750	236,250	Auxiliary
Chemistry Building Addition, UM-Missoula		3,200,000	Federal, Donations, Grants, Nonstate Funds, Plant Funds

All operating and maintenance expenses of the chemistry building addition are to be paid by the university of Montana-Missoula. Appropriation authority in excess of funds pledged for this project as of June 30, 2003, must be reverted.

Master Plan Campuses, University System	100,000	150,000	Higher Education Funds, Federal, Donations, Grants, Plant Funds
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This project will focus on maximizing use of existing buildings on the campuses.

Animal and Range Science Facility, MSU-Bozeman		5,000,000	Higher Education Funds, Federal, Donations, Grants, Nonstate Funds, Plant Funds
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Gaines Hall Renovation/Addition Project Design, MSU-Bozeman		2,000,000	Federal, Donations, Grants, Nonstate Funds, Plant Funds
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Agricultural Experiment Station, MSU-Bozeman		1,000,000	Federal, Donations, Grants, Nonstate Funds, Plant Funds
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Develop Classroom/Lab Design, MSU-COT, Billings	50,000		
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Multi Media Center, Yellow Bay,		1,350,000	Federal, Donations, Grants, UM-Missoula Nonstate Funds, Plant Funds
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All construction, operation, and maintenance expenses of the Yellow Bay multi media center are to be paid by the center.

Law Building Renovation/Expansion,	5,000,000	Federal, Donations, Grants, UM-Missoula Nonstate Funds, Plant Funds
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~~—All operating and maintenance expenses of the law building addition are to be paid by the university of Montana-Missoula.~~

School of Journalism Building,	12,000,000	Federal, Donations, Grants, UM-Missoula Nonstate Funds, Plant Funds
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~~—Appropriation authority in excess of funds pledged for this project as of June 30, 2005, must be reverted. All operating and maintenance expenses of the school of journalism building are to be paid by the university of Montana-Missoula.~~

Construct Applied Technology Center,	3,000,000	Federal, Donations, Grants, MSU-Northern Nonstate Funds, Plant Funds
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Install PBS Digital Conversion, MSU-Bozeman	3,059,455	Federal, Donations, Grants, Nonstate Funds, Plant Funds
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The university system and the information services division of the department of administration will work together to develop network plans or procedures that provide for the highest degree of bandwidth and cost-sharing capability between the university system and the department that is within technical specifications agreed to by the parties and is mutually beneficial to them. This obligation to cooperate and coordinate for the purpose of seeking mutually beneficial network arrangements applies to the intercity transport services acquired by the university system or the department of administration to meet the needs of the public broadcast system, including the utilization and sharing of excess capacity bandwidth to help meet the telecommunication needs of all state agencies in a manner that is both cost-effective and compatible with the efficient operation of the public broadcast system.

Develop Design to Expand COT,	
UM-COT, Helena	125,000
DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION	
Expand Unit Office, Libby	94,000
DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES	

Licensure Compliance, MMHNCC	524,000	
Montana Veterans' Home Improvements, Columbia Falls	165,875	State Special Revenue
Eastern Montana Veterans' Home Improvements, Glendive	177,800	State Special Revenue

The legislature consents to the construction of the good shepherd chapel at the Montana developmental center in Boulder with donated funds. The construction of the chapel is exempt from provisions of Title 18.

STATE BOARD OF EDUCATION

Facility Improvements, Montana School for the Deaf and Blind	315,160
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DEPARTMENT OF TRANSPORTATION

Construct Equipment Storage Buildings,	2,700,000	Highways State Statewide Special Revenue
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(2) The Montana state university agricultural experiment station shall use these funds to construct and repair various experiment station buildings at the following locations: \$1,250,000 for Huntley, \$180,000 for Moccasin, \$200,000 for Havre, \$210,000 for Sidney, and \$160,000 for Kalispell. The amount of \$1 million for these projects will be funded from non-LRBP sources, and the amount of \$1 million will be funded from CPF in House Bill No. 14.

(3) For purposes of obtaining cash for the construction litigation appropriation authority in subsection (1), the architecture and engineering division of the department of administration may transfer any excess LRBP money from an agency as long as the transfer does not move funds required to complete any authorized agency project.

(4) The following projects are appropriated from the LRBP funding to the department of administration, in addition to the projects listed in subsection (1), by the decrease in bond debt service paid from the LRBP in House Bill No. 14:

Agency/Project	LRBP	Other Funding Sources
DEPARTMENT OF ADMINISTRATION		
Life Safety Projects, Statewide	\$300,000	
Hazardous Material Mitigation, Statewide	90,000	
Roof Replacements or Repairs, Statewide	150,000	
MONTANA UNIVERSITIES AND COLLEGES		



## Code Compliance/Deferred

Maintenance, All Campuses	550,000
Develop Design to Expand COT, UM-COT, Helena	240,000"

COORDINATION SECTION. **Section 18. Coordination instruction.** If House Bill No. 79 is not passed and approved, then:

- (1) the state special revenue appropriation for the wildlife habitat maintenance project in [section 4] is reduced to \$487,500; and
- (2) the state special revenue appropriation for habitat Montana in [section 5] is reduced to \$2,747,500.

~~COORDINATION SECTION.~~ ~~**Section 18. Coordination instruction.**~~ If House Bill No. 777 is not passed and approved, then the appropriation in [section 2(1)] to the office of the governor for the historic and cultural properties interim study is void.

NEW SECTION. **Section 19. 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.

NEW SECTION. **Section 20. Effective date.** [This act] is effective on passage and approval.

- END -

