

## 1 SENATE BILL NO. 367

2 INTRODUCED BY F. MOORE

3  
4 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FUNDING AND AUTHORIZATION FOR CAPITAL AND  
5 INFRASTRUCTURE PROJECTS STATEWIDE; CREATING THE STATE TO COMMUNITY BOND ACCOUNT  
6 FOR GRANTS AND STATE AND LOCAL INFRASTRUCTURE ACCOUNTS; PROVIDING ADDITIONAL  
7 FUNDING FOR PROJECTS LISTED IN HOUSE BILLS 6, 7, AND 11; AUTHORIZING CAPITAL PROJECTS AND  
8 THE CONSTRUCTION OF THE STATE VETERANS' HOME IN SOUTHWESTERN MONTANA; AUTHORIZING  
9 THE DEPARTMENT OF COMMERCE TO PROVIDE GRANTS TO STATE AND LOCAL ENTITIES FOR  
10 PROJECTS AND IMPROVEMENTS; PRIORITIZING PROJECT GRANTS AND ESTABLISHING CONDITIONS  
11 FOR GRANTS; REQUIRING LOCAL GOVERNMENTS AND SCHOOL DISTRICTS TO PROVIDE MATCHING  
12 FUNDS FOR PROJECTS BASED ON A FORMULA; PROVIDING FOR OTHER MATTERS RELATING TO THE  
13 AUTHORIZATIONS; AUTHORIZING THE CREATION OF STATE DEBT THROUGH THE ISSUANCE OF  
14 GENERAL OBLIGATION BONDS; REDUCING BOND AUTHORIZATION BASED ON ACTUAL GENERAL FUND  
15 REVENUES; CREATING A GRANT APPLICATION FEE FOR SCHOOL DISTRICTS; AMENDING SECTION 5,  
16 CHAPTER 324, LAWS OF 2011; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

17  
18 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

19  
20 NEW SECTION. **Section 1. Definitions.** For the purposes of [sections 1 through 19], unless otherwise  
21 provided, the following definitions apply:

22 (1) "Authority only" means approval provided by the legislature to expend money that does not require  
23 an appropriation, including grants, donations, auxiliary funds, proprietary funds, and university funds.

24 (2) "Capital project" means improvements or the planning, capital construction, environmental cleanup,  
25 renovation, or major repair projects authorized in [sections 10 through 13].

26 (3) "CPA" means the capital projects account provided for in 17-5-803 and 17-5-804.

27 (4) "Infrastructure projects" means:

28 (a) drinking water systems;

29 (b) wastewater treatment;

30 (c) sanitary sewer or storm sewer systems;

- 1 (d) solid waste disposal and separation systems, including site acquisition, preparation, and monitoring;  
2 (e) bridges;  
3 (f) school districts' projects;  
4 (g) irrigation systems; or  
5 (h) conservation districts.

6 (5) "Local government" means an incorporated city or town, a county, a consolidated local government,  
7 a tribal government, a county or multicounty water, sewer, irrigation, solid waste, school, or conservation district,  
8 or an authority as defined in 75-6-304.

9

10 **NEW SECTION. Section 2. Local infrastructure accounts -- use.** (1) There is a state to community  
11 bond account in the state special revenue fund to provide grant funding to local governments for local  
12 infrastructure projects. The department of commerce shall administer the account.

13 (2) There is a state and local infrastructure account in the state special revenue fund to provide grants  
14 as authorized in House Bills 6 and 7. The department of natural resources and conservation shall administer the  
15 account.

16 (3) There is a state and local infrastructure account in the state special revenue fund to provide grants  
17 as authorized in House Bill 11 and in [section 16]. The department of commerce shall administer the account.

18

19 **NEW SECTION. Section 3. Authorization for local infrastructure project grants -- matching funds**  
20 **requirement.** (1) The department of commerce is authorized to make up to \$5 million in grants to local  
21 governments for infrastructure projects. A project that is listed in House Bills 6, 7, or 11 or in [section 16] is not  
22 eligible for a grant under this section. The grants authorized in this section are subject to the conditions set forth  
23 in [section 6].

24 (2) A local government shall provide one-to-one matching funds up to the first \$750,000 of grant funding  
25 sought. For a grant request exceeding \$750,000, the relative participation ratio for the local government as  
26 calculated pursuant to [section 5] is applied to the amount of the grant exceeding \$750,000.

27 (3) Funding for projects may be provided only as long as there are sufficient funds available from the  
28 amount that was deposited or transferred into the state to community bond account for grants established in  
29 [section 2(1)]. Funding for these projects must be made available in the order that the grant recipients satisfy the  
30 conditions described in [section 6(1)].

1 (4) If a grant recipient does not complete all of the conditions described in [section 6(1)] by September  
2 30, 2018, any obligation to the grant recipient is extinguished.

3 (5) For a local government that is not a county, the county in which the local government is located must  
4 also contribute its match rate as determined in [section 5].

5 (6) Each quarter, the department of commerce shall submit a written report to the legislative finance  
6 committee identifying grant recipients and amounts disbursed under this section. The report must be provided  
7 in an electronic format.

8  
9 **NEW SECTION. Section 4. Eligibility -- submission deadline -- priority -- rulemaking authority.**

10 (1) A local government may apply to the department of commerce for local infrastructure grants under [section  
11 3].

12 (2) All local governments shall submit grant requests and materials to the department by July 1, 2017,  
13 in order to be eligible for funding under [section 3].

14 (3) For projects having equal ranking, the department shall give higher consideration to projects that  
15 present a higher percentage of matching funds.

16  
17 **NEW SECTION. Section 5. Formula for tribal or local government match rate based on relative**  
18 **participation ratio.** (1) The match rate for a tribal or local government is calculated based on its relative  
19 participation ratio.

20 (2) (a) The relative participation ratio for a county is equal to the county's income to mill ratio divided by  
21 the median income to mill ratio of all counties in Montana.

22 (b) The relative participation ratio for an incorporated city or town is equal to its income to mill ratio  
23 divided by the median income to mill ratio of all incorporated cities and towns in Montana.

24 (c) The relative participation ratio for any other tribal or local government applicant is the same as for  
25 the county in which it is located.

26 (3) For a tribal or local government with a relative participation ratio of 1.0 to 1.5, the match rate is 12.5%.  
27 For a tribal or local government with a relative participation ratio greater than 1.5, the match rate is 25%. For a  
28 tribal or local government with a relative participation ratio of less than 1.0, there is no required match. For a tribal  
29 or local government that is not a county, the county in which the tribal or local government is located shall also  
30 contribute its match rate as determined above.

1  
2           **NEW SECTION. Section 6. Conditions of grants.** (1) The disbursement of grant funds for the projects  
3 chosen by the department of commerce pursuant to [section 3] is subject to completion of the following  
4 conditions:

5           (a) The grant recipient shall document that other matching funds required for completion of the project  
6 are firmly committed.

7           (b) The grant recipient must have a project management plan that is approved by the department.

8           (c) The grant recipient must be in compliance with the auditing and reporting requirements provided in  
9 2-7-503 and have established a financial accounting system that the department can reasonably ensure conforms  
10 to generally accepted accounting principles. Tribal governments shall comply with auditing and reporting  
11 requirements provided for in office of management and budget circular A-133.

12           (d) The grant recipient shall execute a grant agreement with the department of commerce.

13           (e) When applicable, the grant recipient shall satisfactorily comply with any conditions described in the  
14 application (project) summaries section of the treasure state endowment program or the quality schools program  
15 2019 biennium reports to the 65th legislature.

16           (f) The grant recipient shall satisfy other specific requirements considered necessary by the department  
17 of commerce to accomplish the purpose of the project as evidenced by the application to the department.

18           (2) With the exception of bridges, all projects must adhere to the design standards required by the  
19 department of environmental quality. Recipients of grants under [section 3] that are not subject to the department  
20 of environmental quality design standards shall adhere to generally accepted industry standards, such as  
21 Recommended Standards for Wastewater Facilities or Recommended Standards for Water Works, published by  
22 the Great Lakes-Upper Mississippi River board of state and provincial public health and environmental managers,  
23 latest edition.

24           (3) When applicable, recipients of grants under [section 3] are subject to the requirements of the  
25 department of commerce as described in the most recent edition of the Treasure State Endowment Program  
26 Project Administration Manual adopted by the department by administrative rule.

27  
28           **NEW SECTION. Section 7. Disbursement of funds.** (1) The department of commerce shall disburse  
29 grant funds on a reimbursement basis as grant recipients incur eligible project expenses.

30           (2) If actual project expenses are lower than the projected expense of the project, the department shall

1 reduce the amount of grant funds to be provided to grant recipients.

2

3 NEW SECTION. **Section 8. Maximum state funding available for infrastructure -- per project -- per**  
4 **county.** (1) The maximum amount of state funding under [sections 3 through 7] may not exceed \$2.5 million per  
5 project.

6 (2) The maximum amount of grant funding under [sections 3 through 7] that may be received in a single  
7 county, including any grant funding awarded by the 65th legislature but not including a grant provided under  
8 [section 16], may not exceed \$5 million.

9

10 NEW SECTION. **Section 9. Authorization of grants.** The amount of \$5 million is authorized from the  
11 state to community bond account to the department of commerce for the biennium beginning July 1, 2017, for  
12 grants as authorized in [sections 3 through 7].

13

14 NEW SECTION. **Section 10. Authorization of capital projects.** Upon passage and approval of [this  
15 act], the following projects, pursuant to 18-2-102, are authorized, and the following amounts are authorized to  
16 the department of administration from the indicated funding sources. The department of administration is  
17 authorized to transfer funding and authority between fund types:

18 MONTANA UNIVERSITY SYSTEM

19 Romney Hall - MSU Bozeman

20 \$25 million (CPA) \$3 million (Authority only)

21 Great Falls College of Technology, Nursing Addition \$5.4 million (CPA)

22 MSU-Billings Tech Building Addition \$5 million (CPA)

23

24 NEW SECTION. **Section 11. Planning and design.** The department of administration may proceed  
25 with the planning and design of capital projects prior to the receipt of other funding sources. The department may  
26 use interentity loans in accordance with 17-2-107 to pay planning and design costs incurred before the receipt  
27 of funding from another funding source.

28

29 NEW SECTION. **Section 12. Capital projects -- contingent funds.** (1) Except as provided in  
30 subsection (2), if a capital project is financed in whole or in part with appropriations contingent on the receipt of

1 funding from another funding source, the department of administration may not let the project go to bid until the  
2 agency receiving funding has submitted a financial plan for approval by the director of the department of  
3 administration.

4 (2) A financial plan may not be approved by the director if:

5 (a) the level of funding provided under the financial plan deviates substantially from the funding level  
6 provided in [section 10] for that project; or

7 (b) the scope of the project is substantially altered or revised from the preliminary plans presented for  
8 that project in the 2019 biennium long-range building program and as presented to the 65th legislature.

9

10 **NEW SECTION. Section 13. Review by department of environmental quality.** The department of  
11 environmental quality shall review capital projects authorized in [section 10] for potential inclusion in the state  
12 building energy conservation program under Title 90, chapter 4, part 6. When a review shows that a capital  
13 project will result in energy improvements, the project must be submitted to the energy conservation program for  
14 funding consideration. Funding provided under the energy conservation program guidelines must be used to  
15 offset or add to the authorized funding for the project, with the amount dependent on the annual utility savings  
16 resulting from the facility improvement. Agencies must be notified of potential funding after the review.

17

18 **NEW SECTION. Section 14. Authorization of bonds -- reduction in bonding if revenues exceed**  
19 **estimates -- conditions.** (1) The board of examiners is authorized to issue and sell general obligation bonds in  
20 one or more series and from time to time for the purposes described in subsection (3) in addition to the amount  
21 of general obligation bonds outstanding on January 1, 2017.

22 (2) The bonds under this section must be issued in accordance with the terms and in the manner  
23 required by Title 17, chapter 5, part 8. The authority granted to the board of examiners by this section is in  
24 addition to any other authorization to the board of examiners to issue and sell general obligation bonds.

25 (3) On [the effective date of this act], the board of examiners is authorized to issue and sell up to \$88.8  
26 million in general obligation bonds and deposit the proceeds as follows:

27 (a) \$35.4 million of the proceeds from the bonds sold under this section must be deposited in the capital  
28 projects account provided for in 17-5-803 and 17-5-804;

29 (b) \$5 million of the proceeds from the bonds sold under this section must be deposited in the state to  
30 community bond account for grants provided for in [section 2(1)];

1 (c) \$9.6 million of the proceeds from the bonds sold under this section must be deposited in the state  
2 and local infrastructure account provided for in [section 2(2)] and \$8.2 amount is authorized from the account,  
3 for the biennium beginning July 1, 2017, to the department of natural resources and conservation for projects  
4 listed in House Bill 6 and \$1.4 amount is authorized from the account, for the biennium beginning July 1, 2017,  
5 to the department of natural resources and conservation for projects listed in House Bill 7; and

6 (d) \$38.8 million of the proceeds from the bonds sold under this section must be deposited in the state  
7 and local infrastructure account provided for in [section 2(3)]. A total of \$8.8 million is authorized, for the biennium  
8 beginning July 1, 2017, from the account to the department of commerce for projects listed in House Bill 11, and  
9 \$30 million is authorized from the account, for the biennium beginning July 1, 2017, to the department of  
10 commerce for projects listed in [section 16].

11 (4) If actual general fund revenues exceed the revenue estimate established pursuant to 5-5-227 for the  
12 biennium beginning July 1, 2017, for every \$10 million in excess revenues over \$30 million, the amount of  
13 bonding authorized in subsection (3) is reduced by \$5 million and the state treasurer shall transfer, by August 15  
14 following the end of a fiscal year in the biennium where actual revenues exceed the revenue estimate by \$40  
15 million or more, \$5 million from the general fund to the account listed in subsection (3) into which the bond  
16 proceeds were to be deposited.

17 (5) Except for the authorization to bond the capital projects listed in subsection (3)(a), any outstanding  
18 authorization to bond in subsection (3) expires June 30, 2020.

19

20 **NEW SECTION. Section 15. Authorization of bonds -- state veterans' home in southwestern**  
21 **Montana.** (1) Upon passage and approval of [this act], in addition to the amount of general obligation bonds  
22 outstanding on January 1, 2017, and authorized under [section 14(3)], the board of examiners is authorized to  
23 issue and sell up to \$10 million in general obligation bonds in one or more series in accordance with Title 17,  
24 chapter 5, part 8, for the purpose of funding the construction and associated costs of the state veterans' home  
25 in southwestern Montana.

26 (2) The proceeds of the bonds authorized in subsection (1) must be deposited into the capital projects  
27 account and authorized to the department of administration to be used for the construction of the state veterans'  
28 home in southwestern Montana.

29 (3) If federal grant funds for the construction of the veterans' home are received prior to the bonds being  
30 issued, the authority to issue bonds as provided for in subsection (1) is extinguished in an amount equal to the

1 federal grants received.

2 (4) If federal grant funds for the construction of the veterans' home are received after the bonds are  
3 issued, the federal grant funds must be deposited and applied to debt service obligations associated with the  
4 construction of the state veterans' home in southwestern Montana.

5  
6 **NEW SECTION. Section 16. Authorization for quality schools facility grant program.** (1) The  
7 department of commerce is authorized to make up to \$30 million in quality schools facility program grants from  
8 the state and local infrastructure account established in [section 2(2)] as authorized by this section.

9 (2) The funds in subsection (1) must be used by the department of commerce to make grants to the  
10 public school districts listed in subsection (3) for the described purposes and in amounts not to exceed the  
11 amounts set out in subsection (3). The authorization is subject to the conditions set forth in 90-6-812 and  
12 described in the quality schools facility grant program 2019 biennium report to the 65th legislature. The  
13 department shall commit funds to projects listed in subsection (3), up to the amounts authorized, based on the  
14 manner of disbursement set forth in subsections (4) and (5), until the funds authorized to finance grants in  
15 subsection (1) are expended.

16 (3) The following applicants and projects are authorized for grants and are listed in the order of their  
17 priority:

18 Applicant/Project	Grant Amount
19 1. St. Ignatius K-12 (building repair)	\$680,511
20 2. Grass Range ELE (asbestos abatement)	\$55,631
21 3. Miles City ELE (fire system upgrades)	\$352,834
22 4. Libby K-12 (heating and ventilation repair)	\$1,075,000
23 5. Custer County HS (drainage and roof upgrades)	\$953,576
24 6. Grass Range HS (fire system upgrades)	\$77,183
25 7. Wolf Point HS (storm drain system upgrades)	\$918,600
26 8. Polson ELE (replace boiler and system)	\$1,224,679
27 9. Geraldine K-12 (replace unsafe seating)	\$75,000
28 10. Arlee ELE (replace boiler)	\$694,157
29 11. Livingston ELE (energy and infrastructure improvement)	\$665,000
30 12. Rosebud K-12 (water system improvements)	\$174,300



1	13. Park City ELE (replace roof)	\$562,396
2	14. Cascade ELE (heating system repairs)	\$421,120
3	15. Noxon ELE (heating and ventilation replacement and deferred maintenance)	\$490,011
4	16. Ashland ELE (replace roof)	\$1,013,000
5	17. Troy ELE (heating and ventilation upgrades)	\$395,000
6	18. Troy HS (heating and ventilation upgrades)	\$395,000
7	19. Lodge Grass HS (electrical system improvements)	\$459,000
8	20. Billings HS (heating, ventilation, and lighting repairs and replacement)	\$1,558,988
9	21. Trout Creek ELE (foundation and flooring repairs)	\$102,600
10	22. Superior K-12 (heating and ventilation upgrades)	\$526,851
11	23. Lockwood ELE (repair and replace roofing)	\$542,003
12	24. Centerville ELE (security upgrades)	\$770,603
13	25. Kalispell ELE (infrastructure and energy upgrades)	\$483,680
14	26. Shields Valley ELE (replace boiler)	\$458,311
15	27. Lavina K-12 (replace boiler)	\$365,126
16	28. Belt ELE (ventilation system upgrades)	\$531,550
17	29. St. Regis K-12 (safety and security improvements)	\$538,196
18	30. Stevensville ELE (replace boilers and system upgrades)	\$879,801
19	31. Havre HS (ventilation system upgrades)	\$525,000
20	32. Anaconda HS (replace boilers and system upgrades)	\$1,800,738
21	33. Forsyth HS (heating and ventilation upgrades)	\$263,073
22	34. Stevensville HS (replace boilers and system upgrades)	\$1,064,057
23	35. Sun River Valley (Simms HS) (addition and remodel)	\$898,262
24	36. Kalispell HS (infrastructure and energy upgrades)	\$1,574,235
25	37. Drummond HS (retaining wall improvements)	\$193,600
26	38. Rocky Boy HS (replace air handler)	\$763,620
27	39. Frenchtown K-12 (window replacement and improvements)	\$426,408
28	40. Laurel ELE (heating and ventilation upgrades)	\$632,000
29	41. Stanford K-12 (ventilation system upgrades)	\$413,040
30	42. Hamilton K-12 (building envelope improvements)	\$833,216

1	43. Hays Lodge Pole K-12 (life safety, health compliance, electrical, and mechanical improvements)	
2		\$4,025,500
3	44. Roundup HS (replace boiler)	\$503,500
4	45. Wibaux K-12 (demolish and construct new building)	\$3,729,823
5	46. Power HS (kitchen and cafeteria remodel)	\$600,650
6	47. Butte ELE (ventilation system upgrades)	\$374,751
7	48. Fort Benton HS (technology upgrades)	\$67,472
8	49. Clinton ELE (energy conservation improvements)	\$313,784
9	50. Terry K-12 (deferred maintenance and improvements to schools)	\$120,000

10 (4) The maximum amount of a grant for a project under this section is \$1.25 million.

11 (5) In order to receive a grant for a project, a school must provide matching funds for the project. The  
 12 amount of matching funds required is based on the number of points awarded by the department of commerce  
 13 to the project application in the quality schools facility grant program 2019 biennium report to the 65th legislature  
 14 as follows:

15 (a) for an application awarded 350 points or more, the match rate is 10%;

16 (b) for an application awarded 300 points but no more than 350 points, the match rate is 15%; and

17 (c) for an application awarded less than 300 points the match rate is 20%.

18 (6) A grant recipient's entitlement to receive funds is dependent on the grant recipient's compliance with  
 19 the conditions set forth in 90-6-812, on the provision of matching funds pursuant to subsection (5), and on the  
 20 availability of funds.

21 (7) If a grant recipient listed in subsection (3) has not completed all of the conditions described in  
 22 subsection (6) by September 30, 2018, the grant must be reviewed by the legislature to determine if the  
 23 authorized grant should be withdrawn.

24  
 25 **NEW SECTION. Section 17. Approval of grants.** The legislature, pursuant to 90-6-809 and 90-6-810,  
 26 approves the quality schools facility grants listed in [section 16].

27  
 28 **NEW SECTION. Section 18. Condition of grants -- disbursement of funds.** The disbursement of  
 29 grant funds for the projects specified in [section 16(3)] is subject to the conditions set forth in 90-6-812.

30

1            NEW SECTION. **Section 19. Grant application fee.** A school district who receives funding under  
 2 [section 16] must pay to the department of commerce a \$5 administrative fee at the time it notifies the department  
 3 that it has complied with the conditions set forth in 90-6-812.

4  
 5            **Section 20.** Section 5, Chapter 324, Laws of 2011, is amended to read:  
 6            "**Section 5. Capital project appropriations.** (1) There is appropriated ~~\$4,812,500~~ up to \$5,293,750 from  
 7 state special revenue account established in section 2, Chapter 461, Laws of 2009, to the department of  
 8 administration for the southwestern Montana veterans' home project.

9            (2) There is appropriated ~~\$8,937,500~~ \$10,000,000 from the federal special revenue fund to the  
 10 department of administration for the southwestern Montana veterans' home project.

11            (3) The department of administration is authorized to transfer the appropriations in subsections (1) and  
 12 (2) among the necessary fund types for this project."

13  
 14            NEW SECTION. **Section 21. Notification to tribal governments.** The secretary of state shall send  
 15 a copy of [this act] to each tribal government located on the seven Montana reservations and to the Little Shell  
 16 Chippewa tribe.

17  
 18            COORDINATION SECTION. **Section 22. Coordination instruction.** (1) If [this act] is passed and  
 19 approved and Senate Bill 261 is not passed and approved, then [section 14(4) of this act] must be replaced with  
 20 the following language:

21            "(4) If actual general fund revenues exceed the revenue estimate established pursuant to 5-5-227 for  
 22 the biennium beginning July 1, 2017, all excess revenues over the revenue estimate are transferred, by August  
 23 15 following the end of a fiscal year in the biennium where actual revenues exceed the revenue estimate, from  
 24 the general fund to the account listed in subsection (3) into which the bond proceeds were to be deposited and  
 25 the amount of bonding authorized in subsection (3) is reduced by the amount of the transfer effective on the date  
 26 of the transfer."

27            (2) If House Bill 6 is not passed and approved, then the total amount of bonding authorized in [section  
 28 14(3) of this act] is reduced by \$8.2 million and [section 14(3)(b) of this act] must be replaced with the following  
 29 language:

30            "(b) \$1.4 million of the proceeds from the bonds sold under this section must be deposited in the state

1 and local infrastructure account provided for in [section 2(2)] and this amount is authorized from the account, for  
2 the biennium beginning July 1, 2017, to the department of natural resources and conservation for projects listed  
3 in House Bill 7."

4 (3) If House Bill 7 is not passed and approved, then the total amount of bonding authorized in [section  
5 14(3) of this act] is reduced by \$1.4 million and [section 14(3)(b) of this act] must be replaced with the following  
6 language:

7 "(b) \$8.2 million of the proceeds from the bonds sold under this section must be deposited in the state  
8 and local infrastructure account provided for in [section 2(2)] and this amount is authorized from the account, for  
9 the biennium beginning July 1, 2017, to the department of natural resources and conservation for projects listed  
10 in House Bill 6."

11 (4) If neither House Bill 6 nor House Bill 7 is passed and approved, then the total amount of bonding  
12 authorized in [section 14(3) of this act] is reduced by \$9.6 million and [section 14(3)(b) of this act] must be  
13 stricken.

14 (5) If House Bill 11 is not passed and approved, the total amount of bonding authorized in [section 14(3)  
15 of this act] is reduced by \$8.8 million and [section 14(3)(c) of this act] must be replaced with the following  
16 language:

17 "(c) \$30 million of the proceeds from the bonds sold under this section must be deposited in the state  
18 and local infrastructure account provided for in [section 2(3)] and this amount is authorized from the account, for  
19 the biennium beginning July 1, 2017, to the department of commerce for the quality schools facility grant program  
20 grants as set forth in [section 16]."

21  
22 **NEW SECTION. Section 23. Severability.** If a part of [this act] is invalid, all valid parts that are  
23 severable from the invalid part remain in effect. If a part of [this act] is invalid in one or more of its applications,  
24 the part remains in effect in all valid applications that are severable from the invalid applications.

25  
26 **NEW SECTION. Section 24. Creation of state debt -- two-thirds vote required.** Because [sections  
27 14 and 15] authorize the creation of state debt, Article VIII, section 8, of the Montana constitution requires a vote  
28 of two-thirds of the members of each house of the legislature for passage.

29  
30 **NEW SECTION. Section 25. Effective date.** [This act] is effective on passage and approval.

31 - END -