

HOUSE BILL NO. 11

INTRODUCED BY J. KEANE

BY REQUEST OF THE DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION AND THE OFFICE OF BUDGET AND PROGRAM PLANNING

A BILL FOR AN ACT ENTITLED: "AN ACT APPROPRIATING MONEY FROM THE TREASURE STATE ENDOWMENT REGIONAL WATER SYSTEM STATE SPECIAL REVENUE ACCOUNT TO THE DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION FOR FINANCIAL ASSISTANCE TO REGIONAL WATER AUTHORITIES FOR REGIONAL WATER SYSTEM PROJECTS; APPROPRIATING MONEY TO THE DEPARTMENT OF COMMERCE FOR EMERGENCY GRANTS FOR FINANCIAL ASSISTANCE TO LOCAL GOVERNMENT INFRASTRUCTURE PROJECTS THROUGH THE TREASURE STATE ENDOWMENT PROGRAM; AUTHORIZING GRANTS FROM THE TREASURE STATE ENDOWMENT STATE SPECIAL REVENUE ACCOUNT; PLACING CONDITIONS ON GRANTS AND FUNDS; APPROPRIATING MONEY TO THE DEPARTMENT OF COMMERCE FOR INFRASTRUCTURE PROJECTS; APPROPRIATING MONEY TO THE DEPARTMENT OF COMMERCE FOR INFRASTRUCTURE PLANNING GRANTS; AND PROVIDING AN EFFECTIVE DATE."

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

NEW SECTION. SECTION 1. APPROPRIATION FOR 2019 BIENNIUM UNFUNDED AUTHORIZED TREASURE STATE ENDOWMENT PROGRAM CONTINUATION GRANTS. (1) THERE IS APPROPRIATED TO THE DEPARTMENT OF COMMERCE \$7,471,390 FOR THE BIENNIUM BEGINNING JULY 1, 2019, FROM THE TREASURE STATE ENDOWMENT SPECIAL REVENUE ACCOUNT ESTABLISHED IN 17-5-703(3)(A) TO FINANCE TREASURE STATE ENDOWMENT PROGRAM GRANTS AUTHORIZED BY SUBSECTION (2).

(2) THE FOLLOWING APPLICANTS AND PROJECTS ARE AUTHORIZED FOR GRANTS:

<u>INFRASTRUCTURE APPLICANT (PROJECT TYPE)</u>	<u>GRANT AMOUNT</u>
<u>1. STANFORD, TOWN OF (WATER)</u>	<u>\$211,362</u>
<u>2. HOT SPRINGS, TOWN OF (WATER)</u>	<u>\$478,632</u>
<u>3. SHERIDAN, TOWN OF (WATER)</u>	<u>\$625,000</u>
<u>4. SIMMS COUNTY SEWER DISTRICT (WASTEWATER)</u>	<u>\$750,000</u>



1	<u>5. CIRCLE, TOWN OF (WATER)</u>	<u>\$625,000</u>
2	<u>6. LOCKWOOD WATER & SEWER DISTRICT (WATER)</u>	<u>\$625,000</u>
3	<u>7. HARLOWTON, CITY OF (WATER)</u>	<u>\$750,000</u>
4	<u>8. CASCADE, TOWN OF (WASTEWATER)</u>	<u>\$500,000</u>
5	<u>9. SHELBY, CITY OF (WATER)</u>	<u>\$750,000</u>
6	<u>10. DUTTON, TOWN OF (WATER)</u>	<u>\$500,000</u>
7	<u>11. BUTTE-SILVER BOW (WASTEWATER)</u>	<u>\$349,286</u>
8	<u>12. LEWIS AND CLARK COUNTY (BRIDGE)</u>	<u>\$309,985</u>
9	<u>13. JUDITH BASIN COUNTY (BRIDGE)</u>	<u>\$247,125</u>
10	<u>14. POWELL COUNTY (BRIDGE)</u>	<u>\$750,000</u>

11 (3) FUNDING FOR PROJECTS LISTED IN SUBSECTION (2) WILL BE PROVIDED UP TO THE AMOUNT OF THE
 12 APPROPRIATION IN SUBSECTION (1) AS PROJECTS MEET THE CONDITIONS PROVIDED IN [SECTION 4(1)].

13 (4) IF SUFFICIENT FUNDS ARE AVAILABLE, THIS SECTION CONSTITUTES A VALID OBLIGATION OF FUNDS IN THE
 14 TREASURE STATE ENDOWMENT SPECIAL REVENUE ACCOUNT ESTABLISHED IN 17-5-703(3)(A) TO THE GRANT RECIPIENTS
 15 LISTED IN SUBSECTION (2) FOR THE PURPOSE OF ENCUMBERING THE FUNDS FOR THE BIENNIUM BEGINNING JULY 1, 2019,
 16 PURSUANT TO 17-7-302. HOWEVER, A GRANT RECIPIENT'S ENTITLEMENT TO RECEIVE FUNDS IS DEPENDENT ON THE GRANT
 17 RECIPIENT'S COMPLIANCE WITH CONDITIONS DESCRIBED IN [SECTION 4(1)] AND ON THE AVAILABILITY OF FUNDS. ANY
 18 PROJECTS LISTED IN SUBSECTION (2) THAT HAVE NOT COMPLETED THE CONDITIONS DESCRIBED IN [SECTION 4(1)] BY
 19 SEPTEMBER 30, 2020, MUST BE REVIEWED BY THE NEXT REGULAR SESSION OF THE LEGISLATURE TO DETERMINE IF THE
 20 AUTHORIZED GRANT SHOULD BE WITHDRAWN.

21 (5) THE FUNDS APPROPRIATED IN THIS SECTION MUST BE USED BY THE DEPARTMENT OF COMMERCE TO MAKE
 22 GRANTS TO THE LOCAL GOVERNMENTS LISTED IN SUBSECTION (2) FOR THE DESCRIBED PURPOSES AND IN AMOUNTS NOT
 23 TO EXCEED THE AMOUNTS SET OUT IN SUBSECTION (2). THE GRANTS AUTHORIZED IN THIS SECTION ARE SUBJECT TO THE
 24 CONDITIONS SET FORTH IN [SECTION 4(1)] AND DESCRIBED IN THE TREASURE STATE ENDOWMENT PROGRAM 2021
 25 BIENNIUM REPORT TO THE 66TH LEGISLATURE. THE DEPARTMENT OF COMMERCE MUST COMMIT FUNDS TO PROJECTS
 26 LISTED IN SUBSECTION (2), UP TO THE AMOUNTS AUTHORIZED, BASED ON THE MANNER OF AND SUBJECT TO THE
 27 LIMITATIONS ON DISBURSEMENT SET FORTH IN [SECTION 4]. IF THE FUNDS IN THE TREASURE STATE ENDOWMENT SPECIAL
 28 REVENUE ACCOUNT ESTABLISHED IN 17-5-703(3)(A) ARE INSUFFICIENT TO FUND ALL PROJECTS AUTHORIZED [IN THIS ACT],
 29 THE PROJECTS IN [SECTION 1(2)] MUST BE FUNDED BEFORE ANY PROJECTS LISTED IN [SECTIONS 2(2) AND 2(5)].

30 (6) THE DEPARTMENT OF COMMERCE WILL DISBURSE GRANT FUNDS ON A REIMBURSEMENT BASIS AS GRANT

1 RECIPIENTS INCUR ELIGIBLE PROJECT EXPENSES. ELIGIBLE PROJECT EXPENSES INCLUDE ELIGIBLE PROJECT EXPENSES
 2 INCURRED BEGINNING ON MAY 8, 2017.

3 (7) GRANT RECIPIENTS LISTED UNDER SUBSECTION (2) MAY USE LOCAL DOLLARS OR OTHER NON-TREASURE
 4 STATE ENDOWMENT PROGRAM FUNDS EXPENDED DURING THE BIENNIUM BEGINNING JULY 1, 2017, AS MATCHING FUNDS
 5 FOR THEIR PROJECT AUTHORIZED IN SUBSECTION (2) IN ADDITION TO CURRENTLY ACCEPTABLE FORMS OF MATCH.

6 (8) GRANT RECIPIENTS MUST COMPLETE ALL OF THE CONDITIONS DESCRIBED IN [SECTION 4(1)] BY SEPTEMBER
 7 30, 2022, OR ANY OBLIGATION TO THE GRANT RECIPIENT IS VOID.

8

9 **NEW SECTION. SECTION 2. APPROPRIATION FOR TREASURE STATE ENDOWMENT PROGRAM GRANTS. (1)**

10 THERE IS APPROPRIATED TO THE DEPARTMENT OF COMMERCE \$8,112,847 FOR THE BIENNIUM BEGINNING JULY 1, 2019,
 11 FROM THE TREASURE STATE ENDOWMENT SPECIAL REVENUE ACCOUNT ESTABLISHED IN 17-5-703(3)(A) TO FINANCE
 12 TREASURE STATE ENDOWMENT PROGRAM GRANTS AUTHORIZED BY SUBSECTION (2).

13 (2) THE FOLLOWING APPLICANTS AND PROJECTS ARE AUTHORIZED FOR GRANTS AND LISTED IN THE ORDER OF
 14 THEIR PRIORITY:

<u>INFRASTRUCTURE APPLICANT (PROJECT TYPE)</u>	<u>GRANT AMOUNT</u>
15 <u>1. LIBBY, CITY OF (WATER)</u>	<u>\$750,000</u>
16 <u>2. CLANCY WATER & SEWER DISTRICT (WATER)</u>	<u>\$750,000</u>
17 <u>3. WIBAUX, TOWN OF (WASTEWATER)</u>	<u>\$750,000</u>
18 <u>4. LOCKWOOD WATER & SEWER DISTRICT (WATER)</u>	<u>\$500,000</u>
19 <u>5. GERALDINE, TOWN OF (WASTEWATER)</u>	<u>\$500,000</u>
20 <u>6. DODSON, TOWN OF (WASTEWATER)</u>	<u>\$362,150</u>
21 <u>7. HYSHAM, TOWN OF (WASTEWATER)</u>	<u>\$375,000</u>
22 <u>8. WILSALL WATER DISTRICT (WATER)</u>	<u>\$500,000</u>
23 <u>9. WHITEHALL, TOWN OF (WATER)</u>	<u>\$625,000</u>
24 <u>10. POWER-TETON COUNTY WATER & SEWER DISTRICT (WATER)</u>	<u>\$625,000</u>
25 <u>11. PLAINS, TOWN OF (WASTEWATER)</u>	<u>\$500,000</u>
26 <u>12. BROADVIEW, TOWN OF (WATER)</u>	<u>\$500,000</u>
27 <u>13. THOMPSON FALLS, CITY OF (WASTEWATER)</u>	<u>\$750,000</u>
28 <u>14. CORAM COUNTY WATER & SEWER DISTRICT (WATER)</u>	<u>\$500,000</u>
29 <u>15. CHINOOK, CITY OF (WATER)</u>	<u>\$500,000</u>

1 16. CUT BANK, CITY OF (WATER) \$750,000

2 17. ROUNDUP, CITY OF (WATER) \$750,000

3 (3) FUNDING FOR THE PROJECTS NUMBERED 1 THROUGH 13 IN SUBSECTION (2) WILL BE PROVIDED ONLY AS LONG
 4 AS THERE ARE SUFFICIENT FUNDS AVAILABLE FROM THE AMOUNT THAT WAS DEPOSITED INTO THE TREASURE STATE
 5 ENDOWMENT SPECIAL REVENUE ACCOUNT DURING THE BIENNIUM BEGINNING JULY 1, 2019. FUNDING FOR THE PROJECTS
 6 WILL BE MADE AVAILABLE IN THE ORDER THAT THE GRANT RECIPIENTS SATISFY THE CONDITIONS DESCRIBED IN [SECTION
 7 4(1)], AND THE OBLIGATIONS TO ANY REMAINING PROJECTS WILL CEASE. PROJECTS NUMBERED 14 THROUGH 17 LISTED
 8 IN SUBSECTION (2) THAT HAVE SATISFIED THE CONDITIONS DESCRIBED IN [SECTION 4(1)] MAY RECEIVE GRANT FUNDS ONLY
 9 IF ONE OR MORE OF THE PROJECTS NUMBERED 1 THROUGH 13 TERMINATE THEIR RIGHT TO THE AWARDED FUNDS IN
 10 WRITING PRIOR TO THE END OF THE BIENNIUM BEGINNING JULY 1, 2019.

11 (4) THERE IS APPROPRIATED TO THE DEPARTMENT OF COMMERCE \$2,005,763 FOR THE BIENNIUM BEGINNING
 12 JULY 1, 2019, FROM THE TREASURE STATE ENDOWMENT SPECIAL REVENUE ACCOUNT ESTABLISHED IN 17-5-703(3)(A) TO
 13 FINANCE TREASURE STATE ENDOWMENT PROGRAM GRANTS AUTHORIZED BY SUBSECTION (5) AS PROJECTS MEET THE
 14 CONDITIONS PROVIDED IN [SECTION 4(1)].

15 (5) THE FOLLOWING APPLICANTS AND PROJECTS ARE AUTHORIZED FOR GRANTS AND LISTED IN THE ORDER OF
 16 THEIR PRIORITY:

<u>BRIDGE APPLICANT</u>	<u>GRANT AMOUNT</u>
18 <u>1. MUSSELSHELL COUNTY</u>	<u>\$589,138</u>
19 <u>2. LEWIS & CLARK COUNTY</u>	<u>\$558,806</u>
20 <u>3. BEAVERHEAD COUNTY</u>	<u>\$500,000</u>
21 <u>4. CUSTER COUNTY</u>	<u>\$357,819</u>

22 (6) IF SUFFICIENT FUNDS ARE AVAILABLE, THIS SECTION CONSTITUTES A VALID OBLIGATION OF FUNDS TO THE
 23 GRANT RECIPIENTS LISTED IN SUBSECTIONS (2) AND (5) FOR PURPOSES OF ENCUMBERING THE FUNDS IN THE TREASURE
 24 STATE ENDOWMENT SPECIAL REVENUE ACCOUNT ESTABLISHED IN 17-5-703(3)(A) FOR THE BIENNIUM BEGINNING JULY
 25 1, 2019, PURSUANT TO 17-7-302. HOWEVER, A GRANT RECIPIENT'S ENTITLEMENT TO RECEIVE FUNDS IS DEPENDENT ON
 26 THE GRANT RECIPIENT'S COMPLIANCE WITH THE CONDITIONS DESCRIBED IN [SECTION 4(1)] AND ON THE AVAILABILITY OF
 27 FUNDS.

28 (7) FUNDING FOR PROJECTS IN SUBSECTIONS (2) AND (5) WILL BE PROVIDED ONLY AS LONG AS THERE ARE
 29 SUFFICIENT FUNDS AVAILABLE IN THE TREASURE STATE ENDOWMENT SPECIAL REVENUE ACCOUNT ESTABLISHED IN
 30 17-5-703(3)(A) DURING THE BIENNIUM BEGINNING JULY 1, 2019. FUNDING FOR THESE PROJECTS WILL BE MADE AVAILABLE

1 IN THE ORDER THAT THE GRANT RECIPIENTS SATISFY THE CONDITIONS DESCRIBED IN [SECTION 4(1)]. HOWEVER, ANY OF
 2 THE PROJECTS LISTED IN SUBSECTIONS (2) AND (5) THAT HAVE NOT COMPLETED THE CONDITIONS DESCRIBED IN [SECTION
 3 4(1)] BY SEPTEMBER 30, 2020, MUST BE REVIEWED BY THE NEXT REGULAR SESSION OF THE LEGISLATURE TO DETERMINE
 4 IF THE AUTHORIZED GRANT SHOULD BE WITHDRAWN.

5 (8) THE FUNDS APPROPRIATED IN THIS SECTION MUST BE USED BY THE DEPARTMENT TO MAKE GRANTS TO THE
 6 GOVERNMENTAL ENTITIES LISTED IN SUBSECTIONS (2) AND (5) FOR THE DESCRIBED PURPOSES AND IN AMOUNTS NOT TO
 7 EXCEED THE AMOUNTS SET OUT IN SUBSECTIONS (2) AND (5). THE GRANTS AUTHORIZED IN THIS SECTION ARE SUBJECT
 8 TO THE CONDITIONS SET FORTH IN [SECTION 4(1)] AND DESCRIBED IN THE TREASURE STATE ENDOWMENT PROGRAM 2021
 9 BIENNIUM REPORT TO THE 66TH LEGISLATURE. THE LEGISLATURE, PURSUANT TO 90-6-710, AUTHORIZES THE GRANTS
 10 FOR THE PROJECTS LISTED IN SUBSECTIONS (2) AND (5). THE DEPARTMENT SHALL COMMIT FUNDS TO PROJECTS LISTED
 11 IN SUBSECTIONS (2) AND (5), UP TO THE AMOUNTS AUTHORIZED, BASED ON THE MANNER OF DISBURSEMENT SET FORTH
 12 IN [SECTION 4] UNTIL THE FUNDS DEPOSITED INTO THE TREASURE STATE ENDOWMENT SPECIAL REVENUE ACCOUNT
 13 ESTABLISHED IN 17-5-703(3)(A) DURING THE BIENNIUM BEGINNING JULY 1, 2019, ARE EXPENDED.

14 (9) GRANT RECIPIENTS SHALL COMPLETE ALL OF THE CONDITIONS DESCRIBED IN [SECTION 4(1)] BY SEPTEMBER
 15 30, 2022, OR ANY OBLIGATION TO THE GRANT RECIPIENT WILL CEASE.

16
 17 **NEW SECTION. SECTION 3. APPROVAL OF GRANTS -- COMPLETION OF BIENNIAL APPROPRIATION. (1) THE**
 18 **LEGISLATURE, PURSUANT TO 90-6-701, AUTHORIZES GRANTS FOR THE PROJECTS IDENTIFIED IN [SECTION 1(2)], THE**
 19 **PROJECTS IDENTIFIED IN [SECTIONS 2(2) AND 2(5)], THE EMERGENCY INFRASTRUCTURE GRANTS IN [SECTION 6], AND THE**
 20 **INFRASTRUCTURE PLANNING GRANTS IN [SECTION 7].**

21 (2) THE AUTHORIZATION OF THESE GRANTS COMPLETES A BIENNIAL APPROPRIATION FROM THE TREASURE STATE
 22 ENDOWMENT SPECIAL REVENUE ACCOUNT ESTABLISHED IN 17-5-703(3)(A).

23 (3) GRANTS TO ENTITIES FROM PRIOR BIENNIUMS ARE REAUTHORIZED FOR COMPLETION OF CONTRACT WORK.

24
 25 **NEW SECTION. SECTION 4. CONDITION OF GRANTS -- DISBURSEMENTS OF FUNDS. (1) THE DISBURSEMENT**
 26 **OF GRANT FUNDS FOR THE PROJECTS SPECIFIED IN [SECTIONS 1(2), 2(2), AND 2(5)] IS SUBJECT TO COMPLETION OF THE**
 27 **FOLLOWING CONDITIONS:**

28 (A) THE GRANT RECIPIENT SHALL DOCUMENT THAT OTHER MATCHING FUNDS REQUIRED FOR COMPLETION OF THE
 29 PROJECT ARE FIRMLY COMMITTED.

30 (B) THE GRANT RECIPIENT MUST HAVE A PROJECT MANAGEMENT PLAN THAT IS APPROVED BY THE DEPARTMENT

1 OF COMMERCE.

2 (C) THE GRANT RECIPIENT MUST BE IN COMPLIANCE WITH THE AUDITING AND REPORTING REQUIREMENTS
3 PROVIDED FOR IN 2-7-503 AND HAVE ESTABLISHED A FINANCIAL ACCOUNTING SYSTEM THAT THE DEPARTMENT CAN
4 REASONABLY ENSURE CONFORMS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES. TRIBAL GOVERNMENTS SHALL
5 COMPLY WITH AUDITING AND REPORTING REQUIREMENTS PROVIDED FOR IN 2 CFR 200.

6 (D) THE GRANT RECIPIENT SHALL SATISFACTORILY COMPLY WITH ANY CONDITIONS DESCRIBED IN THE
7 APPLICATION (PROJECT) SUMMARIES SECTION OF THE TREASURE STATE ENDOWMENT PROGRAM 2021 BIENNIUM REPORT
8 TO THE 66TH LEGISLATURE.

9 (E) THE GRANT RECIPIENT SHALL SATISFY OTHER SPECIFIC REQUIREMENTS CONSIDERED NECESSARY BY THE
10 DEPARTMENT OF COMMERCE TO ACCOMPLISH THE PURPOSE OF THE PROJECT AS EVIDENCED BY THE APPLICATION TO THE
11 DEPARTMENT.

12 (F) THE GRANT RECIPIENT SHALL EXECUTE A GRANT AGREEMENT WITH THE DEPARTMENT OF COMMERCE.

13 (2) WITH THE EXCEPTION OF BRIDGES, ALL PROJECTS MUST ADHERE TO THE DESIGN STANDARDS REQUIRED BY
14 THE DEPARTMENT OF ENVIRONMENTAL QUALITY. RECIPIENTS OF TREASURE STATE ENDOWMENT PROGRAM FUNDS THAT
15 ARE NOT SUBJECT TO THE DEPARTMENT OF ENVIRONMENTAL QUALITY DESIGN STANDARDS MUST ADHERE TO GENERALLY
16 ACCEPTED INDUSTRY STANDARDS, SUCH AS RECOMMENDED STANDARDS FOR WASTEWATER FACILITIES OR
17 RECOMMENDED STANDARDS FOR WATER WORKS, PUBLISHED BY THE GREAT LAKES-UPPER MISSISSIPPI RIVER BOARD
18 OF STATE AND PROVINCIAL PUBLIC HEALTH AND ENVIRONMENTAL MANAGERS, LATEST EDITION.

19 (3) RECIPIENTS OF TREASURE STATE ENDOWMENT PROGRAM FUNDS ARE SUBJECT TO THE REQUIREMENTS OF
20 THE DEPARTMENT OF COMMERCE AS DESCRIBED IN THE MOST RECENT EDITION OF THE TREASURE STATE ENDOWMENT
21 PROGRAM PROJECT ADMINISTRATION MANUAL ADOPTED BY THE DEPARTMENT THROUGH THE ADMINISTRATIVE
22 RULEMAKING PROCESS.

23
24 **NEW SECTION. SECTION 5. OTHER POWERS AND DUTIES OF DEPARTMENT. (1) THE DEPARTMENT OF**
25 **COMMERCE SHALL DISBURSE GRANT FUNDS ON A REIMBURSEMENT BASIS AS GRANT RECIPIENTS INCUR ELIGIBLE PROJECT**
26 **EXPENSES.**

27 (2) IF ACTUAL PROJECT EXPENSES ARE LOWER THAN THE PROJECTED EXPENSE OF THE PROJECT, THE
28 DEPARTMENT MAY, AT ITS DISCRETION:

29 (A) REDUCE THE AMOUNT OF GRANT FUNDS TO BE PROVIDED TO GRANT RECIPIENTS IN PROPORTION TO ALL
30 OTHER PROJECT FUNDING SOURCES;

1 (B) AUTHORIZE THE AMOUNT OF GRANT FUNDS TO BE PROVIDED SO THAT THE GRANT RECIPIENT'S PROJECTED
 2 AVERAGE RESIDENTIAL USER RATES DO NOT BECOME LOWER THAN THEIR TARGET RATE AS DETERMINED BY THE
 3 DEPARTMENT; OR

4 (C) REDUCE THE AMOUNT OF GRANT FUNDS TO BE PROVIDED SO THAT THE GRANT RECIPIENT'S PROJECTED
 5 AVERAGE RESIDENTIAL USER RATES DO NOT BECOME LOWER THAN THEIR TARGET RATE AS DETERMINED BY THE
 6 DEPARTMENT.

7 (3) IF THE GRANT RECIPIENT OBTAINS A GREATER AMOUNT OF GRANT FUNDS THAN WAS CONTAINED IN THE
 8 TREASURE STATE ENDOWMENT PROGRAM APPLICATION, THE DEPARTMENT MAY REDUCE THE AMOUNT OF THE TREASURE
 9 STATE ENDOWMENT PROGRAM GRANT FUNDS TO BE PROVIDED TO ENSURE THAT THE GRANT RECIPIENT CONTINUES TO
 10 MEET THE THRESHOLD REQUIREMENTS CONTAINED IN PROGRAM GUIDELINES FOR RECEIVING THE LARGER TREASURE
 11 STATE ENDOWMENT PROGRAM GRANT.

12
 13 **NEW SECTION. SECTION 6. APPROPRIATION FROM TREASURE STATE ENDOWMENT SPECIAL REVENUE**
 14 **ACCOUNT FOR EMERGENCY GRANTS.** THERE IS APPROPRIATED TO THE DEPARTMENT OF COMMERCE \$100,000 FOR THE
 15 BIENNIUM BEGINNING JULY 1, 2019, FROM THE TREASURE STATE ENDOWMENT SPECIAL REVENUE ACCOUNT FOR THE
 16 PURPOSE OF PROVIDING LOCAL GOVERNMENTS, AS DEFINED IN 90-6-701, WITH EMERGENCY GRANTS FOR
 17 INFRASTRUCTURE PROJECTS, AS DEFINED IN 90-6-701.

18
 19 **NEW SECTION. SECTION 7. APPROPRIATION FROM TREASURE STATE ENDOWMENT SPECIAL REVENUE**
 20 **ACCOUNT FOR INFRASTRUCTURE PLANNING GRANTS.** THERE IS APPROPRIATED TO THE DEPARTMENT OF COMMERCE
 21 \$900,000 FOR THE BIENNIUM BEGINNING JULY 1, 2019, FROM THE TREASURE STATE ENDOWMENT SPECIAL REVENUE
 22 ACCOUNT FOR THE PURPOSE OF PROVIDING LOCAL GOVERNMENTS, AS DEFINED IN 90-6-701, WITH INFRASTRUCTURE
 23 PLANNING GRANTS FOR INFRASTRUCTURE PROJECTS, AS DEFINED IN 90-6-701.

24
 25 **NEW SECTION. SECTION 8. Appropriation from treasure state endowment regional water system**
 26 **special revenue account.** (1) There is appropriated ~~\$6,863,000~~ \$5,000,000 to the department of natural
 27 resources and conservation for the biennium beginning July 1, 2019, from the treasure state endowment regional
 28 water system special revenue account to finance the state's share of regional water system projects authorized
 29 in subsection (2) and as set forth in 90-6-715.

30 (2) The state's four regional water authorities are authorized to receive the funds appropriated in

1 subsection (1) as long as there are sufficient funds available from the amount that was deposited into the treasure
2 state endowment regional water system special revenue account during the biennium beginning July 1, 2019.

3 (3) A regional water authority's receipt of funds is dependent on the authority's compliance with the
4 conditions described in ~~[section 3(1)]~~ [SECTION 10(1)].

5 (4) This section constitutes a valid obligation of funds to the regional water authorities identified in
6 subsection (2) for purposes of encumbering the treasure state endowment regional water system special revenue
7 account funds received during the biennium beginning July 1, 2019, under 17-7-302.

8
9 NEW SECTION. Section 9. Approval of funds -- completion of appropriation. (1) The legislature,
10 pursuant to 90-6-715, authorizes funds for the regional water authorities identified in ~~[section 4(2)]~~ [SECTION 8(2)].

11 (2) The authorization of these funds completes an appropriation from the treasure state endowment
12 regional water system special revenue account provided for in 17-5-703(3)(b).

13
14 NEW SECTION. Section 10. Conditions -- manner of disbursement of funds. (1) The disbursement
15 of funds under ~~[sections 4 and 2]~~ [SECTIONS 8 AND 9] is subject to completion of the following conditions:

16 (a) The regional water authority shall execute an agreement with the department of natural resources
17 and conservation.

18 (b) The regional water authority must have a project management plan that is approved by the
19 department.

20 (c) The regional water authority shall establish a financial accounting system that the department can
21 reasonably ensure conforms to generally accepted accounting principles.

22 (d) The regional water authority shall provide the department with a detailed preliminary engineering
23 report.

24 (2) The department shall disburse funds on a reimbursement basis as the regional water authority incurs
25 eligible project expenses.

26
27 NEW SECTION. Section 11. Notification to tribal governments. The secretary of state shall send
28 a copy of [this act] to each tribal government located on the seven Montana reservations and to the Little Shell
29 Chippewa tribe.

30

1 COORDINATION SECTION. SECTION 12. COORDINATION INSTRUCTION. IF BOTH [THIS ACT] AND AN ACT THAT
2 PROVIDES ADDITIONAL FUNDING FOR TREASURE STATE ENDOWMENT PROGRAM GRANTS FROM BOND PROCEEDS ARE
3 PASSED AND APPROVED, THE PROJECTS LISTED IN [SECTION 2(2) OF THIS ACT] THAT DO NOT RECEIVE FUNDING FROM THE
4 APPROPRIATIONS IN [SECTION 2(2) OF THIS ACT] MAY RECEIVE FUNDING FROM THE APPROPRIATION IN THE OTHER ACT
5 DESIGNATED FOR TREASURE STATE ENDOWMENT PROGRAM GRANTS IN THE ORDER OF COMPLETION OF THE CONDITIONS
6 OF [SECTION 4 OF THIS ACT] AND TO THE EXTENT THAT THERE IS APPROPRIATION AUTHORITY AVAILABLE.

7

8 NEW SECTION. Section 13. Effective date. [This act] is effective July 1, 2019.

9

- END -