

1 HOUSE BILL NO. 632

2 INTRODUCED BY F. GARNER, E. BUTTREY

3

4 A BILL FOR AN ACT ENTITLED: "AN ACT IMPLEMENTING THE AMERICAN RESCUE PLAN ACT;  
5 PROVIDING APPROPRIATIONS OF FEDERAL FUNDS AND OTHER FUNDS AVAILABLE BECAUSE OF  
6 THE RECEIPT OF FEDERAL FUNDS FOR THE FISCAL YEAR ENDING JUNE 30, 2021; ALLOWING  
7 APPROPRIATIONS TO CONTINUE INTO THE 2023 BIENNIUM AND 2025 BIENNIUMS; PROVIDING  
8 CONDITIONS AND RESTRICTIONS ON THE USE OF FUNDS; CREATING ADVISORY COMMISSIONS  
9 RELATED TO INFRASTRUCTURE, COMMUNICATIONS, ECONOMIC TRANSFORMATION AND  
10 STABILIZATION, AND HEALTH; PROVIDING DEADLINES AND OTHER CONDITIONS RELATED TO THE  
11 GRANT PROCESS; REQUIRING THE USE OF MATCHING FUNDS FOR CERTAIN GRANTS; PROVIDING  
12 FOR AN OUTREACH TEAM TO ASSIST LOCAL GOVERNMENTS IN THE GRANT PROCESS; PROVIDING  
13 FOR FUNDING FOR STATE CAPITAL PROJECTS AND GRANTS FOR WATER AND WASTEWATER  
14 PROJECTS; PROVIDING MINIMUM ALLOCATION GRANTS TO LOCAL GOVERNMENTS FOR  
15 QUALIFYING PROJECTS; PROVIDING FOR A GRANT PROCESS FOR COMMUNICATIONS AND  
16 ECONOMIC TRANSFORMATION AND STABILIZATION PROJECTS; PROVIDING GRANTS TO REGIONAL  
17 WATER AUTHORITIES; REQUIRING PERFORMANCE MEASURES AND REPORTING ON PROJECTS;  
18 PROVIDING COORDINATION INSTRUCTIONS TO FUND QUALIFYING LONG-RANGE PROJECTS WITH  
19 FEDERAL FUNDS; PROVIDING THE EXECUTIVE THE AUTHORITY TO MODIFY AND REPORT  
20 MODIFICATIONS TO APPROPRIATIONS AND PARAMETERS OF PROGRAMS TO THE LEGISLATIVE  
21 FINANCE COMMITTEE; ~~PROVIDING FOR A REDUCTION TO GRANT AWARDS TO LOCAL~~  
22 ~~GOVERNMENTS BASED ON HEALTH REGULATIONS THAT ARE MORE STRICT THAN THOSE OF THE~~  
23 ~~STATE~~; AMENDING SECTION 2-17-603, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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

26

27 (Refer to Introduced Bill)

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Strike everything after the enacting clause and insert:

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**NEW SECTION. Section 1. Infrastructure advisory commission.** (1) There is an American Rescue Plan infrastructure advisory commission.

(2) The commission consists of nine members, who must be appointed as follows:

(a) three senators, two from the majority party and one from the minority party, appointed by the senate president;

(b) three representatives, two from the majority party and one from the minority party, appointed by the speaker of the house; and

(c) three members appointed by the governor.

(3) The commission shall review applications for funding for state capital projects and state and local government water and wastewater projects and shall provide recommendations to the executive on which projects should be funded. Projects approved by the 67th legislature for funding in House Bill No. 5, 6, 7, 11, or 14 are not submitted to the commission.

(4) Appointed members of the commission must be compensated and receive travel expenses as provided for in 2-15-124 for each day in attendance at commission meetings or in the performance of any duty or service as a commission member.

**NEW SECTION. Section 2. Appropriations for capital projects and water and wastewater projects -- matching funds.** (1) There are federal funds received pursuant to the American Rescue Plan Act of 2021, Public Law 117-2, appropriated to the office of budget and program planning for state infrastructure projects and local infrastructure grants as follows:

Amount	ARPA Section
500,000,000	602
119,300,000	604

(2) For any water or wastewater grant awarded to a local government with these funds, a local government must provide matching funds.

(3) For the purposes of [this act], "local government" means any tribe, city, town, county, consolidated city-county, or school district.

1 (4) For the purposes of [this act], " state infrastructure projects" includes projects for state-owned  
2 buildings and facilities as well as within the Montana university system, including community colleges in the  
3 state.

4 (5) References to "ARPA Section" mean references to section 9901 of the American Rescue Plan Act  
5 of 2021, Public Law 117-2, which amends Title VI of the Social Security Act to include section 602 or section  
6 604.

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8 **NEW SECTION. Section 3. Eligibility -- submission deadline -- priority -- approval of**  
9 **recommendations.** (1) State and local governments shall submit grant requests and supporting materials,  
10 including the amount of matching funds available, to the applicable agency by July 1, 2021, in order to be  
11 eligible for funding under [section 2]. The agency will review grant applications, rank projects, and issue a list of  
12 recommended projects to the advisory commission by August 15, 2021.

13 (2) The applicable agency shall submit a list of recommended state capital projects to the advisory  
14 commission by August 15, 2021.

15 (3) The advisory commission shall review the lists of recommended projects and issue a final list of  
16 recommended projects to the executive by September 1, 2021.

17 (4) In preparing recommendations, for capital projects, preference must be given to projects that carry  
18 out critical capital projects directly enabling work, education, and health monitoring, including remote options, in  
19 response to the public health emergency with respect to COVID-19. For local government grants, preference  
20 may also be given to projects that provide a higher match rate.

21 (5) The recommendations of the advisory commission must be considered by the governor and  
22 reviewed to comply with the American Rescue Plan Act and all applicable guidance. The governor may modify  
23 recommendations and shall provide the final list of approved projects to the legislative finance committee by  
24 October 15, 2021. If it is later determined that a project cannot be completed, the governor may authorize  
25 another project and provide a report to the legislative finance committee. If it is determined at any time that a  
26 project is identified not to be eligible based on federal guidance or regulation and, if completed, would result in  
27 a reduction in funds from the American Rescue Plan Act or require the state to repay or refund money to the  
28 federal government pursuant to the American Rescue Plan Act, the governor may authorize another project and

1 provide a report to the legislative finance committee.

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3 NEW SECTION. SECTION 4. MINIMUM ALLOCATION GRANTS TO LOCAL GOVERNMENTS. (1) THE AMOUNT OF  
4 \$150 MILLION OF THE CORONAVIRUS LOCAL FISCAL RECOVERY FUNDS APPROPRIATED IN [SECTION 2] MUST BE USED TO  
5 PROVIDE MINIMUM ALLOCATION GRANTS TO LOCAL GOVERNMENTS FOR INFRASTRUCTURE PROJECTS.

6 (2) THE AMOUNT A LOCAL GOVERNMENT IS ELIGIBLE TO RECEIVE IN GRANTS UNDER THIS SECTION IS IN THE  
7 SAME PROPORTION AND USING THE SAME RATIOS PROVIDED FOR IN 15-70-101(2)(B), (2)(C), AND (3).

8 (3) (A) TO RECEIVE A GRANT UNDER THIS SECTION, A LOCAL GOVERNMENT SHALL SUBMIT AN APPLICATION FOR  
9 A QUALIFYING INFRASTRUCTURE PROJECT AND PLEDGE MATCHING FUNDS.

10 (B) A QUALIFYING PROJECT IS A PROJECT THAT COMPLIES WITH THE USES AUTHORIZED FOR THE CORONAVIRUS  
11 STATE FISCAL RECOVERY FUNDS.

12 (C) THE LOCAL GOVERNMENT SHALL PLEDGE THE GREATER OF:

13 (I) ONE-TO-ONE MATCHING FUNDS; OR

14 (II) 25% OF THE AMOUNT THAT THE LOCAL GOVERNMENT RECEIVED IN CORONAVIRUS LOCAL FISCAL RECOVERY  
15 FUNDS PROVIDED FOR IN THE AMERICAN RESCUE PLAN ACT.

16 (D) A LOCAL GOVERNMENT MAY USE CORONAVIRUS LOCAL FISCAL RECOVERY FUNDS AS MATCHING FUNDS.

17 (4) GRANT FUNDS NOT CLAIMED BY JANUARY 1, 2023, ARE TRANSFERRED TO THE COMPETITIVE GRANT  
18 PROGRAM ADMINISTERED BY THE APPROPRIATE AGENCY FOR DISTRIBUTION THROUGH THE COMPETITIVE GRANT  
19 PROGRAM.

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21 NEW SECTION. SECTION 5. GRANTS TO REGIONAL WATER AUTHORITIES -- MATCHING FUNDS -- USES. (1)  
22 OF THE APPROPRIATION MADE IN [SECTION 2] OF CORONAVIRUS STATE FISCAL RECOVERY FUNDS, \$10 MILLION IS  
23 ALLOCATED TO THE DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION TO PROVIDE EACH REGIONAL WATER  
24 AUTHORITY A GRANT OF \$2.5 MILLION.

25 (2) FOR A GRANT UNDER THIS SECTION, A REGIONAL WATER AUTHORITY MUST PROVIDE ONE-TO-ONE MATCHING  
26 FUNDS TO BE COMPRISED OF LOANS SECURED BY COAL SEVERANCE TAX BONDS MADE PURSUANT TO HOUSE BILL NO. 8.

27 (3) THE REGIONAL WATER AUTHORITY MUST USE GRANT FUNDS AND LOANS SECURED BY BONDS TO SERVE AS  
28 MATCHING FUNDS FOR FEDERAL GRANTS.

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**NEW SECTION. Section 6. Outreach team -- grant application and engineering assistance.** (1)

The department of commerce shall assemble an outreach team to notify local governments, with an emphasis on rural local governments, of the funding opportunities provided for in this bill related to communications, economic TRANSFORMATION AND stabilization, and infrastructure projects.

(2) The outreach team shall also assist local governments in the application process and offer engineering assistance.

(3) The department may hire modified FTE or contract to create the outreach team.

(4) There must be an appropriation of administrative funds.

**NEW SECTION. Section 7. Communications advisory commission.** (1) There is an American

Rescue Plan communications advisory commission.

(2) The commission consists of nine members, who must be appointed as follows:

(a) three senators, two from the majority party and one from the minority party, appointed by the senate president;

(b) three representatives, two from the majority party and one from the minority party, appointed by the speaker of the house; and

(c) three members, appointed by the governor.

(3) The commission shall review applications for funding for grants for communications projects and provide recommendations to the executive on which projects should be funded.

(4) Appointed members of the commission shall be compensated and receive travel expenses as provided for in 2-15-124 for each day in attendance at commission meetings or in the performance of any duty or service as a commission member.

**NEW SECTION. Section 8. Appropriations for communications project grants.** (1) There are

federal funds received pursuant to the American Rescue Plan Act of 2021, Public Law 117-2, appropriated to the office of budget and program planning and allocated to the governor for the fiscal year beginning July 1, 2020, for communications project grants as follows. Appropriation authority is intended to be allocated to the

1 following items. Appropriations are authorized to continue through the biennium beginning July 1, 2023.

2	Amount	ARPA Section
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3	250,000,000	9901, 602
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4 (2) Communication projects are those related to broadband, cell towers, or public safety.

5 (3) For any grant awarded with these funds, a local government or private entity must provide matching  
6 funds.

7 (4) References to "ARPA Section" mean references to section 9901 of the American Rescue Plan Act  
8 of 2021, Public Law 117-2, which amends Title VI of the Social Security Act to include section 602 or section  
9 604.

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11 **NEW SECTION. Section 9. Eligibility -- submission deadline -- preference -- approval of**

12 **recommendations.** (1) Local governments and private entities shall submit grant requests and supporting  
13 materials, including the amount of matching funds available, to the applicable state agency by July 1, 2021, in  
14 order to be eligible for funding under [section ~~6-7~~ 8]. The agency will review grant applications, rank projects,  
15 and issue a list of recommended projects to the advisory commission by August 15, 2021.

16 (2) The advisory commission shall review the lists of recommended projects and issue a final list of  
17 recommended projects to the executive by September 1, 2021.

18 (3) In preparing recommendations, preference must be given to projects that provide broadband access  
19 to underserved and high needs areas. Preference may also be given to projects that provide a higher match  
20 rate.

21 (4) The recommendations of the advisory commission must be considered by the governor and  
22 reviewed to comply with the American Rescue Plan Act and all applicable guidance. The governor may modify  
23 recommendations and shall provide the final list of approved projects to the legislative finance committee by  
24 October 15, 2021. If it is later determined that a project cannot be completed, the governor may authorize  
25 another project and provide a report to the legislative finance committee. If at any time it is determined that a  
26 project is identified not to be eligible based on federal guidance or regulation and, if completed, would result in  
27 a reduction in funds from the American Rescue Plan Act or require the state to repay or refund money to the  
28 federal government pursuant to the American Rescue Plan Act, the governor may authorize another project and

1 provide a report to the legislative finance committee.

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3 **NEW SECTION. Section 10. Economic TRANSFORMATION AND stabilization ADVISORY commission.**

4 (1) There is an American Rescue Plan economic TRANSFORMATION AND stabilization advisory commission.

5 (2) The commission consists of nine members, who must be appointed as follows:

6 (a) three senators, two from the majority party and one from the minority party, appointed by the senate  
7 president;

8 (b) three representatives, two from the majority party and one from the minority party, appointed by the  
9 speaker of the house; and

10 (c) three members appointed by the governor.

11 (3) The commission shall review applications for funding for economic TRANSFORMATION AND  
12 stabilization projects and provide a list of recommendations to the executive.

13 (4) Appointed members of the commission must be compensated and receive travel expenses as  
14 provided for in 2-15-124 for each day in attendance at commission meetings or in the performance of any duty  
15 or service as a commission member.

16 (5) THE ECONOMIC TRANSFORMATION AND STABILIZATION ADVISORY COMMISSION SHALL REQUIRE APPLICANTS  
17 TO DISCLOSE WHETHER THEY RECEIVED MONEY ADMINISTERED BY THE STATE FROM THE CORONAVIRUS AID, RELIEF,  
18 AND ECONOMIC SECURITY ACT OF 2020 (CARES ACT) OR THE CORONAVIRUS RESPONSE AND RELIEF SUPPLEMENTAL  
19 APPROPRIATIONS ACT OF 2020 (CRRSA) AND, IF SO, THE AMOUNT RECEIVED AND THE BASIS AND PURPOSE OF THE  
20 AWARD. IN MAKING ITS RECOMMENDATIONS, THE ADVISORY COMMISSION SHALL TAKE INTO ACCOUNT THE FACT THAT THE  
21 APPLICANT HAS ALREADY BENEFITED FROM FEDERAL ASSISTANCE PROVIDED IN RESPONSE TO COVID-19, BUT A  
22 PREVIOUS CARES ACT OR CRRSA AWARD MAY NOT PRECLUDE CONSIDERATION OF AN APPLICATION.

23

24 **NEW SECTION. Section 11. Appropriations for economic TRANSFORMATION AND stabilization**  
25 **grants.** There are federal funds received pursuant to the American Rescue Plan Act of 2021, Public Law 117-2,  
26 appropriated to the office of budget and program planning and allocated to the governor for the fiscal year  
27 beginning July 1, 2020, for economic TRANSFORMATION AND stabilization grants or loans as follows.  
28 Appropriation authority is intended to be allocated to the following items. Appropriations are authorized to

1 continue through the biennium beginning July 1, 2023.

2 Amount ARPA Section

3 150,000,000 9901, 602

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5 **NEW SECTION. Section 12. Eligibility -- submission deadline -- preference -- approval of**  
6 **recommendations.** (1) Businesses shall submit grant requests and supporting materials to the applicable state  
7 agency by July 1, 2021, in order to be eligible for funding under [section 9 ~~10~~ 11]. The agency will review grant  
8 applications, rank grant applications, and issue a list of recommended grants to the ADVISORY commission  
9 ESTABLISHED IN [SECTION 8 10] by August 15, 2021.

10 (2) The advisory commission shall review the lists of recommended grants and other proposed uses of  
11 the funds and issue a final list of recommended grants and uses of funds to the executive by September 1,  
12 2021.

13 (3) THE ADVISORY COMMISSION SHALL PROVIDE OVERSIGHT AND RECOMMENDATIONS ON FUNDS  
14 APPROPRIATED PURSUANT TO [SECTION 44 13 THROUGH 44 16].

15 ~~(3)~~(4) The recommendations of the advisory commission must be considered by the governor and  
16 reviewed to comply with the American Rescue Plan Act and all applicable guidance. The governor may modify  
17 recommendations and shall provide the final list of approved projects to the legislative finance committee by  
18 October 15, 2021. If it is later determined that a project cannot be completed, the governor may authorize  
19 another project and provide a report to the legislative finance committee. If at any time it is determined that a  
20 project is identified not to be eligible based on federal guidance or regulation and, if completed, would result in  
21 a reduction in funds from the American Rescue Plan Act or require the state to repay or refund money to the  
22 federal government pursuant to the American Rescue Plan Act, the governor may authorize another project and  
23 provide a report to the legislative finance committee.

24

25 **NEW SECTION. Section 13. Appropriations for housing and workforce training programs.** (1)  
26 There are federal funds received pursuant to the American Rescue Plan Act of 2021, Public Law 117-2,  
27 appropriated to the office of budget and program planning and allocated to the department of commerce as  
28 follows for the fiscal year beginning July 1, 2020. Appropriation authority is intended to be allocated to the



**Amendment - 3rd Reading - Requested by: Pat Flowers**

1 following items. Appropriations are authorized to continue through the biennium beginning July 1, 2023.

2	Amount	Purpose	ARPA Section
3	50,000,000	Mortgage Assistance	3206, 3208
4	11,000,000	Revolving Fund for Low-Income Housing	3205
5	152,400,000	Emergency Rental Assistance	3201, 3202, 3204
6		Workforce	

7 (2) Grants and other uses of funds must be targeted to industries with workforce shortages and  
8 promoting high-demand, high-wage jobs, and short-term training to be delivered in the private sector.

9 (3) For Emergency Rental Assistance, funds may be used to pay rent or rental arrears to any place  
10 where someone pays on a periodic basis for shelter, including but not limited to nursing homes, senior assisted  
11 living, group homes, low-income housing, workforce housing, transitional housing, and correctional facilities.

12 (4) The ~~economic stabilization~~ ADVISORY commission ESTABLISHED IN [SECTION 8 10] shall provide  
13 oversight to the department on the use of funds in this section.

14 (5) The department of commerce or applicable agency is encouraged to use existing programs, where  
15 feasible, to implement the programs provided for in this section.

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17 **NEW SECTION. Section 14. State Small Business Credit Initiative insert.** There is appropriated to  
18 the department of commerce up to \$65 million in federal funds received pursuant to section 3301 of the  
19 American Rescue Plan Act of 2021, Public Law 117-2, for the State Small Business Credit Initiative. Funds are  
20 to be distributed in accordance with department of treasury guidelines and as detailed in the department of  
21 commerce application specific to the program. The appropriation is for the fiscal year beginning July 1, 2020,  
22 and is authorized to continue through the biennium beginning July 1, 2031.

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24 **NEW SECTION. Section 15. Appropriations to department of labor and industry.** (1) There are  
25 federal funds received pursuant to the American Rescue Plan Act of 2021, Public Law 117-2, appropriated to  
26 the department of labor and industry for the fiscal year beginning July 1, 2020, that are authorized to continue  
27 through the biennium beginning July 1, 2023. Appropriation authority is intended to be allocated to the following  
28 items.

**Amendment - 3rd Reading - Requested by: Pat Flowers**

1	Amount	Purpose	ARPA Section
2	5,500,000	Workforce	2206
3	5,200,000	Unemployment Administration	9031, 9032

4 (2) References to "ARPA Section" mean references to sections of the American Rescue Plan Act of  
5 2021, Public Law 117-2.

6  
7 **NEW SECTION. Section 16. Appropriations to department of transportation -- grants.** (1) There  
8 are federal funds received pursuant to the American Rescue Plan Act of 2021, Public Law 117-2, appropriated  
9 to the department of transportation for the fiscal year beginning July 1, 2020, that are authorized to continue  
10 through the biennium beginning July 1, 2023. Appropriation authority is intended to be allocated to the following  
11 items.

12	Amount	Purpose	ARPA Section
13	600,000	Grants to Airports	7102
14	800,000	Grants for Rural Transit	3401

15 (2) References to "ARPA Section" mean references to sections of the American Rescue Plan Act of  
16 2021, Public Law 117-2.

17  
18 **NEW SECTION. Section 17. Health advisory commission.** (1) There is an American Rescue Plan  
19 health advisory commission.

20 (2) The commission consists of nine members, who must be appointed as follows:

21 (a) three senators, two from the majority party and one from the minority party, appointed by the senate  
22 president;

23 (b) three representatives, two from the majority party and one from the minority party, appointed by the  
24 speaker of the house; and

25 (c) three members appointed by the governor.

26 (3) The commission shall recommend how funds allocated to the department of public health and  
27 human services are to be used.

28 (4) Appointed members of the commission must be compensated and receive travel expenses as

1 provided for in 2-15-124 for each day in attendance at commissions meetings or in the performance of any duty  
2 or service as a commission member.

3

4 NEW SECTION. Section 18. Deadlines -- meetings -- recommendations -- approval. (1) The  
5 committee shall meet on or before June 1, 2021, and shall report its recommendations to the director of the  
6 department of public health and human services on or before June 15, 2021.

7 (2) The recommendations of the advisory commission must be considered by the executive. The  
8 department shall provide reports to the commission on implementation.

9

10 NEW SECTION. Section 19. Appropriations to department of public health and human  
11 services. (1) There are federal funds received pursuant to the American Rescue Plan Act of 2021, Public Law  
12 117-2, appropriated to the department of public health and human services for the fiscal year beginning July 1,  
13 2020, and continuing into the biennium beginning July 1, 2021. Appropriations are authorized to continue  
14 through the biennium beginning July 1, 2023. Appropriation authority is intended to be allocated to the following  
15 items. References to "ARPA Section" mean references to sections in the American Rescue Plan Act of 2021,  
16 Public Law 117-2.

Amount	Program	ARPA Section
13,000,000	SNAP	1101,1102
200,000	Commodity Supplemental Food Program	1104
900,000	Family Violence Prevention	2204
1,111,000	Child Abuse Prevention	2205
22,500,000	Vaccine Distribution and Supply	2301
143,400,000	Testing and Contact Tracing	2401
111,000,000	Child Care Stabilization & Block Grants	2201, 2202
1,700,000	State Veterans' Homes	8004
23,000,000	Public Health Workforce	2501
20,000,000	Rapid Retraining Jobs Training	9901/602
17,000,000	SAMHSA/Mental Health and Substance Use Disorder	

**Amendment - 3rd Reading - Requested by: Pat Flowers**

67th Legislature

Drafter: Julie Johnson, 406-444-4024

HB 632.3.5

1		Mental Health Block Grant	2701
2		Substance Abuse Prevention and Treatment	2702
3		Block Grant	
4		Mental and Behavioral Health Training	2703
5		Grants for Healthcare Providers to Promote	2705
6		Mental and Behavioral Health	
7		Community-based Funding for Local	
8		Substance Use Disorder Services	2706
9		Community-based Funding for	2707
10		Local Behavioral Health Needs	
11	21,000,000	LIHEAP/Water Assistance	2911, 2912
12	1,000,000	Supporting Older Americans and Families	2921
13		Home and Community-Based Supportive	2921
14		Services for Blind News Service	
15	930,000	Emergency Food and Shelter Program	4007, 4008
16	2,726,000	Pandemic Emergency Assistance	9201
17		Elder Justice Programs	9301
18		Maternal, Infant, and Early Childhood	9101
19		Home Visiting	
20		WIC	1105

21 (2) For SNAP, the appropriation is to be used for the 15% benefit extension, for administration, and for  
22 contracted private sector workforce training.

23 (3) For Rapid Retraining Jobs Training, funding is appropriated to the department of health and human  
24 services for contracted private sector workforce training. This training is to prioritize short-term training for high-  
25 demand occupations. The department will use pay-for-performance contracts and require quarterly reporting  
26 that follows up on individual job placements for 1 full year after training.

27 (4) For SAMHSA, it is the intent of the legislature that the executive consider use of the SAMHSA funds  
28 above for the purposes of the HEART fund and for suicide prevention, including the use of the Utah model for

**Amendment - 3rd Reading - Requested by: Pat Flowers**

1 suicide prevention that includes social media outreach, and for potential use in the department of corrections.

2 (5) For Child Care Stabilization block grants provided for in section 2201 of the American Rescue Plan  
3 Act of 2021, Public Law 117, the department shall use the funds for a subgrant system, prioritized to child care  
4 deserts for one-time equipment and necessary infrastructure, property improvements, worksite child care, and  
5 employee training.

6  
7 **NEW SECTION. Section 20. Appropriation to the judicial branch.** There is appropriated \$944,721  
8 in federal funds received pursuant to the American Rescue Plan Act of 2021, Public Law 117-2 (602), to the  
9 judicial branch to support court operations impacted by the pandemic by streamlining the resolution of family  
10 law cases through early mediation and simplified proceedings in judicial districts with heavy caseloads or in  
11 remote areas of the state.

12  
13 **NEW SECTION. Section 21. Appropriation to department of justice.** There are federal funds  
14 received from the American Rescue Plan Act of 2021, Public Law 117-2, appropriated to the department of  
15 justice for the fiscal year beginning July 1, 2020. Appropriation authority is intended to be allocated to the  
16 following items. Appropriations are authorized to continue in the biennium beginning July 1, 2023. References  
17 to "ARPA Section" mean references to sections in the American Rescue Plan Act of 2021, Public Law 117-2.

18 Amount	19 Program	20 ARPA Section
1,000,000	Freezer, Morgue, and Refrigeration Space	9901, 604
1,000,000	Crime Lab Facility Space	9901, 602

21  
22 **NEW SECTION. Section 22. Appropriations to office of public instruction.** (1) There are federal  
23 funds received pursuant to the American Rescue Plan Act of 2021, Public Law 117-2, appropriated to the office  
24 of public instruction for the fiscal year beginning July 1, 2020. Appropriation authority is intended to be allocated  
25 to the following items. Appropriations are authorized to continue through the biennium beginning July 1, 2023.  
26 References to "ARPA Section" mean references to sections in the American Rescue Plan Act of 2021, Public  
27 Law 117-2.

28 Amount	Purpose	ARPA Section
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# Amendment - 3rd Reading - Requested by: Pat Flowers

67th Legislature

Drafter: Julie Johnson, 406-444-4024

HB 632.3.5

1	343,817,312	Basic Allocation to School Districts	2001
2	3,400,000	Supplemental Allocation to School Districts	2001
3	120,000	Allocation to Other Educational Institutions	2001
4	555,234	Education Leadership in Montana	2001
5	5,475,248	OPI Database Modernization	2001
6	1,910,096	Administration	2001
7	19,100,962	State Learning Loss	2001
8	3,820,192	State Summer Enrichment	2001
9	3,820,192	State Afterschool Programs	2001
10	7,000,000	Assistance to Nonpublic Schools	2002
11	10,200,000	Individual with Disabilities Act	2014

12 (2) The appropriations to the office of public instruction in subsection (1) are restricted as follows:

13 (a) For Basic Allocation to School Districts, the amount allocated by the office of public instruction to  
14 school districts must be as required by federal law. The office of public instruction shall distribute funds via  
15 grants for expenses that are consistent with section 2001(e) of ESSER III.

16 (b) For Supplemental Allocation to School Districts, the office of public instruction shall allocate the  
17 funds as follows:

18 (i) a school district with fewer than 6 quality educators receives \$10,000;

19 (ii) a school district with 6 or more quality educators that receives less than an amount equal to \$10,000  
20 times the number of the district's quality educators in the basic allocation receives an amount for every quality  
21 educator plus an additional \$50 for every quality educator that the district is below the statewide average of  
22 quality educators for each district;

23 (iii) the amount for every quality educator must be calculated to use the \$3.4 million appropriation; and

24 (iv) the office of public instruction shall distribute the funds in the same manner as used for the basic  
25 allocation.

26 (c) For Allocation to Other Educational Institutions, an allocation to the school for the deaf and blind,  
27 Pine Hills youth correctional facility, and the youth academy must be made on a per-quality-educator basis. The  
28 office of public instruction shall distribute the funds in the same manner as used for the basic allocation.

**Amendment - 3rd Reading - Requested by: Pat Flowers**

1 (d) For Education Leadership in Montana, the office of public instruction shall create a system to build  
2 the capacity of principals, teachers, and other leaders to ensure recovery of each school from the effects of the  
3 covid-19 pandemic in a model that addresses the learning opportunities missed and needed by each person to  
4 reach their full educational potential.

5 (e) For OPI Database Modernization, funds must be used by the office of public instruction to repair,  
6 improve, or replace existing data systems to respond to learning loss associated with the pandemic. Actions  
7 taken must be consistent with 20-7-104.

8 (f) For Administration, funds must be used by the office of public instruction for administration of  
9 ESSER III activities.

10 (g) For State Learning Loss, State Summer Enrichment, and State Afterschool Programs, funds may be  
11 used at the discretion of the office of public instruction for purposes allowed by federal law and may include  
12 grants to school districts. A school district may use these funds to provide allowable support to a special  
13 education cooperative of which it is a member. Any funds granted to school districts must be distributed in the  
14 same manner as used for the basic allocation.

15  
16 **NEW SECTION. Section 23. Appropriations to commissioner of higher education, state library,**  
17 **and Montana arts council.** (1) There are federal funds received pursuant to the American Rescue Plan Act of  
18 2021, Public Law 117-2, appropriated to the office of budget and program planning and allocated to agencies  
19 listed below for the fiscal year beginning July 1, 2020. Appropriation authority is intended to be allocated to the  
20 following items. Appropriations are authorized to continue through the biennium beginning July 1, 2023.  
21 References to "ARPA Section" mean references to sections in the American Rescue Plan Act of 2021, Public  
22 Law 117-2.

Agency	Amount	Purpose	ARPA Section
Office of the Commissioner of Higher Education	7,500,000	Montana Research and Economic Development Initiative	602rr
	1,000,000	Teacher Education Programs	602rr

**Amendment - 3rd Reading - Requested by: Pat Flowers**

67th Legislature

Drafter: Julie Johnson, 406-444-4024

HB 632.3.5

1		1,000,000	Workforce Recovery COVID-19	602rr
2		2,000,000	Accelerate Montana	602rr
3		1,500,000	Cyber Hub	8006
4		2,000,000	Center for Translational Medicine	602rr
5		2,000,000	Rapid Retraining for Veterans	8006
6	Montana Arts Council	764,000		2021
7	State Library	120,000	Newsline	2921
8		1,235,444	Hot Spot Lending Program	2023
9		1,000,000	E-Learning Digital Content	2023

10 (2) For Teacher Education Programs, the purpose is to retool teacher education programs to train  
11 teachers on proficiency education success in a virtual world.

12  
13 **NEW SECTION. Section 24. Authorization to modify or increase appropriations and**  
14 **authorizations -- report of modifications or changes.** (1) The governor, or the budget director under the  
15 direction of the governor, is authorized to redirect appropriations and authorizations to other projects or  
16 appropriations within [this act] to ensure conformity with applicable federal laws, regulations, and guidance  
17 issued by federal agencies.

18 (2) (a) If a proposed line-item transfer or a fund switch in [this act] exceeds \$100,000, the budget  
19 director shall submit a legal analysis and detailed description of the requested line-item transfer or fund switch  
20 to the legislative fiscal analyst 30 days prior to the next scheduled meeting of the legislative finance committee.

21 (b) For the purposes of this section, the following definitions apply:

22 (i) "Line-item transfer" means the transfer of appropriation authority from one line-item to a different  
23 line-item.

24 (ii) "Fund switch" means a change in a line-item fund source or account to another fund source or  
25 account.

26 (3) The legislative finance committee shall review the proposed line-item transfer or fund switch at the  
27 next meeting. A representative of the office of budget and program planning shall be present at the meeting to  
28 discuss the proposal. The legislative finance committee may take up to 15 days following its meeting to review



1 and comment on the proposal. The office of budget and program planning may provide a response to the  
2 comments within 15 days of receiving the committee's comments.

3 (4) The governor, or the budget director at the direction of the governor, is authorized to adjust the  
4 parameters of a program or service appropriated in [this act] to ensure conformity with applicable federal laws,  
5 regulations, and guidance issued by federal agencies. If the parameters of a program are adjusted, the office of  
6 budget and program planning shall notify the legislative finance committee of the change at its next scheduled  
7 meeting. The legislative finance committee may take up to 15 days following its meeting to review and  
8 comment on the proposal. The office of budget and program planning may provide a response to the comments  
9 within 15 days of receiving the committee's comments.

10 (5) If a proposed line-item transfer or a fund switch or a modification to the parameters of a program or  
11 service is of an urgent nature, the budget director shall notify the legislative fiscal analyst as soon as possible  
12 and the 30-day notice is not required. The legislative finance committee shall convene as soon as possible to  
13 review the proposal and provide comment. The meeting may be held in a virtual setting.

14 (6) If additional funds are received by the state from the federal government above the levels  
15 appropriated in [this act], House Bill No. 3, or House Bill No. 630, the approving authority as defined in 17-7-102  
16 may authorize a budget amendment as defined in Title 17, chapter 7, part 4, and the requirements of 17-7-  
17 402(1)(e) do not apply. If a federal appropriation is not included in [this act], House Bill No. 3, or House Bill No.  
18 630, for a specific grant authorized by the federal government or in an amount sufficient to appropriate the  
19 entire amount received from a federal agency to deploy funds authorized by the federal government, the  
20 requirements of 17-7-402(1)(e) do not apply.

21

22 **NEW SECTION. Section 25. Dissemination PERFORMANCE MEASURES -- DISSEMINATION of**  
23 **information -- reporting and accountability. (1) AN APPLICATION SUBMITTED TO A COMMISSION ESTABLISHED BY**  
24 **[SECTION 1, 5, 7, & 10, OR 45 17] MUST INCLUDE PERFORMANCE MEASURES TO ALLOW THE COMMISSION,**  
25 **STAKEHOLDERS, AND THE PUBLIC TO UNDERSTAND WHAT THE APPLICANT INTENDS TO ACCOMPLISH AND, IF SELECTED TO**  
26 **RECEIVE MONEY FROM THE AMERICAN RESCUE PLAN ACT, A BASIS TO EVALUATE WHETHER THE APPLICANT HAS**  
27 **ACHIEVED WHAT IT INTENDED TO ACCOMPLISH. WHERE FEASIBLE, PERFORMANCE MEASURES SHOULD BE QUANTITATIVE.**

28 (2) QUARTERLY PERFORMANCE REPORTS MUST BE PROVIDED TO THE OFFICE OF BUDGET AND PROGRAM

1 PLANNING BY ENTITIES THAT RECEIVE FUNDS FROM THE FEDERAL MONEY APPROPRIATED IN [THIS ACT] TO PROVIDE AN  
 2 ASSESSMENT OF THE OUTPUTS AND OUTCOMES ACHIEVED COMPARED TO THE PERFORMANCE MEASURES SET FORTH IN  
 3 THE ENTITIES' APPLICATIONS. THE REPORTS MUST BE SUBMITTED BY THE 15TH DAY OF THE FIRST MONTH OF EACH  
 4 QUARTER FOR THE PREVIOUS QUARTER UNTIL COMPLETION OF THE FUNDED PROJECT.

5 (3) The office of budget and program planning shall promote the funding opportunities afforded in [this  
 6 act] and offer an online portal that directs prospective grantees to the various grant programs available  
 7 pursuant to [this act].

8 (2)(4) The office of budget and program planning shall provide quarterly reports to the legislative  
 9 finance committee throughout the interim on the implementation of [this act].

11 ~~NEW SECTION. Section 26. Reduction in funding -- health regulations. If a local government is~~  
 12 ~~awarded grant funds pursuant to [this act], the amount of the grant is reduced by 20% if that local government~~  
 13 ~~or any of its authorized agents have issued health regulations related to COVID-19 that are more strict than~~  
 14 ~~those imposed by the state.~~

16 ~~NEW SECTION. Section 25. Consideration of select committee proposals. The work of the select~~  
 17 ~~committee on House Bill No. 632 and its subcommittees must be considered by the advisory commissions~~  
 18 ~~established in [this act] when preparing final recommendations to the executive.~~

20 **Section 26.** Section 2-17-603, MCA, is amended to read:

21 **"2-17-603. Government competition with private internet services providers prohibited --**  
 22 **exceptions.** (1) Except as provided in subsection (2)(a) or (2)(b), an agency or political subdivision of the state  
 23 may not directly or through another agency or political subdivision be an internet services provider.

24 (2) (a) An agency or political subdivision may act as an internet services provider if:

25 (i) no private internet services provider is available within the jurisdiction served by the agency or  
 26 political subdivision; or

27 (ii) the agency or political subdivision provided services prior to July 1, 2001.

28 (b) An agency or political subdivision may act as an internet services provider when providing

1 advanced services that are not otherwise available from a private internet services provider within the  
2 jurisdiction served by the agency or political subdivision.

3 (c) If a private internet services provider elects to provide internet services in a jurisdiction where an  
4 agency or political subdivision is providing internet services, the private internet services provider shall inform  
5 the agency or the political subdivision in writing at least 30 days in advance of offering internet services.

6 (3) Upon receiving notice pursuant to subsection (2)(c), the agency or political subdivision shall notify  
7 its subscribers within 30 days of the intent of the private internet services provider to begin providing internet  
8 services and may choose to discontinue providing internet services within 180 days of the notice.

9 (4) Nothing in this section may be construed to prohibit an agency or political subdivision from:

10 (a) offering electronic government services to the general public; or

11 (b) acquiring access to the internet from a private internet services provider in order to offer electronic  
12 government services to the general public; or

13 (c) investing in infrastructure to improve, construct, extend, expand, or maintain internet service as  
14 determined appropriate by the political subdivision. Investment in infrastructure permitted in this section must  
15 be:

16 (i) in cooperation with a private internet service provider; or

17 (ii) provided through an agreement or contract with a private internet service provider."

18  
19 **NEW SECTION. Section 27. Notification to tribal governments.** The secretary of state shall send a  
20 copy of [this act] to each federally recognized tribal government in Montana.

21  
22 **COORDINATION SECTION. Section 28. Coordination instruction -- House Bill No. 5.** (1) If both  
23 House Bill No. 5 and [this act] are passed and approved, then the appropriations for the OPI MT Learning  
24 Center Civil Infrastructure Upgrades and the UM FLBS Sewer Treatment Plant in [section 2(1)] of House Bill  
25 No. 5 are void and there is appropriated to the office of budget and program planning and allocated to the  
26 department of administration \$2,050,000 from federal funds received pursuant to the American Rescue Plan  
27 Act of 2021, Public Law 117-2, section 9901 (amending Title VI of the Social Security Act to include section  
28 602), for those projects.

1 (2) If both House Bill No. 5 and [this act] are passed and approved, then the appropriations for the  
2 following projects in [section 2(1)] of House Bill No. 5 are void and there is appropriated to the office of budget  
3 and program planning and allocated to the department of administration \$5,310,000 from federal funds received  
4 pursuant to the American Rescue Plan Act of 2021, Public Law 117-2, section 9901 (amending Title VI of the  
5 Social Security Act to include section 604), for those projects:

- 6 (a) MSU Haynes Hall Lab Ventilation Upgrades;
- 7 (b) MSU BLGS Art Annex Safety and System Upgrades;
- 8 (c) UM-HC Donaldson Building HVAC Upgrades;
- 9 (d) MSU-N Auto Tech Building System Improvements;
- 10 (e) MSDB Card Lock System; and
- 11 (f) MSU-N Brockmann Center HVAC and Energy Project.

12  
13 **COORDINATION SECTION. Section 29. Coordination instruction -- House Bill No. 6.** (1) If both  
14 House Bill No. 6 and [this act] are passed and approved, then [the introductory paragraph of section 1(1)] of  
15 House Bill No. 6 must read:

16 "(1) For the biennium beginning July 1, 2021, there is appropriated to the office of budget and program  
17 planning and allocated to the department of natural resources and conservation from federal funds received  
18 pursuant to the American Rescue Plan Act of 2021, Public Law 117-2, section 9901 (amending Title VI of the  
19 Social Security Act to include section 602), up to:"

20 (2) If both House Bill No. 6 and [this act] are passed and approved, then [section 1(2)] of House Bill No.  
21 6 must read:

22 "(2) The amount of \$4,500,000 is appropriated to the office of budget and program planning and  
23 allocated to the department of natural resources and conservation from federal funds received pursuant to the  
24 American Rescue Plan Act of 2021, Public Law 117-2, section 9901 (amending Title VI of the Social Security  
25 Act to include section 602), for the biennium beginning July 1, 2021. The funds referred to in this subsection  
26 must be awarded by the department to the named entities for the described purposes and in the grant amounts  
27 listed in subsection (4), subject to the conditions set forth in [sections 2 and 3] and the contingencies described  
28 in the renewable resource grant and loan program January 2021 report to the 67th legislature titled:

1 "Governor's Executive Budget Fiscal Years 2021-2023 Volume 6".

2

3 COORDINATION SECTION. Section 30. Coordination instruction -- House Bill No. 7. If both  
4 House Bill No. 7 and [this act] are passed and approved, then [section 1(2)] of House Bill No. 7 must read:

5 "(2) The amount of \$3,273,833 is appropriated to the office of budget and program planning and  
6 allocated to the department of natural resources and conservation from the natural resources projects state  
7 special revenue account established in 15-38-302 and the amount of \$429,000 is appropriated to the office of  
8 budget and program planning and allocated to the department of natural resources and conservation from  
9 federal funds received pursuant to the American Rescue Plan Act of 2021, Public Law 117-2, section 9901  
10 (amending Title VI of the Social Security Act to include section 602), for grants to political subdivisions and local  
11 governments during the biennium beginning July 1, 2021. The funds in this subsection must be awarded by the  
12 department to the named entities for the described purposes and in the grant amounts set out in subsection (4)  
13 subject to the conditions set forth in [sections 2 and 3] and the contingencies described in the reclamation and  
14 development grants program report to the 67th legislature titled: "Governor's Executive Budget Fiscal Years  
15 2021-2023 Volume 5".

16

17 COORDINATION SECTION. Section 31. Coordination instruction -- House Bill No. 11. If both  
18 House Bill No. 11 and [this act] are passed and approved, then [section 1(1)] of House Bill No. 11 must read:

19 "(1) There is appropriated to the office of budget and program planning and allocated to the department  
20 of commerce \$9,869,800 for the biennium beginning July 1, 2021, from federal funds received pursuant to the  
21 American Rescue Plan Act of 2021, Public Law 117-2, section 9901 (amending Title VI of the Social Security  
22 Act to include section 602), to finance treasure state endowment program grants authorized by subsection (2)."

23 (2) If both House Bill No. 11 and [this act] are passed and approved, then [section 5] of House Bill No.  
24 11 must read:

25 "There is appropriated \$100,000 from federal funds received pursuant to the American Rescue Plan  
26 Act of 2021, Public Law 117-2, section 9901 (amending Title VI of the Social Security Act to include section  
27 602), to the office of budget and program planning and allocated to the department of commerce for the  
28 biennium beginning July 1, 2021, for the purpose of providing local governments, as defined in 90-6-701, with

1 emergency grants for infrastructure projects, as defined in 90-6-701."

2 (3) If both House Bill No. 11 and [this act] are passed and approved, then [section 6] of House Bill No.  
3 11 must read:

4 "There is appropriated \$900,000 from federal funds received pursuant to the American Rescue Plan  
5 Act of 2021, Public Law 117-2, section 9901 (amending Title VI of the Social Security Act to include section  
6 602), to the office of budget and program planning and allocated to the department of commerce for the  
7 biennium beginning July 1, 2021, for the purpose of providing local governments, as defined in 90-6-701, with  
8 the infrastructure planning grants for infrastructure projects, as defined in 90-6-701."

9 (4) If both House Bill No. 11 and [this act] are passed and approved, then [section 7(1)] of House Bill  
10 No. 11 must read:

11 "There is appropriated \$5,000,000 from the federal funds received pursuant to the American Rescue  
12 Plan Act of 2021, Public Law 117-2, section 9901 (amending Title VI of the Social Security Act to include  
13 section 602), to the office of budget and program planning and allocated to the department of natural resources  
14 and conservation for the biennium beginning July 1, 2021, to finance the state's share of regional water system  
15 projects authorized in subsection (2) and as set forth in 90-6-715."  
16

17 COORDINATION SECTION. Section 32. Coordination instruction -- House Bill No. 14. (1) If both  
18 House Bill No. 14 and [this act] are passed and approved, then there is appropriated from the federal funds  
19 received pursuant to the American Rescue Plan Act of 2021, Public Law 117-2, section 9901 (amending Title VI  
20 of the Social Security Act to include section 604), to the office of budget and program planning and allocated to  
21 the department of administration:

22 (a) \$26,200,000 for the MT Veterinarian Diagnostic & Ag Analytical Labs;

23 (b) \$6,500,000 for Liquor Warehouse Expansion; and

24 (c) \$4,800,000 for the UM-W Block Hall Renovation.

25 (2) If both House Bill No. 14 and [this act] are passed and approved, then [section 5(1)] of House Bill  
26 No. 14 must read:

27 "(1) There is appropriated to the office of budget and program planning and allocated to the department  
28 of commerce \$13,707,898 for the biennium beginning July 1, 2021, from federal funds received pursuant to the

1 American Rescue Plan Act of 2021, Public Law 117-2, section 9901 (amending Title VI of the Social Security  
2 Act to include section 602), to finance treasure state endowment program grants authorized by subsection (2)."

3 (3) If both House Bill No. 14 and [this act] are passed and approved, then [section 9(1)] of House Bill  
4 No. 14 must read:

5 "(1) There is appropriated from federal funds received pursuant to the American Rescue Plan Act of  
6 2021, Public Law 117-2, section 9901 (amending Title VI of the Social Security Act to include section 602), to  
7 the office of budget and program planning and allocated to the department of natural resources and  
8 conservation up to \$4,720,788 for grants to political subdivisions and local governments for the biennium  
9 beginning July 1, 2021. The funds referred to in this subsection must be awarded by the department to the  
10 named entities for the described purposes and in the grant amounts listed in subsection (3), subject to the  
11 conditions set forth in [sections 11 and 12] and the contingencies described in the renewable resource grant  
12 and loan program January 2021 report to the 67th legislature titled: "Governor's Executive Budget Fiscal Years  
13 2021-2023 Volume 6"."

14  
15 COORDINATION SECTION. Section 33. Coordination instruction -- House Bill No. 497. If both  
16 House Bill No. 497 and [this act] are passed and approved, then [section ~~45-16~~ 17 of this act] must be amended  
17 to read:

18 "~~Section 45-16 17. Health advisory commission and human services budget committee --~~  
19 ~~recommendations.~~ (1) ~~There is an American Rescue Plan health advisory commission.~~

20 ~~(2) The commission consists of nine members, who must be appointed as follows:~~

21 ~~(a) three senators, two from the majority party and one from the minority party, appointed by the senate~~  
22 ~~president;~~

23 ~~(b) three representatives, two from the majority party and one from the minority party, appointed by the~~  
24 ~~speaker of the house; and~~

25 ~~(c) three members appointed by the governor.~~

26 ~~(3) The commission shall recommend how funds allocated to the department of public health and~~  
27 ~~human services are to be used. The health and human services budget committee established pursuant to~~  
28 ~~House Bill No. 497 shall recommend how funds appropriated to the department of public health and human~~

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1 services are to be used.

2 (4)(2) Appointed members of the ~~commission~~ committee must be compensated and receive travel  
3 expenses as provided for in 2-15-124 for each day in attendance at ~~commissions~~ committee meetings or in the  
4 performance of any duty or service as a ~~commission~~ committee member.

5 (3) If both House Bill No. 497 and [this act] are passed and approved, all references to the health and  
6 human services commission must be replaced with references to the committee."

7

8 NEW SECTION. Section 34. Effective date. [This act] is effective on passage and approval.

9

- END -

DRAFT