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HOUSE BILL NO. 632

INTRODUCED BY F. GARNER, E. BUTTREY

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

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

(Refer to Introduced Bill)

Strike everything after the enacting clause and insert:

1

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

3 Plan infrastructure advisory commission.

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

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

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

9 (c) three members appointed by the governor.

10 (3) The commission shall review applications for funding for state capital projects and state and local
11 government water and wastewater projects and shall provide recommendations to the executive on which
12 projects should be funded. Projects approved by the 67th legislature for funding in House Bill No. 5, 6, 7, 11, or
13 14 are not submitted to the commission.

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

17

18 **NEW SECTION. Section 2. Appropriations for capital projects and water and wastewater
19 projects -- matching funds.** (1) There are federal funds received pursuant to the American Rescue Plan Act of

20 2021, Public Law 117-2, appropriated to the office of budget and program planning for state infrastructure
21 projects and local infrastructure grants as follows:

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

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

27 (3) For the purposes of [this act], "local government" means any tribe, city, town, county, consolidated
28 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.

7
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.

2

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.

20

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.

1

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

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

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

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

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

10

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

12 Rescue Plan communications advisory commission.

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

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

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

18 (c) three members, appointed by the governor.

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

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

24

25 NEW SECTION. Section 8. Appropriations for communications project grants. (1) There are
26 federal funds received pursuant to the American Rescue Plan Act of 2021, Public Law 117-2, appropriated to
27 the office of budget and program planning and allocated to the governor for the fiscal year beginning July 1,
28 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.

10
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.

2

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

4

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

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.

16
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.

23
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: Shane Morigeau

67th Legislature

Drafter: Julie Johnson, 406-444-4024

HB 632.3.13

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: Shane Morigeau

67th Legislature

Drafter: Julie Johnson, 406-444-4024

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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: Shane Morigeau

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	Program	ARPA Section
19 1,000,000	Freezer, Morgue, and Refrigeration Space	9901, 604
20 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: Shane Morigeau

67th Legislature

Drafter: Julie Johnson, 406-444-4024

HB 632.3.13

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.

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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
24	Office of the Commissioner			
25	of Higher Education			
26		7,500,000	Montana Research and Economic	
27			Development Initiative	602rr
28			<u>Montana Promise Grant Program 1,000,000</u>	<u>602</u>

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1				
2		1,000,000	Teacher Education Programs	602rr
3		1,000,000	Workforce Recovery COVID-19	602rr
4		2,000,000	Accelerate Montana	602rr
5		1,500,000	Cyber Hub	8006
6		2,000,000	Center for Translational Medicine	602rr
7		2,000,000	Rapid Retraining for Veterans	8006
8	Montana Arts Council	764,000		2021
9	State Library	120,000	Newsline	2921
10		1,235,444	Hot Spot Lending Program	2023
11		1,000,000	E-Learning Digital Content	2023

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

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

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

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

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

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

28 (3) The legislative finance committee shall review the proposed line-item transfer or fund switch at the

1 next meeting. A representative of the office of budget and program planning shall be present at the meeting to
2 discuss the proposal. The legislative finance committee may take up to 15 days following its meeting to review
3 and comment on the proposal. The office of budget and program planning may provide a response to the
4 comments within 15 days of receiving the committee's comments.

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

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

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

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

1 ACHIEVED WHAT IT INTENDED TO ACCOMPLISH. WHERE FEASIBLE, PERFORMANCE MEASURES SHOULD BE QUANTITATIVE.

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

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

10 ~~(2)~~(4) The office of budget and program planning shall provide quarterly reports to the legislative
11 finance committee throughout the interim on the implementation of [this act].

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

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

22 **Section 27.** Section 2-17-603, MCA, is amended to read:

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

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

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

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

2 (b) An agency or political subdivision may act as an internet services provider when providing
3 advanced services that are not otherwise available from a private internet services provider within the
4 jurisdiction served by the agency or political subdivision.

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

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

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

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

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

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

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

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

20
21 **NEW SECTION. Section 28. Notification to tribal governments.** The secretary of state shall send a
22 copy of [this act] to each federally recognized tribal government in Montana.

23
24 **COORDINATION SECTION. Section 29. Coordination instruction -- House Bill No. 5.** (1) If both
25 House Bill No. 5 and [this act] are passed and approved, then the appropriations for the OPI MT Learning
26 Center Civil Infrastructure Upgrades and the UM FLBS Sewer Treatment Plant in [section 2(1)] of House Bill
27 No. 5 are void and there is appropriated to the office of budget and program planning and allocated to the
28 department of administration \$2,050,000 from federal funds received pursuant to the American Rescue Plan

1 Act of 2021, Public Law 117-2, section 9901 (amending Title VI of the Social Security Act to include section
2 602), for those projects.

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

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

14
15 **COORDINATION SECTION. Section 30. Coordination instruction -- House Bill No. 6.** (1) If both
16 House Bill No. 6 and [this act] are passed and approved, then [the introductory paragraph of section 1(1)] of
17 House Bill No. 6 must read:

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

22 (2) If both House Bill No. 6 and [this act] are passed and approved, then [section 1(2)] of House Bill No.
23 6 must read:

24 "(2) The amount of \$4,500,000 is appropriated to the office of budget and program planning and
25 allocated to the department of natural resources and conservation from federal funds received pursuant to the
26 American Rescue Plan Act of 2021, Public Law 117-2, section 9901 (amending Title VI of the Social Security
27 Act to include section 602), for the biennium beginning July 1, 2021. The funds referred to in this subsection
28 must be awarded by the department to the named entities for the described purposes and in the grant amounts

1 listed in subsection (4), subject to the conditions set forth in [sections 2 and 3] and the contingencies described
2 in the renewable resource grant and loan program January 2021 report to the 67th legislature titled:
3 "Governor's Executive Budget Fiscal Years 2021-2023 Volume 6".

4

5 COORDINATION SECTION. **Section 31. Coordination instruction -- House Bill No. 7.** If both
6 House Bill No. 7 and [this act] are passed and approved, then [section 1(2)] of House Bill No. 7 must read:

7 "(2) The amount of \$3,273,833 is appropriated to the office of budget and program planning and
8 allocated to the department of natural resources and conservation from the natural resources projects state
9 special revenue account established in 15-38-302 and the amount of \$429,000 is appropriated to the office of
10 budget and program planning and allocated to the department of natural resources and conservation from
11 federal funds received pursuant to the American Rescue Plan Act of 2021, Public Law 117-2, section 9901
12 (amending Title VI of the Social Security Act to include section 602), for grants to political subdivisions and local
13 governments during the biennium beginning July 1, 2021. The funds in this subsection must be awarded by the
14 department to the named entities for the described purposes and in the grant amounts set out in subsection (4)
15 subject to the conditions set forth in [sections 2 and 3] and the contingencies described in the reclamation and
16 development grants program report to the 67th legislature titled: "Governor's Executive Budget Fiscal Years
17 2021-2023 Volume 5".

18

19 COORDINATION SECTION. **Section 32. Coordination instruction -- House Bill No. 11.** If both
20 House Bill No. 11 and [this act] are passed and approved, then [section 1(1)] of House Bill No. 11 must read:

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

25 (2) If both House Bill No. 11 and [this act] are passed and approved, then [section 5] of House Bill No.
26 11 must read:

27 "There is appropriated \$100,000 from federal funds received pursuant to the American Rescue Plan
28 Act of 2021, Public Law 117-2, section 9901 (amending Title VI of the Social Security Act to include section

1 602), to the office of budget and program planning and allocated to the department of commerce for the
2 biennium beginning July 1, 2021, for the purpose of providing local governments, as defined in 90-6-701, with
3 emergency grants for infrastructure projects, as defined in 90-6-701."

4 (3) If both House Bill No. 11 and [this act] are passed and approved, then [section 6] of House Bill No.
5 11 must read:

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

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

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

18
19 **COORDINATION SECTION. Section 33. Coordination instruction -- House Bill No. 14.** (1) If both
20 House Bill No. 14 and [this act] are passed and approved, then there is appropriated from the federal funds
21 received pursuant to the American Rescue Plan Act of 2021, Public Law 117-2, section 9901 (amending Title VI
22 of the Social Security Act to include section 604), to the office of budget and program planning and allocated to
23 the department of administration:

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

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

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

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

1 "(1) There is appropriated to the office of budget and program planning and allocated to the department
2 of commerce \$13,707,898 for the biennium beginning July 1, 2021, from federal funds received pursuant to the
3 American Rescue Plan Act of 2021, Public Law 117-2, section 9901 (amending Title VI of the Social Security
4 Act to include section 602), to finance treasure state endowment program grants authorized by subsection (2)."

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

7 "(1) There is appropriated from federal funds received pursuant to the American Rescue Plan Act of
8 2021, Public Law 117-2, section 9901 (amending Title VI of the Social Security Act to include section 602), to
9 the office of budget and program planning and allocated to the department of natural resources and
10 conservation up to \$4,720,788 for grants to political subdivisions and local governments for the biennium
11 beginning July 1, 2021. The funds referred to in this subsection must be awarded by the department to the
12 named entities for the described purposes and in the grant amounts listed in subsection (3), subject to the
13 conditions set forth in [sections 11 and 12] and the contingencies described in the renewable resource grant
14 and loan program January 2021 report to the 67th legislature titled: "Governor's Executive Budget Fiscal Years
15 2021-2023 Volume 6"."

17 COORDINATION SECTION. Section 34. Coordination instruction -- House Bill No. 497. If both
18 House Bill No. 497 and [this act] are passed and approved, then [section 45-16 17 of this act] must be amended
19 to read:

20 "~~Section 15-16 17. Health advisory commission and human services budget committee --~~
21 ~~recommendations.~~ (1) There is an American Rescue Plan health advisory commission.

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

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

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

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

28 (3) ~~The commission shall recommend how funds allocated to the department of public health and~~

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Drafter: Julie Johnson, 406-444-4024

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1 ~~human services are to be used.~~ The health and human services budget committee established pursuant to
2 House Bill No. 497 shall recommend how funds appropriated to the department of public health and human
3 services are to be used.

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

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

9
10 NEW SECTION. Section 35. Effective date. [This act] is effective on passage and approval.

11 - END -