

1 HOUSE BILL NO. 12  
2 INTRODUCED BY M. HOPKINS  
3 BY REQUEST OF THE OFFICE OF BUDGET AND PROGRAM PLANNING  
4

5 A BILL FOR AN ACT ENTITLED: "AN ACT APPROPRIATING MONEY FROM THE HISTORIC  
6 PRESERVATION GRANT PROGRAM ACCOUNT TO THE DEPARTMENT OF COMMERCE FOR HISTORIC  
7 PRESERVATION PROJECTS; AUTHORIZING GRANTS FROM THE HISTORIC PRESERVATION GRANT  
8 PROGRAM ACCOUNT; PLACING CONDITIONS ON GRANTS AND FUNDS; PROVIDING AN  
9 APPROPRIATION; AMENDING SECTION 22-3-1306, MCA; AMENDING SECTION 1(2), CHAPTER 467,  
10 LAWS OF 2021; AND PROVIDING AN EFFECTIVE DATE."  
11

12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:  
13

14 **Section 1.** Section 22-3-1306, MCA, is amended to read:

15 **"22-3-1306. Priorities for funding -- rulemaking.** (1) The department of commerce shall make  
16 recommendations for grants awarded under the historic preservation grant program to public or private eligible  
17 entities for the preservation of historic sites, historical societies, or history museums in the state.

18 (2) Projects funded under this section must provide that a significant portion of the facility be open  
19 to public access and use. Projects that confer only a private benefit are not eligible.

20 (3) The recommendations must be based on competitive criteria created by the department, as  
21 guided by the legislature. The criteria may include:

22 (a) the degree of economic stimulus or economic activity, including job creation and work creation  
23 for Montana contractors and service workers;

24 (b) the purpose of the project, including whether it provides features that establish or enhance  
25 security, climate control, or fire protection for museums or address infrastructure, maintenance, or building code  
26 issues;

27 (c) the timing of the project, including access to matching funds, if needed, and approval of permits  
28 so that work can be completed without delay;

- (d) the historic or heritage value related to the state of Montana;
- (e) the successful track record or experience of the organization directing the project; ~~and~~
- (f) the expected ongoing economic benefit to the state as a result of the project completion;
- ~~(g) the degree of local contribution to the project; and~~
- ~~(h) the anticipated public benefit, including the extent the site or building will be open to the public~~  
~~and the degree of immediate facility use after project completion.~~

~~(2)(4)~~ The department of commerce shall adopt rules necessary to implement the historic preservation grant program. In adopting rules, the department shall look to the rules adopted for the Montana coal endowment program, the cultural and aesthetic grant program, and other similar state programs. To the extent feasible, the department shall make the rules compatible with those other programs."

**Section 2.** Section 1(2), Chapter 467, Laws of 2021, is amended to strike the following projects and appropriations:

"4	The People's Center in Pablo	
	Confederated Salish and Kootenai Tribes	\$50,600"
"12	O'Fallon Historical Museum in Baker	
	Fallon County	\$298,657"
"16	Blaine County Museum in Chinook	
	Blaine County Museum	\$60,240"

**NEW SECTION. Section 3. Appropriation for Montana historic grant program.** (1) There is appropriated to the department of commerce ~~\$8,501,314~~ \$10,968,044 for the biennium beginning July 1, 2023, from the historic preservation grant program account established in 22-3-1307 to finance projects authorized in subsection (2).

(2) The following projects and applicants are authorized for grants in ~~their order of priority~~ ranked order:

Rank	Project/Applicant	Grant Amount
<del>1</del>	<del>Harlowton Roundhouse</del>	

# Amendment - 1st Reading-white - (H) Appropriations

- 2023

68th Legislature 2023

Drafter: Katy Callon, 406-444-4421

HB0012.001.015

1		<del>Harlowton, City of</del>	<del>\$500,000</del>
2	2	Fort Peck Theatre	
3		Fort Peck Fine Arts Council	\$500,000
4	3	Baker State Bank Building	
5		Southeastern Montana Area Revitalization Team (SMART)	\$160,000
6	4	Petroleum County Courthouse	
7		Petroleum County	\$498,720
8	5	Milligan Building	
9		Bighorn Valley Health Center, Inc. dba One Health	\$500,000
10	6	Ringling Church	
11		The Ringling Commons, LLC	\$141,773
12	7	National Museum of Forest Service History	
13		National Museum of Forest Service History	\$300,000
14	8	Historic Teslow Grain Elevator	
15		Project49	<del>\$486,102</del> <u>\$392,277</u>
16	8	A.D. Whitcomb Garage	
17		Buses of Yellowstone Preservation Trust, Inc.	\$136,366
18	10	Havre Beneath the Streets	
19		Havre Beneath the Streets	\$359,672
20	11	Hockaday Museum of Art	
21		Hockaday Museum of Art	\$31,000
22	11	Historical Museum at Fort Missoula	
23		Friends of the Historical Museum at Fort Missoula	<del>\$272,000</del> <u>\$175,200</u>
24	13	Shelby Town Hall	
25		Shelby, City of	\$5,600
26	14	Coggswell-Taylor House	
27		Montana Heritage Commission – Coggswell/Taylor House	<del>\$176,562</del> <u>\$141,250</u>
28	15	Rocky Mountain Building	

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1		Community Health Care Center, Inc. dba Alluvion Health	<del>\$500,000</del> <u>\$400,000</u>
2	15	The History Museum	
3		Cascade County Historical Society dba The History Museum	\$340,000
4	15	Copper Village Museum and Arts Center	
5		Copper Village Museum and Arts Center	\$235,000
6	18	Historic Hotel Libby	
7		Friends of Historic Hotel Libby	\$173,659
8	18	Roosevelt Center	
9		Red Lodge Area Community Foundation	\$367,578
10	20	Kelly Block Building	
11		75 Park Street LLC	\$500,000
12	20	Montana Club	
13		Original Montana Club Cooperative Association	\$90,040
14	20	Charles Krug House	
15		Sonja Maxwell	<del>\$145,000</del> <u>\$116,000</u>
16	<del>23</del>	<del>Glendive Greenhouse at Bloom Coffeehouse and Eatery</del>	
17		<del>Bloom Coffeehouse and Eatery</del>	<del>\$250,000</del>
18	23	Edwards & McLellan Block	
19		SGS Properties, LLC	\$221,590
20	25	Hickman House	
21		Montana Heritage Commission – Hickman House	<del>\$166,073</del> <u>\$161,201</u>
22	25	Paris Gibson Square Museum of Art	
23		Paris Gibson Square Museum of Art	\$300,979
24	25	Billings Depot	
25		Billings Depot, Inc.	\$414,400
26	28	Babcock Theatre	
27		Cine Billings dba Art House Cinema	\$236,000
28	29	Wheeler Cabin	

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1		Glacier National Park Conservancy	\$493,200
2	<del>29</del>	<del>Blackfoot Spiritual &amp; Heritage Center</del>	
3		<u>Blackfeet Tribe</u>	<u>\$500,000</u>
4	<del>30</del>	<del>Gilbert House</del>	
5		<del>Montana Heritage Commission - Gilbert House</del>	<del>\$297,000</del>
6	30	Stillwater County Courthouse	
7		Stillwater County	\$500,000
8	30	Waite House	
9		Yogo Mansion LLC	<del>\$390,000</del> <u>\$270,000</u>
10	33	Moss Manion	
11		Billings Preservation Society	\$500,000
12	34	Ouellette Place	
13		Homeward, Inc. (Ouellette Place)	<del>\$287,300</del> <u>\$100,000</u>
14	34	Acme Building	
15		Homeward, Inc. (Acme Historic Hotel)	<del>\$321,100</del> <u>\$100,000</u>
16	36	Great Falls Civic Center	
17		Great Falls, City of	<del>\$500,000</del> <u>\$250,000</u>
18	37	Miles City Convent Keepers Community Center	
19		Miles City Convent Keepers	\$119,688
20	38	Lenox Flats Building	
21		Homeward, Inc. (Lenox Flats)	<del>\$288,330</del> <u>\$100,000</u>
22	38	Miles City Elks Lodge #537	
23		Miles City Elks Lodge #537	\$200,000
24	40	Daly Mansion	
25		Daly Mansion Preservation Trust	<del>\$266,400</del> <u>\$100,000</u>
26	<del>40</del>	<del>Fountain Terrace Condominiums</del>	
27		<del>Fountain Terrace Condominiums Inc.</del>	<del>\$500,000</del>
28	40	Garfield County Museum	

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1	Garfield County	<del>\$500,000</del> <u>\$400,000</u>
2	43 Deer Lodge City Hall	
3	Deer Lodge, City of	\$283,500
4	<del>44 Pollard Hotel</del>	
5	<del>Spofford Hotel Company</del>	<del>\$118,720</del>
6	45 Joliet Town Hall and Courthouse	
7	Joliet, Town of	\$83,000
8	<del>46 Lakeside Distillery</del>	
9	<del>Lakeside Distillery</del>	<del>\$65,000</del>
10	47 Miracle of America Museum	
11	Miracle of America Museum	<del>\$92,623</del> <u>\$70,351</u>
12	<del>48 Legal Tender Bar and Hotel Building</del>	
13	<del>Mountana Consulting, LLC</del>	<del>\$255,938</del>

14 (3) Funding for the projects in subsection (2) will be provided in the order of priority as long as  
15 there are sufficient funds available from the amount that was deposited into the historic preservation grant  
16 program account during the biennium beginning July 1, 2023. The funds in this subsection must be awarded for  
17 the projects and in amounts not to exceed the amounts set out in subsection (2) subject to the conditions set  
18 forth in ~~[section 3]~~ [section 6]. However, any of the projects listed in subsection (2) that have not completed the  
19 conditions described in ~~[section 3(1)]~~ [section 6(1)] by September 1, 2024, must be reviewed by the next regular  
20 legislature to determine if the authorized grant should be withdrawn.

21 (4) If sufficient funds are available, this section constitutes a valid obligation of funds to the grant  
22 projects listed in subsection (2) for purposes of encumbering the funds in the historic preservation grant  
23 program account established in 22-3-1307 for the biennium beginning July 1, 2023, pursuant to 17-7-302. A  
24 grant recipient's entitlement to receive funds is dependent on the grant recipient's compliance with the  
25 conditions described in ~~[section 3]~~ [section 6] and on the availability of funds.

26 (5) The legislature, pursuant to 22-3-1305, authorizes the grants for the projects listed in  
27 subsection (2).

28 (6) (a) Except as provided in subsection (6)(b), a grant recipient shall enter into a definitive, binding

1 contract with a qualified contractor to construct the project prior to September 30 of the even-numbered year  
2 preceding the next regularly scheduled legislative session. If the grant recipient fails to meet the deadline, any  
3 obligation to the grant recipient will cease, and the funds will revert to the historic preservation grant program  
4 account established in 22-3-1307 for use in the next biennium.

5 (b) A grant recipient who fails to meet the contract deadline for either of the following reasons may  
6 request one 2-year extension, during which the project must be placed under contract or any obligation to the  
7 grant will cease:

8 (i) the project was damaged by fire or another form of casualty; or

9 (ii) the grant recipient failed to find a qualified contractor to construct the project and diligently  
10 pursued all reasonable avenues to find a qualified contractor.

11 ~~(6)(7)~~ Grant recipients ~~must~~ shall complete all of the conditions described in ~~[section 3(1)]~~ [section  
12 6(1)] by September 30, 2026, or any obligation to the grant recipient will cease.

14 **NEW SECTION. Section 4. Supplemental appropriations.** In the event that the total cost of a  
15 project exceeds the amount of the grant and matching funds, the grant recipient is fully responsible for funding  
16 the cost overrun. A supplemental appropriation may not be granted to complete the project.

18 **NEW SECTION. Section 5. Approval of grants -- completion of biennial appropriation.** (1) The  
19 legislature, pursuant to 22-3-1305, authorizes grants for the projects identified in ~~[section 1(2)]~~ [section 3(2)].

20 (2) The authorization of these grants completes a biennial appropriation from the historic  
21 preservation grant program account established in 22-3-1307.

22 (3) Grants to entities from prior bienniums are reauthorized for completion of contract work.

24 **NEW SECTION. Section 6. Condition of grants -- disbursement of funds.** (1) The disbursement of  
25 grant funds for the projects specified in ~~[section 1(2)]~~ [section 3(2)] is subject to completion of the following  
26 conditions:

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

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1 (b) The grant recipient must have a project management plan that is approved by the department  
2 of commerce.

3 (c) The grant recipient must be in compliance with the auditing and reporting requirements  
4 provided for in 2-7-503 and have established a financial accounting system that the department can reasonably  
5 ensure conforms to generally accepted accounting principles. Tribal governments shall comply with auditing  
6 and reporting requirements provided for in 2 CFR 200.

7 (d) The grant recipient shall satisfactorily comply with any conditions described in the application  
8 (project) summaries section of the Montana historic preservation grant program 2025 biennium report to the  
9 68th legislature.

10 (e) The grant recipient shall satisfy other specific requirements considered necessary by the  
11 department of commerce to accomplish the purpose of the project as evidenced by the application to the  
12 department.

13 (f) The grant recipient shall execute a grant agreement with the department of commerce.

14 (2) Recipients of Montana historic preservation grant program funds are subject to the  
15 requirements of the department of commerce as described in the most recent edition of the Montana Historic  
16 Preservation Grant Program Project Administration Manual adopted by the department through the  
17 administrative rulemaking process.

18  
19 **NEW SECTION. Section 7. Other powers and duties of the department of commerce.** (1) The  
20 department of commerce must disburse grant funds on a reimbursement basis as grant recipients incur eligible  
21 project expenses.

22 (2) If actual project expenses are lower than the projected expense of the project, the department  
23 may, at its discretion, reduce the amount of grant funds provided to grant recipients in proportion to all other  
24 project funding sources.

25  
26 **NEW SECTION. Section 8. Notification to tribal governments.** The secretary of state shall send a  
27 copy of [this act] to each federally recognized tribal government in Montana.

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