

Amendment - 1st Reading/2nd House-blue - Requested by: Steve Fitzpatrick - (S) Business, Labor, and Economic Affairs

- 2023

68th Legislature 2023

Drafter: Erin Sullivan, 406-444-3594

HB0819.002.005

1 HOUSE BILL NO. 819
2 INTRODUCED BY P. GREEN, F. SMITH, J. READ, E. MCCLAFFERTY, M. CAFERRO, S. STEWART
3 PEREGOY, L. JONES, R. LYNCH, D. LOGE, R. FITZGERALD, F. ANDERSON, C. KNUDSEN, S. VINTON, T.
4 WELCH, E. BOLDMAN, S. MORIGEAU, J. SMALL, J. GROSS, M. HOPKINS, J. ELLSWORTH, N. DURAM, J.
5 DOOLING, D. HARVEY, E. KERR-CARPENTER, K. BOGNER, J. KASSMIER, D. BEDEY, L. BREWSTER, K.
6 ZOLNIKOV, S. GIST, M. MALONE, E. STAFMAN, A. BUCKLEY, J. GILLETTE, K. WALSH, M. BERTOGLIO, S.
7 O'BRIEN, M. YAKAWICH, T. BROCKMAN, G. PARRY, E. MATTHEWS, G. NIKOLAKAKOS, P. TUSS, D.
8 BAUM, B. BARKER, J. LYNCH, L. SMITH, M. ROMANO, J. KARLEN, B. CARTER, Z. ZEPHYR, N. HASTINGS

9
10 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR THE MONTANA COMMUNITY
11 REINVESTMENT PLAN; PROVIDING FOR DONATIONS TO THE MONTANA COMMUNITY REINVESTMENT
12 PLAN THAT PROVIDES FUNDING FOR ATTAINABLE WORKFORCE HOUSING; PROVIDING FOR A TAX
13 CREDIT FOR DONATIONS TO THE PROGRAM; PROVIDING FOR DISTRIBUTION OF THE FUNDS TO
14 COMMUNITY REINVESTMENT ORGANIZATIONS; PROVIDING FOR COMMUNITY REINVESTMENT
15 ORGANIZATION REQUIREMENTS; REQUIRING COMMUNITY REINVESTMENT ORGANIZATIONS TO
16 PROCURE MATCHING FUNDS; PROVIDING FOR A MONTANA COMMUNITY REINVESTMENT
17 COMMISSION; PROVIDING DEFINITIONS; PROVIDING RULEMAKING AUTHORITY; PROVIDING FOR A
18 TRANSFER OF FUNDS; PROVIDING A AN STATUTORY APPROPRIATION; AMENDING SECTIONS 15-30-
19 2303 AND 17-7-502, MCA; AMENDING SECTION 90-6-137, MCA; AND PROVIDING A DELAYED AN
20 IMMEDIATE EFFECTIVE DATE."

21
22 WHEREAS, the availability of attainable workforce housing is critical to the well-being of individuals,
23 communities, businesses, and organizations of all sizes, and the economy at large; and

24 WHEREAS, access to attainable workforce housing provides greater opportunities to realize the
25 American dream, allows for more robust job creation, promotes a stronger economy, and is essential to
26 ensuring our residents and future generations are able to live, work, and raise their families in the state; and

27 WHEREAS, driven by a shortage of housing supply, the state faces a crisis of attainable workforce

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1 1, Ch. 340, L. 2017, the inclusion of ~~22-1-327~~ terminates July 1, 2023; pursuant to ~~sec. 10, Ch. 374, L. 2017,~~
2 ~~the inclusion of 76-17-103~~ terminates June 30, 2027; pursuant to ~~sec. 5, Ch. 50, L. 2019, the inclusion of 37-50-~~
3 ~~209~~ terminates September 30, 2023; pursuant to ~~sec. 1, Ch. 408, L. 2019, the inclusion of 17-7-215~~ terminates
4 June 30, 2029; pursuant to ~~secs. 11, 12, and 14, Ch. 343, L. 2019, the inclusion of 15-35-108~~ terminates June
5 30, 2027; pursuant to ~~sec. 7, Ch. 465, L. 2019, the inclusion of 85-2-526~~ terminates July 1, 2023; pursuant to
6 ~~sec. 5, Ch. 477, L. 2019, the inclusion of 10-3-802~~ terminates June 30, 2023; pursuant to ~~secs. 1, 2, 3, Ch. 139,~~
7 ~~L. 2021, the inclusion of 53-9-113~~ terminates June 30, 2027; pursuant to ~~sec. 8, Ch. 200, L. 2021, the inclusion~~
8 ~~of 10-4-310~~ terminates July 1, 2031; pursuant to ~~secs. 3, 4, Ch. 404, L. 2021, the inclusion of 30-10-1004~~
9 ~~terminates June 30, 2027; pursuant to sec. 5, Ch. 548, L. 2021, the inclusion of 50-1-115~~ terminates June 30,
10 2025; pursuant to ~~secs. 5 and 12, Ch. 563, L. 2021, the inclusion of 22-3-1004~~ is effective July 1, 2027; and
11 pursuant to ~~sec. 15, Ch. 574, L. 2021, the inclusion of 46-32-108~~ terminates June 30, 2023.) "

12

13 **Section 9.** Section 90-6-137, MCA, is amended to read:

14 **"90-6-137. Alternate funding source for housing loans -- use of coal tax trust fund money. (1)**

15 The board of investments shall allow the board of housing to administer \$15 million of the coal tax trust fund for
16 the purpose of providing loans for the development and preservation of homes and apartments to assist eligible
17 low-income and moderate-income applicants. Until the board uses money in the coal tax trust fund to loan to a
18 qualified applicant pursuant to this part, the money under the administration of the board must remain invested
19 by the board of investments.

20 (2) While a loan made from the coal tax trust fund pursuant to this section is repaid, the principal
21 payments on the loan must be deposited in the coal tax trust fund until all of the principal of the loan is repaid.

22 Interest received on a loan may be used by the board, in amounts determined by the board in accordance with
23 90-6-136, to pay for the servicing of a loan and for reasonable costs of the board for administering the program.

24 After payment of associated expenses, interest received on the loan must be deposited into the coal tax trust
25 fund.

26 (3) (a) Money from the coal tax trust fund must be used for the purposes identified in 90-6-134(3)
27 and (4).

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- 1 (b) Loans made pursuant to this section must meet the following requirements:
- 2 (i) Projects funded with the loans must be multifamily rental housing projects that provide low-
- 3 income and moderate-income housing.
- 4 (ii) The loan must be in the first lien position and may not exceed 95% of total development costs.
- 5 (iii) The minimum interest rate charged on a loan pursuant to this section is 0.5% less than the
- 6 interest rate charged for a loan funded by the housing Montana fund provided for in 90-6-133.
- 7 (iv) The board and the loan recipient shall each pay half of loan servicing fees.
- 8 (v) Projects funded with the loans must be subject to property taxes.
- 9 (4) Money from the coal tax trust fund may not be used to replace existing or available sources of
- 10 funding for eligible activities.
- 11 (5) Funds administered by the board from the coal tax trust fund may not be used to pay the
- 12 expenses of any other program or service administered by the board.
- 13 (6) A multifamily rental housing project eligible to receive a loan under this section may include the
- 14 development or preservation of a mobile home park as defined in 70-33-103."

15

16 NEW SECTION. Section 10. TRANSFER OF FUNDS. BY JULY 1, 2023, THE STATE TREASURER SHALL

17 TRANSFER \$50 MILLION FROM THE GENERAL FUND TO THE MONTANA COMMUNITY REINVESTMENT PLAN ACCOUNT

18 PROVIDED FOR IN [SECTION 5].

19

20 NEW SECTION. Section 11. APPROPRIATION. (1) THERE IS APPROPRIATED ONE-TIME-ONLY \$50 MILLION

21 FROM THE MONTANA COMMUNITY INVESTMENT PLAN ACCOUNT PROVIDED FOR IN [SECTION 5] TO THE DEPARTMENT OF

22 COMMERCE FOR THE BIENNIUM BEGINNING JULY 1, 2023.

23 (2) THE APPROPRIATION MUST BE USED AS PROVIDED IN [SECTION 5].

24

25 NEW SECTION. Section 12. Codification instruction. (1) [Sections 1 through 40 8] are intended to

26 be codified as an integral part of Title 90, and the provisions of Title 90 apply to [sections 1 through 40 8].

27 (2) [Section 11] is intended to be codified as an integral part of Title 15, chapter 30, and the