

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

- 2023

68th Legislature 2023

Drafter: Erin Sullivan, 406-444-3594

HB0881.001.001

1 HOUSE BILL NO. 881
2 INTRODUCED BY E. BUTTREY
3
4 A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING LAWS RELATED TO THE BIG SKY
5 ECONOMIC DEVELOPMENT PROGRAM; REMOVING LOCAL AND TRIBAL GOVERNMENTS AS ELIGIBLE
6 APPLICANTS; ALLOWING BUSINESSES TO APPLY DIRECTLY TO THE PROGRAM; REMOVING
7 REQUIREMENTS RELATING TO HIGH-POVERTY COUNTIES; REMOVING REQUIREMENTS
8 ASSOCIATED WITH JOB CREATION; REMOVING ALLOCATIONS FOR DISTRIBUTIONS TO LOCAL OR
9 TRIBAL GOVERNMENTS AND CERTIFIED REGIONAL DEVELOPMENT CORPORATIONS; ALLOWING
10 AWARDS FOR WORKFORCE ACTIVITIES; REVISING A STATUTORY APPROPRIATION ALLOCATION;
11 TRANSFERRING FUNDS FROM THE MICROBUSINESS FINANCE PROGRAM ADMINISTRATIVE
12 ACCOUNT TO THE ECONOMIC DEVELOPMENT STATE SPECIAL REVENUE ACCOUNT; TRANSFERRING
13 FUNDS FROM THE PRIMARY SECTOR BUSINESS TRAINING ACCOUNT TO THE ECONOMIC
14 DEVELOPMENT STATE SPECIAL REVENUE ACCOUNT; TRANSFERRING DEFEDERALIZED ECONOMIC
15 DEVELOPMENT FUNDS FROM THE DEPARTMENT OF COMMERCE TO THE ECONOMIC
16 DEVELOPMENT STATE SPECIAL REVENUE ACCOUNT; EXTENDING THE SUNSET DATE ON THE COAL
17 SEVERANCE TAX TRUST FUND FOR THE BIG SKY ECONOMIC DEVELOPMENT PROGRAM; REVISING
18 DEFINITIONS; PROVIDING RULEMAKING AUTHORITY; AMENDING SECTIONS 17-5-703, 17-6-407, 17-6-
19 409, 39-11-205, 90-1-201, 90-1-202, 90-1-203, 90-1-204, AND 90-1-205, MCA; AND PROVIDING AN
20 EFFECTIVE DATE."

21
22 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

23
24 **Section 1.** Section 17-5-703, MCA, is amended to read:

25 **"17-5-703. (Temporary) Coal severance tax trust funds.** (1) The trust established under Article IX,
26 section 5, of the Montana constitution is composed of the following funds:

27 (a) a coal severance tax bond fund into which the constitutionally dedicated receipts from the coal

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1 ~~(h) Nothing in subsection (2)(g) exempts an employer from minimum wage requirements."~~

2

3 **Section 9.** Section 90-1-205, MCA, is amended to read:

4 **"90-1-205. Economic development special revenue account.** (1) There is an economic
5 development state special revenue account. The account receives earnings from the big sky economic
6 development fund as provided in 17-5-703. The money in the account may be used only as provided in this
7 part.

8 (2) The money in the account is statutorily appropriated, as provided in 17-7-502, to the
9 department. ~~Of the~~ The money that is deposited in the account that is not must be used as provided in this part,
10 for administrative expenses, or for other economic development purposes:

11 ~~(a) 75% must be allocated for distribution to local governments and tribal governments to be used for~~
12 ~~job creation efforts; and~~

13 ~~(b) 25% must be allocated for distribution to certified regional development corporations, economic~~
14 ~~development organizations that are located in a county that is not part of a certified regional development~~
15 ~~corporation, and tribal governments."~~

16

17 **NEW SECTION. Section 10. Fund transfers to economic development state special revenue**
18 **account.** By September 1, 2023, the state treasurer shall transfer all funds from the following accounts to the
19 economic development state special revenue account established in 90-1-205:

20 (1) the microbusiness finance program administrative account established in 17-6-407; and

21 (2) the primary sector business training account established in 39-11-205.

22

23 **NEW SECTION. Section 11. Transfer of defederalized economic development funds.** (1) By
24 September 1, 2023, the state treasurer shall transfer the following defederalized funds to the economic
25 development state special revenue account established in 90-1-205:

26 (a) all American Rescue Plan Act of 2021, Public Law 117-2, funds ~~authorized by the American~~
27 ~~rescue plan economic transformation and stabilization and workforce development advisory commission in~~

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1 ~~sections 11 and appropriated in section~~ 12, Chapter 401, Laws of 2021, to the office of budget and program
2 planning and allocated for use by the department of commerce for economic development programs, except
3 programs administered by the board of investments;

4 (b) all state small business credit initiative funds authorized by section 15, Chapter 401, Laws of
5 2021, and section 3301 of the American Rescue Plan Act of 2021, Public Law 117-2;

6 (c) all U.S. economic development administration revolving loan funds administered at the
7 department of commerce; and

8 (d) any other defederalized economic development funds administered at the department of
9 commerce.

10 (2) For the purposes of this section, "defederalized" means the federal government has released
11 the federal requirements associated with specific awarded funds; and therefore these funds are no longer
12 considered federal funds and are released of any former obligations of the federal award.

13
14 NEW SECTION. Section 12. Notification to tribal governments. The secretary of state shall send a
15 copy of [this act] to each federally recognized tribal government in Montana.

16
17 NEW SECTION. Section 13. Effective date. [This act] is effective July 1, 2023.

18 - END -