AN ACT APPROPRIATING MONEY FROM THE HISTORIC PRESERVATION GRANT PROGRAM ACCOUNT TO THE DEPARTMENT OF COMMERCE FOR HISTORIC PRESERVATION PROJECTS; AUTHORIZING GRANTS FROM THE HISTORIC PRESERVATION GRANT PROGRAM ACCOUNT; PLACING CONDITIONS ON GRANTS AND FUNDS; PROVIDING AN APPROPRIATION; AMENDING SECTIONS 22-3-1305 AND 22-3-1306, MCA; AMENDING SECTION 1(2), CHAPTER 467, LAWS OF 2021; AND PROVIDING AN EFFECTIVE DATE AND A TERMINATION DATE.

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

Section 1. Section 22-3-1305, MCA, is amended to read:

"22-3-1305. Historic preservation grant program -- proposals -- recommendations. (1) There is a historic preservation grant program established within the department of commerce. A Except as provided in subsection (6), a person, association, or representative of a governing unit seeking a historic preservation grant under this section must submit a grant proposal to the department by March 1 of the year preceding the convening of a regular legislative session.

(2) The department shall review all proposals for historic preservation grants in consultation with the tourism advisory council and the state historical preservation office before they are submitted to the legislature.

(3) Consistent with the rules adopted in accordance with 22-3-1306, the department shall make recommendations to the legislature on each proposal submitted to the department.

(4) The department's recommendations to the legislature are advisory.

(5) The department shall present its recommendations to the appropriations committee of the legislature by the 15th day of a regular legislative session.

(6) The legislature may appropriate funds for a qualifying historic preservation grant in addition to
Section 2. Section 22-3-1306, MCA, is amended to read:

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

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

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

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

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

(c) the timing of the project, including access to matching funds, if needed, and approval of permits 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 3. 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"

Section 4. Appropriation for Montana historic grant program. (1) There is appropriated to the department of commerce $11,368,044 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 ranked order:

<table>
<thead>
<tr>
<th>Rank</th>
<th>Project/Applicant</th>
<th>Grant Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Harlowton Roundhouse</td>
<td>$400,000</td>
</tr>
<tr>
<td>2</td>
<td>Fort Peck Theatre</td>
<td>$500,000</td>
</tr>
<tr>
<td>3</td>
<td>Baker State Bank Building</td>
<td>$160,000</td>
</tr>
<tr>
<td>4</td>
<td>Petroleum County Courthouse</td>
<td>$498,720</td>
</tr>
<tr>
<td>5</td>
<td>Milligan Building</td>
<td>$500,000</td>
</tr>
<tr>
<td>6</td>
<td>Ringling Church</td>
<td>$141,773</td>
</tr>
<tr>
<td>7</td>
<td>National Museum of Forest Service History</td>
<td>$300,000</td>
</tr>
<tr>
<td></td>
<td>Project</td>
<td>Author/Recipient</td>
</tr>
<tr>
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<td>-------------------------------------------------------------------------</td>
<td>------------------------------------------------------------</td>
</tr>
<tr>
<td>8</td>
<td>Historic Teslow Grain Elevator</td>
<td>Project49</td>
</tr>
<tr>
<td>8</td>
<td>A.D. Whitcomb Garage</td>
<td>Buses of Yellowstone Preservation Trust, Inc.</td>
</tr>
<tr>
<td>10</td>
<td>Havre Beneath the Streets</td>
<td>Havre Beneath the Streets</td>
</tr>
<tr>
<td>11</td>
<td>Hockaday Museum of Art</td>
<td>Hockaday Museum of Art</td>
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<tr>
<td>11</td>
<td>Historical Museum at Fort Missoula</td>
<td>Friends of the Historical Museum at Fort Missoula</td>
</tr>
<tr>
<td>13</td>
<td>Shelby Town Hall</td>
<td>Shelby, City of</td>
</tr>
<tr>
<td>14</td>
<td>Coggswell-Taylor House</td>
<td>Montana Heritage Commission – Coggswell/Taylor House</td>
</tr>
<tr>
<td>15</td>
<td>Rocky Mountain Building</td>
<td>Community Health Care Center, Inc. dba Alluvion Health</td>
</tr>
<tr>
<td>15</td>
<td>The History Museum</td>
<td>Cascade County Historical Society dba The History Museum</td>
</tr>
<tr>
<td>15</td>
<td>Copper Village Museum and Arts Center</td>
<td>Copper Village Museum and Arts Center</td>
</tr>
<tr>
<td>18</td>
<td>Historic Hotel Libby</td>
<td>Friends of Historic Hotel Libby</td>
</tr>
<tr>
<td>18</td>
<td>Roosevelt Center</td>
<td>Red Lodge Area Community Foundation</td>
</tr>
<tr>
<td>20</td>
<td>Kelly Block Building</td>
<td>75 Park Street LLC</td>
</tr>
<tr>
<td>20</td>
<td>Montana Club</td>
<td>Original Montana Club Cooperative Association</td>
</tr>
<tr>
<td>No.</td>
<td>Location</td>
<td>Owner/Recipient</td>
</tr>
<tr>
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</tr>
<tr>
<td>20</td>
<td>Charles Krug House</td>
<td>Sonja Maxwell</td>
</tr>
<tr>
<td>23</td>
<td>Edwards &amp; McLellan Block</td>
<td>SGS Properties, LLC</td>
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<tr>
<td>25</td>
<td>Hickman House</td>
<td>Montana Heritage Commission – Hickman House</td>
</tr>
<tr>
<td>25</td>
<td>Paris Gibson Square Museum of Art</td>
<td>Paris Gibson Square Museum of Art</td>
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<tr>
<td>25</td>
<td>Billings Depot</td>
<td>Billings Depot, Inc.</td>
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<tr>
<td>28</td>
<td>Babcock Theatre</td>
<td>Cine Billings dba Art House Cinema</td>
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<tr>
<td>29</td>
<td>Wheeler Cabin</td>
<td>Glacier National Park Conservancy</td>
</tr>
<tr>
<td>29</td>
<td>Blackfoot Spiritual &amp; Heritage Center</td>
<td>Blackfeet Tribe</td>
</tr>
<tr>
<td>30</td>
<td>Stillwater County Courthouse</td>
<td>Stillwater County</td>
</tr>
<tr>
<td>30</td>
<td>Waite House</td>
<td>Yogo Mansion LLC</td>
</tr>
<tr>
<td>33</td>
<td>Moss Mansion</td>
<td>Billings Preservation Society</td>
</tr>
<tr>
<td>34</td>
<td>Ouellette Place</td>
<td>Homeword, Inc. (Ouellette Place)</td>
</tr>
<tr>
<td>34</td>
<td>Acme Building</td>
<td>Homeword, Inc. (Acme Historic Hotel)</td>
</tr>
<tr>
<td>36</td>
<td>Great Falls Civic Center</td>
<td>Great Falls, City of</td>
</tr>
</tbody>
</table>
37  Miles City Convent Keepers Community Center
Miles City Convent Keepers  $119,688

38  Lenox Flats Building
Homewood, Inc. (Lenox Flats)  $100,000

38  Miles City Elks Lodge #537
Miles City Elks Lodge #537  $200,000

40  Daly Mansion
Daly Mansion Preservation Trust  $100,000

40  Garfield County Museum
Garfield County  $400,000

43  Deer Lodge City Hall
Deer Lodge, City of  $283,500

45  Joliet Town Hall and Courthouse
Joliet, Town of  $83,000

47  Miracle of America Museum
Miracle of America Museum  $70,351

(3)  Funding for the projects in subsection (2) will be provided in the order of priority as long as
there are sufficient funds available from the amount that was deposited into the historic preservation grant
program account during the biennium beginning July 1, 2023. The funds in this subsection must be awarded for
the projects and in amounts not to exceed the amounts set out in subsection (2) subject to the conditions set
forth in [section 7]. However, any of the projects listed in subsection (2) that have not completed the conditions
described in [section 7(1)] by September 1, 2024, must be reviewed by the next regular legislature to determine
if the authorized grant should be withdrawn.

(4)  If sufficient funds are available, this section constitutes a valid obligation of funds to the grant
projects listed in subsection (2) for purposes of encumbering the funds in the historic preservation grant
program account established in 22-3-1307 for the biennium beginning July 1, 2023, pursuant to 17-7-302. A
grant recipient’s entitlement to receive funds is dependent on the grant recipient’s compliance with the
conditions described in [section 7] and on the availability of funds.
(5) The legislature, pursuant to 22-3-1305, authorizes the grants for the projects listed in subsection (2).

(6) (a) Except as provided in subsection (6)(b), a grant recipient shall enter into a definitive, binding contract with a qualified contractor to construct the project prior to September 30 of the even-numbered year preceding the next regularly scheduled legislative session. If the grant recipient fails to meet the deadline, any obligation to the grant recipient will cease, and the funds will revert to the historic preservation grant program account established in 22-3-1307 for use in the next biennium.

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

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

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

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

Section 5. Supplemental appropriations. In the event that the total cost of a project exceeds the amount of the grant and matching funds, the grant recipient is fully responsible for funding the cost overrun. A supplemental appropriation may not be granted to complete the project.

Section 6. Approval of grants -- completion of biennial appropriation. (1) The legislature, pursuant to 22-3-1305, authorizes grants for the projects identified in [section 4(2)].

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

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

Section 7. Condition of grants -- disbursement of funds. (1) The disbursement of grant funds for the projects specified in [section 4(2)] is subject to completion of the following conditions:
(a) The grant recipient shall document that other matching funds required for the completion of the project are firmly committed.

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

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

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

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

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

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

Section 8. Other powers and duties of the department of commerce. (1) The department of commerce must disburse grant funds on a reimbursement basis as grant recipients incur eligible project expenses.

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

Section 9. Notification to tribal governments. The secretary of state shall send a copy of [this act]
to each federally recognized tribal government in Montana.

Section 10. Effective date. [This act] is effective July 1, 2023.

Section 11. Termination. [Section 1] terminates June 30, 2025.

- END -
I hereby certify that the within bill, HB 12, originated in the House.

___________________________________________
Chief Clerk of the House

___________________________________________
Speaker of the House

Signed this _____________________________ day
of _____________________________, 2023.

___________________________________________
President of the Senate

Signed this _____________________________ day
of _____________________________, 2023.
AN ACT APPROPRIATING MONEY FROM THE HISTORIC PRESERVATION GRANT PROGRAM ACCOUNT TO THE DEPARTMENT OF COMMERCE FOR HISTORIC PRESERVATION PROJECTS; AUTHORIZING GRANTS FROM THE HISTORIC PRESERVATION GRANT PROGRAM ACCOUNT; PLACING CONDITIONS ON GRANTS AND FUNDS; PROVIDING AN APPROPRIATION; AMENDING SECTIONS 22-3-1305 AND 22-3-1306, MCA; AMENDING SECTION 1(2), CHAPTER 467, LAWS OF 2021; AND PROVIDING AN EFFECTIVE DATE AND A TERMINATION DATE.