

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
28 severance tax must be deposited;

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

4
5 **NEW SECTION. Section 10. Fund transfers to economic development state special revenue**
6 **account.** By September 1, 2023, the state treasurer shall transfer all funds from the following accounts to the
7 economic development state special revenue account established in 90-1-205:

- 8 (1) the microbusiness finance program administrative account established in 17-6-407; and
- 9 (2) the primary sector business training account established in 39-11-205.

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

14 (a) all American Rescue Plan Act of 2021, Public Law 117-2, funds ~~authorized by the American~~
15 ~~rescue plan economic transformation and stabilization and workforce development advisory commission in~~
16 ~~sections 11 and appropriated in section 12, Chapter 401, Laws of 2021, to the office of budget and program~~
17 ~~planning and allocated~~ for use by the department of commerce for economic development programs, except
18 programs administered by the board of investments;

19 (b) all state small business credit initiative funds authorized by section 15, Chapter 401, Laws of
20 2021, and section 3301 of the American Rescue Plan Act of 2021, Public Law 117-2;

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

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

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

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