



AN ACT PROVIDING FUNDING TO LOCAL GOVERNMENTS FOR THE MAINTENANCE OF CITY ROADS; PROVIDING FUNDING FOR THE RECONSTRUCTION AND REPAIR OF LOCAL ROADS AND BRIDGES; PROVIDING FOR THE DISTRIBUTION OF FUNDS; PROVIDING A STATUTORY APPROPRIATION; PROVIDING A FUND TRANSFER; AMENDING SECTION 17-7-502, MCA; AND PROVIDING AN EFFECTIVE DATE.

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

Section 1. Local road and bridge account -- appropriation. There is a local road and bridge account in the state special revenue fund established in 17-2-102. All funds received pursuant to [section 4] must be deposited in the account.

(2) Money deposited in the account is statutorily appropriated as provided in 17-7-502 to the department of transportation and, except as provided in subsection (3), may be used for:

(a) funding or providing the state matching source for the reconstruction and repair of:

(i) off-system bridges;

(ii) secondary highway system routes;

(iii) urban highway system routes; or

(b) providing a state matching source, at the discretion of the department, for discretionary grants for road and bridge repair or reconstruction awarded to local governments.

(3) The amount of \$20 million deposited in the account must be distributed pursuant to [section 2] by September 1, 2023.

Section 2. Distribution of funds for city road maintenance -- appropriation. (1) The amount of \$20 million deposited in the local road and bridge account provided for in [section 1] must be distributed by the

department no later than September 1, 2023, to incorporated cities and towns with a population of less than 10,000 for the construction, reconstruction, maintenance, and repair of city or town streets and alleys.

(2) The amount of \$20 million must be divided among the incorporated cities and towns with a population of less than 10,000 as of the most recent decennial federal census in the following manner:

(a) 50% in the ratio that the city or town street and alley mileage, exclusive of the national highway system and the primary system, within corporate limits bears to the total street and alley mileage, exclusive of the national highway system and primary system, within the corporate limits of all incorporated cities and towns in Montana with a population of less than 10,000; and

(b) 50% in the ratio that the population within the corporate limits of the city or town bears to the total population within corporate limits of all the cities and towns in Montana with a population of less than 10,000 as of the most recent decennial federal census.

(3) (a) All funds allocated by this section to cities and towns must be used for the construction, reconstruction, maintenance, and repair of city or town streets and alleys.

(b) Funds allocated by this section may not be used for the purchase of capital equipment.

(4) All funds allocated by this section to cities and towns must be disbursed to the lowest responsible bidder according to applicable bidding procedures followed in all cases in which the contract for construction, reconstruction, maintenance, or repair is in excess of the amounts provided in 7-5-2301 and 7-5-4302.

(5) For the purposes of this section in which distribution of funds is made on a basis related to population, the population must be determined for cities according to the latest official decennial federal census.

(6) For the purposes of this section in which determination of mileage is necessary for distribution of funds, the department of transportation shall utilize the yearly certified statement indicating the total mileage as provided in 15-70-101(7).

Section 3. Section 17-7-502, MCA, is amended to read:

"17-7-502. Statutory appropriations -- definition -- requisites for validity. (1) A statutory appropriation is an appropriation made by permanent law that authorizes spending by a state agency without the need for a biennial legislative appropriation or budget amendment.

(2) Except as provided in subsection (4), to be effective, a statutory appropriation must comply with both of the following provisions:

(a) The law containing the statutory authority must be listed in subsection (3).

(b) The law or portion of the law making a statutory appropriation must specifically state that a statutory appropriation is made as provided in this section.

(3) The following laws are the only laws containing statutory appropriations: 2-17-105; 5-11-120; 5-11-407; 5-13-403; 5-13-404; 7-4-2502; 7-4-2924; 7-32-236; 10-1-108; 10-1-1202; 10-1-1303; 10-2-603; 10-2-807; 10-3-203; 10-3-310; 10-3-312; 10-3-314; 10-3-802; 10-3-1304; 10-4-304; 10-4-310; 15-1-121; 15-1-218; 15-31-165; 15-31-1004; 15-31-1005; 15-35-108; 15-36-332; 15-37-117; 15-39-110; 15-65-121; 15-70-101; 15-70-130; section 1; 15-70-433; 16-11-119; 16-11-509; 17-3-106; 17-3-212; 17-3-222; 17-3-241; 17-6-101; 17-7-215; 18-11-112; 19-3-319; 19-3-320; 19-6-404; 19-6-410; 19-9-702; 19-13-604; 19-17-301; 19-18-512; 19-19-305; 19-19-506; 19-20-604; 19-20-607; 19-21-203; 20-8-107; 20-9-534; 20-9-622; [20-15-328]; 20-26-617; 20-26-1503; 22-1-327; 22-3-116; 22-3-117; [22-3-1004]; 23-4-105; 23-5-306; 23-5-409; 23-5-612; 23-7-301; 23-7-402; 30-10-1004; 37-43-204; 37-50-209; 37-54-113; 39-71-503; 41-5-2011; 42-2-105; 44-4-1101; 44-12-213; 44-13-102; 46-32-108; 50-1-115; 53-1-109; 53-6-148; 53-9-113; 53-24-108; 53-24-206; 60-5-530; 60-11-115; 61-3-321; 61-3-415; 67-1-309; 69-3-870; 69-4-527; 75-1-1101; 75-5-1108; 75-6-214; 75-11-313; 75-26-308; 76-13-150; 76-13-151; 76-13-417; 76-17-103; 77-1-108; 77-2-362; 80-2-222; 80-4-416; 80-11-518; 80-11-1006; 81-1-112; 81-1-113; 81-7-106; 81-7-123; 81-10-103; 82-11-161; 85-2-526; 85-20-1504; 85-20-1505; [85-25-102]; 87-1-603; 87-5-909; 90-1-115; 90-1-205; 90-1-504; 90-6-331; and 90-9-306.

(4) There is a statutory appropriation to pay the principal, interest, premiums, and costs of issuing, paying, and securing all bonds, notes, or other obligations, as due, that have been authorized and issued pursuant to the laws of Montana. Agencies that have entered into agreements authorized by the laws of Montana to pay the state treasurer, for deposit in accordance with 17-2-101 through 17-2-107, as determined by the state treasurer, an amount sufficient to pay the principal and interest as due on the bonds or notes have statutory appropriation authority for the payments. (In subsection (3): pursuant to sec. 10, Ch. 360, L. 1999, the inclusion of 19-20-604 terminates contingently when the amortization period for the teachers' retirement system's unfunded liability is 10 years or less; pursuant to sec. 73, Ch. 44, L. 2007, the inclusion of 19-6-410 terminates contingently upon the death of the last recipient eligible under 19-6-709(2) for the supplemental

benefit provided by 19-6-709; pursuant to sec. 5, Ch. 383, L. 2015, the inclusion of 85-25-102 is effective on occurrence of contingency; pursuant to sec. 6, Ch. 423, L. 2015, the inclusion of 22-3-116 and 22-3-117 terminates June 30, 2025; pursuant to sec. 12, Ch. 55, L. 2017, the inclusion of 37-54-113 terminates June 30, 2023; pursuant to sec. 4, Ch. 122, L. 2017, the inclusion of 10-3-1304 terminates September 30, 2025; pursuant to sec. 1, Ch. 213, L. 2017, the inclusion of 90-6-331 terminates June 30, 2027; pursuant to secs. 5, 8, Ch. 284, L. 2017, the inclusion of 81-1-112, 81-1-113, and 81-7-106 terminates June 30, 2023; pursuant to sec. 1, Ch. 340, L. 2017, the inclusion of 22-1-327 terminates July 1, 2023; pursuant to sec. 10, Ch. 374, L. 2017, the inclusion of 76-17-103 terminates June 30, 2027; pursuant to sec. 5, Ch. 50, L. 2019, the inclusion of 37-50-209 terminates September 30, 2023; pursuant to sec. 1, Ch. 408, L. 2019, the inclusion of 17-7-215 terminates June 30, 2029; pursuant to secs. 11, 12, and 14, Ch. 343, L. 2019, the inclusion of 15-35-108 terminates June 30, 2027; pursuant to sec. 7, Ch. 465, L. 2019, the inclusion of 85-2-526 terminates July 1, 2023; pursuant to sec. 5, Ch. 477, L. 2019, the inclusion of 10-3-802 terminates June 30, 2023; pursuant to secs. 1, 2, 3, Ch. 139, L. 2021, the inclusion of 53-9-113 terminates June 30, 2027; pursuant to sec. 8, Ch. 200, L. 2021, the inclusion of 10-4-310 terminates July 1, 2031; pursuant to secs. 3, 4, Ch. 404, L. 2021, the inclusion of 30-10-1004 terminates June 30, 2027; pursuant to sec. 5, Ch. 548, L. 2021, the inclusion of 50-1-115 terminates June 30, 2025; pursuant to secs. 5 and 12, Ch. 563, L. 2021, the inclusion of 22-3-1004 is effective July 1, 2027; and pursuant to sec. 15, Ch. 574, L. 2021, the inclusion of 46-32-108 terminates June 30, 2023.)"

Section 4. Transfer of funds. Within 15 days of [the effective date of this act], the state treasurer shall transfer \$100 million from the general fund to the local road and bridge account provided for in [section 1].

Section 5. Codification instruction. [Section 1] is intended to be codified as an integral part of Title 15, chapter 70, part 1, and the provisions of Title 15, chapter 70, part 1, apply to [section 1].

Section 6. Coordination instruction. If both House Bill No. 2 and [this act] are passed and approved and if House Bill No. 2 includes an appropriation of at least \$100 million to the department of transportation for the purposes of [this act], then the appropriation in House Bill No. 2 for the purposes of [this act] is void.

Section 7. Effective date. [This act] is effective July 1, 2023.

- END -

I hereby certify that the within bill,
SB 536, originated in the Senate.

Secretary of the Senate

President of the Senate

Signed this _____ day
of _____, 2023.

Speaker of the House

Signed this _____ day
of _____, 2023.

SENATE BILL NO. 536

INTRODUCED BY G. HERTZ

AN ACT PROVIDING FUNDING TO LOCAL GOVERNMENTS FOR THE MAINTENANCE OF CITY ROADS; PROVIDING FUNDING FOR THE RECONSTRUCTION AND REPAIR OF LOCAL ROADS AND BRIDGES; PROVIDING FOR THE DISTRIBUTION OF FUNDS; PROVIDING A STATUTORY APPROPRIATION; PROVIDING A FUND TRANSFER; AMENDING SECTION 17-7-502, MCA; AND PROVIDING AN EFFECTIVE DATE.