

1 of science and technology development are repaid, the board shall deposit the proceeds or loans made from
2 the coal severance tax trust fund in the coal severance tax permanent fund until all investments are paid back
3 with 7% interest.

4 (4) The board shall allow the Montana facility finance authority to administer \$15 million of the
5 permanent coal tax trust fund for capital projects. Until the authority makes a loan pursuant to the provisions of
6 Title 90, chapter 7, the funds under its administration must be invested by the board pursuant to the provisions
7 of 17-6-201. As loans for capital projects made pursuant to this subsection are repaid, the principal and interest
8 payments on the loans must be deposited in the coal severance tax permanent fund until all principal and
9 interest have been repaid. The board and the authority shall calculate the amount of the interest charge.
10 Individual loan amounts may not exceed 10% of the amount administered under this subsection.

11 (5) The board shall allow the board of housing to administer \$50 million of the permanent coal tax
12 trust fund for the purposes of the Montana veterans' home loan mortgage program provided for in Title 90,
13 chapter 6, part 6.

14 (6) The board shall allow the board of housing to administer ~~\$65~~ \$115 million of the permanent
15 coal tax trust fund for the purpose of providing loans for the development and preservation of homes and
16 apartments to assist low-income and moderate-income persons with meeting their basic housing needs
17 pursuant to 90-6-137.

18 (7) (a) Subject to subsections (7)(b) and (7)(c), the board may make working capital loans from the
19 permanent coal tax trust fund to an owner of a coal-fired generating unit.

20 (b) Loans may be provided in accordance with subsection (7)(a) to an owner to finance:

21 (i) the everyday operations and required maintenance of a coal-fired generating unit of which an
22 owner has a shared interest;

23 (ii) the purchase of an additional interest in a coal-fired generating unit of which an owner has a
24 shared interest;

25 (iii) the purchase of coal to use at a coal-fired generating unit or improvements necessary to utilize
26 coal from a different source at a coal-fired generating unit. When considering loan requests made under this
27 subsection (7)(b)(iii), the board shall give preference to requests that allow for utilization of coal resources
28 located in Montana or allow for improvements to utilize coal resources located in Montana that are determined

1 to be economically feasible.

2 (iv) the purchase of electric transmission lines and associated facilities of a design capacity of 500
3 kilovolts or more primarily used to transmit electricity generated by a coal-fired resource;

4 (v) costs related to decommissioning and remediation of a coal-fired generating unit or affected
5 property to meet applicable legal obligations as defined in 75-8-103; or

6 (vi) any combination of subsections (7)(b)(i) through (7)(b)(v).

7 (c) The board may charge a working capital loan application fee of up to \$500.

8 (8) The board may make loans from the permanent coal tax trust fund to a city, town, county, or
9 consolidated city-county government impacted by the closure of a coal-fired generating unit to secure and
10 maintain existing infrastructure.

11 (9) The board shall adopt rules to allow a nonprofit corporation to apply for economic assistance.
12 The rules must recognize that different criteria may be needed for nonprofit corporations than for for-profit
13 corporations.

14 (10) All repayments of proceeds pursuant to subsection (3) of investments made from the coal
15 severance tax trust fund must be deposited in the coal severance tax permanent fund."

16

17 **Section 2.** Section 90-6-137, MCA, is amended to read:

18 **"90-6-137. Alternate funding source for housing loans -- use of coal tax trust fund money. (1)**

19 The board of investments shall allow the board of housing to administer ~~\$65~~\$115 million of the coal tax trust
20 fund for the purpose of providing loans for the development and preservation of homes and apartments to
21 assist eligible low-income and moderate-income applicants. Until the board uses money in the coal tax trust
22 fund to loan to a qualified applicant pursuant to this part, the money under the administration of the board must
23 remain invested by the board of investments.

24 (2) While a loan made from the coal tax trust fund pursuant to this section is repaid, the principal
25 payments on the loan must be deposited in the coal tax trust fund until all of the principal of the loan is repaid.
26 Interest received on a loan may be used by the board, in amounts determined by the board in accordance with
27 90-6-136, to pay for the servicing of a loan and for reasonable costs of the board for administering the program.
28 After payment of associated expenses, interest received on the loan must be deposited into the coal tax trust

1 fund.

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

4 (b) Loans made pursuant to this section must meet the following requirements:

5 (i) Projects funded with the loans must be multifamily rental housing projects that provide low-
6 income and moderate-income housing.

7 (ii) The loan must be in the first lien position and may not exceed 95% of total development costs.

8 (iii) The minimum interest rate charged on a loan pursuant to this section is no less than 0.5%
9 below the current coal trust fund investment performance, and all loans combined must at least average the
10 current coal trust investment performance.

11 (iv) The board and the loan recipient shall each pay half of loan servicing fees.

12 ~~(v) Projects funded with the loans must be subject to property taxes, except those located on tribal~~
13 ~~lands.~~

14 (4) Money from the coal tax trust fund may not be used to replace existing or available sources of
15 funding for eligible activities.

16 (5) Funds administered by the board from the coal tax trust fund may not be used to pay the
17 expenses of any other program or service administered by the board.

18 (6) A multifamily rental housing project eligible to receive a loan under this section may include the
19 development or preservation of a mobile home park as defined in 70-33-103."

20

21 NEW SECTION. Section 3. Effective date. [This act] is effective July 1, 2025.

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