

## 1 HOUSE BILL NO. 635

2 INTRODUCED BY K. HANSEN

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4 A BILL FOR AN ACT ENTITLED: "AN ACT AUTHORIZING THE CREATION OF STATE DEBT THROUGH THE  
5 ISSUANCE OF GENERAL OBLIGATION BONDS SUBJECT TO A STATE GENERAL FUND REVENUE  
6 CERTIFICATION BY THE DEPARTMENT OF ADMINISTRATION; APPROPRIATING THE PROCEEDS OF THE  
7 BONDS FOR UNIVERSITY SYSTEM BUILDING PROJECTS; PROVIDING FOR MATTERS RELATING TO  
8 APPROPRIATIONS; AND PROVIDING EFFECTIVE DATES."

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

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12 NEW SECTION. **Section 1. Certification of general fund revenue.** (1) The department of  
13 administration shall certify to the secretary of state by August 1, 2011, the amount of unaudited general fund  
14 revenue and transfers into the general fund received in fiscal year 2011 as recorded when the fiscal year 2011  
15 statewide accounting, budgeting, and human resource system records are closed in July 2011. General fund  
16 revenue and transfers into the general fund are those recorded in the statewide accounting, budgeting, and  
17 human resource system using generally accepted accounting principles in accordance with 17-1-102(2).

18 (2) If the certified unaudited general fund revenue and transfers into the general fund received in fiscal  
19 year 2011 exceed the revenue and transportation interim committee's estimate, as introduced in the 2011  
20 legislature, of \$1,672,133,000, plus prior fiscal year revenue of \$750,000, by at least \$2,000,000, then the  
21 department of administration shall certify to the board of examiners, the board of regents, the budget director, the  
22 legislative fiscal analyst, and the secretary of state the difference between \$1,672,133,000, plus prior year  
23 revenue of \$750,000, and the certified unaudited general fund revenue and transfers into the general fund  
24 received in fiscal year 2011. The certification must be provided no later than August 1, 2011.

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26 NEW SECTION. **Section 2. Definitions.** For the purposes of [sections 3 through 6], "capital project"  
27 means the acquisition of land or improvements or the planning, capital construction, renovation, equipping,  
28 furnishing, or major repair projects authorized in [sections 3 through 6].

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30 NEW SECTION. **Section 3. Appropriation of bond proceeds.** The following money is appropriated

1 to the department of administration from the capital projects fund from the proceeds of the bonds authorized by  
2 [section 4] for the indicated capital projects:

- 3 (1) university of Montana-Helena college of technology, laboratory renovation, \$150,000;
- 4 (2) university of Montana-Butte, library renovations, \$2 million;
- 5 (3) Montana state university-Billings, science and instructional tech building, \$12.5 million;
- 6 (4) Montana state university-Bozeman, Montana agricultural experiment stations, \$1 million;
- 7 (5) Montana state university-Great Falls college of technology, roof replacement \$600,000;
- 8 (6) university of Montana-Missoula college of technology, new facility, \$25 million;
- 9 (7) university of Montana-western, main hall, \$2.2 million; and
- 10 (8) Montana state university-northern, new diesel facility, \$7.5 million.

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12 **NEW SECTION. Section 4. Authorization of bonds -- condition.** (1) The board of examiners is  
13 authorized to issue and sell general obligation bonds in an amount not exceeding \$50.95 million for the capital  
14 projects described in [section 3] in addition to the amount of general obligation bonds outstanding on January 1,  
15 2011.

16 (2) The bonds in this section must be issued in accordance with the terms and in the manner required  
17 by Title 17, chapter 5, part 8. The authority granted to the board of examiners by this section is in addition to any  
18 other authorization to the board of examiners to issue and sell general obligation bonds.

19 (3) The proceeds from the bonds sold under this section must be deposited in the capital projects  
20 account provided for in 17-5-804.

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22 **NEW SECTION. Section 5. Planning and design.** The department of administration may proceed with  
23 the planning and design of capital projects prior to the receipt of other funding sources. The entities receiving  
24 funds pursuant to [sections 2 through 6] may use interentity loans in accordance with 17-2-107 to pay planning  
25 and design costs incurred before the receipt of other funding sources.

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27 **NEW SECTION. Section 6. Legislative consent.** The appropriations authorized in [section 3] constitute  
28 legislative consent for the capital projects contained in [section 3] within the meaning of 18-2-102.

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30 **NEW SECTION. Section 7. Severability.** If a part of [this act] is invalid, all valid parts that are severable

1 from the invalid part remain in effect. If a part of [this act] is invalid in one or more of its applications, the part  
2 remains in effect in all valid applications that are severable from the invalid applications.

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4 NEW SECTION. Section 8. Requirement for approval of state debt. Because [section 4] authorizes  
5 the creation of state debt, Article VIII, section 8, of the Montana constitution requires a vote of two-thirds of the  
6 members of each house of the legislature for passage.

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8 NEW SECTION. Section 9. Effective dates -- contingency. (1) Except as provided in subsection (2),  
9 [this act] is effective on passage and approval.

10 (2) [Sections 2 through 6] are effective only if the department of administration certifies that unaudited  
11 general fund revenue and transfers into the general fund received in fiscal year 2011 exceed the revenue and  
12 transportation interim committee's estimate, as introduced in the 2011 legislature, of \$1,672,133,000, plus prior  
13 fiscal year revenue of \$750,000, by at least \$2,000,000, as provided in [section 1].

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